

Company Registration No. 08248059 (England and Wales)

TANDRIDGE LEARNING TRUST
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2020



TANDRIDGE LEARNING TRUST

CONTENTS

	Page
Reference and administrative details	1 - 2
Directors' report	3 - 13
Governance statement	14 - 17
Statement on regularity, propriety and compliance	18
Statement of directors' responsibilities	19
Independent auditor's report on the accounts	20 - 22
Independent reporting accountant's report on regularity	23 - 24
Statement of financial activities including income and expenditure account	25 - 26
Balance sheet	27
Statement of cash flows	28
Notes to the accounts including accounting policies	29 - 50

TANDRIDGE LEARNING TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Members	P Bateman (resigned 4 November 2020) G Bull (resigned 4 September 2020) A Catford S Davison A Woodhouse	
Directors	K Quinton (Chair of Trustees) R Baker S Burn L Funnell A Ghattas (Chair of Finance and Audit Committee) D Prothero	
Senior management team	R Plaskitt P Chowdhury K Bellinger P Foster D Gregori N Mace N Riches S Day P Kinder	- Chief Executive Officer - Director of Finance and Operations - Headteacher - Headteacher (appointed 1 June 2020) - Headteacher - Headteacher (appointed 1 February 2020) - Headteacher - Interim Joint Head of School (until 31 August 2020) - Interim Joint Head of School (until 31 August 2020)
Company secretary	P Chowdhury	
Company registration number	08248059 (England and Wales)	
Registered office	Warlingham School Tithe Pit Shaw Lane Warlingham Surrey CR6 9YB	
Academies operated	Location	CEO
Warlingham School	Warlingham	S Day / P Kinder (joint interim Heads until 31 August 2020). P Foster appointed Headteacher 1 June 2020
Bletchingley Village Primary School	Bletchingley	D Gregori
Hamsey Green Primary School	Warlingham	N Mace
Tatsfield Primary School	Tatsfield, Westerham	K Bellinger
Woodlea Primary School	Woldingham	N Riches
Tandridge Learning Trust	Warlingham	R Plaskitt

TANDRIDGE LEARNING TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Independent auditor	Azets Audit Services Greytown House 221-227 High Street Orpington Kent BR6 0NZ
Bankers	Lloyds Bank plc 21 Station Avenue Caterham Surrey CR3 6YT
Solicitors	Stone King LLP Boundary House 91 Charterhouse Street London EC1M 6HR

TANDRIDGE LEARNING TRUST

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 AUGUST 2020

The directors present their annual report together with the accounts and independent auditor's report of the charitable company for the period 1 September 2019 to 31 August 2020. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

Tandridge Learning Trust operates five academy schools for children aged 2 to 19 in Tandridge, Surrey: Bletchingley Village Primary School, Hamsey Green Primary School, Tatsfield Primary School, Woodlea Primary School and Warlingham School and Sixth Form College. The schools had a combined roll of 2,300 in the school census of October 2019.

Structure, governance and management

Constitution

The Tandridge Learning Trust is a company limited by guarantee with no share capital (registration no. 08248059) and is an exempt charity. The charitable company's Memorandum and Articles of Association are the primary governing documents of the Academy. The charitable company is known as Tandridge Learning Trust.

The directors are the trustees of Tandridge Learning Trust and are also the directors of the charitable company for the purposes of company law. Details of the directors who served during the year are included in the Reference and Administrative Details on page 1.

Members' liability

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

Method of recruitment and appointment or election of directors

The members of the Academy Trust shall comprise the signatories to the Memorandum, and any person appointed under Article 15a of the Articles of Association. The number of Members shall not be less than 3.

The Academy Trust shall have up to 11 Trustees on the Board appointed by the Members under Article 50. The Board may also appoint Co-opted Trustees under Article 58. A person who is appointed to be a Trustee can only be co-opted by Trustees who have not themselves been so appointed. The number of Trustees shall be not less than 3. The Trustees may not co-opt an employee of the Academy Trust as a Co-opted Trustee if the number of Trustees who are employed by the Academy Trust would thereby exceed one third of the total number of Trustees.

The term of office for any Trustee shall be 4 years. Any Trustee may be re-appointed or re-elected.

Local Governing Committees will appoint local governors in the manner which they see fit, with the proviso that the specification in the Articles of Association that there must be a minimum of two parents within each local governing committee is met.

TANDRIDGE LEARNING TRUST

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Policies and procedures adopted for the induction and training of directors

All Trustees are encouraged to develop their knowledge and understanding of the role by attending relevant training events. As the Trust has developed, specific induction materials and programmes for new Trustees have been put in place.

During the year, the Chair of the Trust Board attended update courses provided by Strictly Education and Cognus Education. The Chair completed the NSPCC Safer Recruitment course and mandated Safeguarding training.

All directors participated in formal safeguarding training and now have access to the National Governance Association Learning Link programme which we will use to create structured induction programmes for trustees and local governors.

All Trustees are provided with access to policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees.

The Trust held its first shared training event for all staff in January 2020. Some additional training dates planned for the Spring and Summer term had to be cancelled due to Covid-19 pandemic.

Principal activities

The principal activity of the Multi Academy Trust is to advance for the public benefit education in the United Kingdom, in particular, but without prejudice to the generality of the foregoing, by establishing, maintaining, carrying on, managing and developing schools offering a broad and balanced curriculum.

Organisational structure

A Scheme of Delegation is in place which sets out the responsibilities of the Trust Board and the Local Governing Committees.

Local governors continue to question and challenge in order to drive improvements in their school, to monitor the school's performance and help ensure that the school budget is well managed and implemented. They work with the Central Services team to set an annual budget which is submitted to the Trust Board for approval and once approved can make decisions about the operation and direction of their individual school, make recommendations with regard to capital expenditure and appoint staff within the guidance of the CEO and Director of Finance and Operations (DFO).

The Executive Team for this academic year were the CEO, the DFO and the Head teachers of the constituent schools. These leaders control the trust at an executive level implementing the policies laid down by the Trustees and reporting back to them. They propose, consult and take responsibility for a range of functions and decisions either as a group or within their own schools.

Trustees have accountability for the academic and financial performance of all schools within the Trust and for agreeing the strategic direction.

The Scheme of Delegation and Trust finance policy set out authorisation levels for the Executive Team, Local Governing Committees and the Board of Trustees.

Arrangements for setting pay and remuneration of key management personnel

The Trust's key management personnel are the Chief Executive Officer, Head Teachers of the constituent schools and DFO.

The Trustees appraise performance and determine pay for the CEO. The CEO appraises and recommends pay for Head Teachers in accordance with the Pay Policy, current edition of the STPCD and other statutory regulations issued by the Secretary of State.

The CEO appraises the DFO. Pay and remuneration has been set in line with the Trust's Pay Policy. The salary range will be determined by reference to the Surrey County Council support staff framework and market rate.

TANDRIDGE LEARNING TRUST

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the relevant period	2
Full-time equivalent employee number	0.04

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	-
1%-50%	2
51%-99%	-
100%	-

Percentage of pay bill spent on facility time

Total cost of facility time	6,658
Total pay bill	10,423,056
Percentage of the total pay bill spent on facility time	0.06%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	0.02%
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Engagement with employees

The Trust held a joint INSET day at the start of the spring Term, and all Trust employees were invited to attend the event to hear the vision and plans for the organisation from the new CEO and listen to a guest speaker and author on aspects of change management. Several bespoke workshop sessions were then organised to share best practice and employees were encouraged to provide constructive feedback on aspects to do with their day to day role. Specific networking groups across schools were set up to continue to share ideas, research and best practice throughout this year and beyond.

An extensive consultation was also undertaken with Trust support staff on changes to their terms and conditions, one of which was to introduce appraisal performance management. This was viewed as important for support staff to provide a forum for positive and constructive feedback.

During the COVID-19 pandemic staff have been kept regularly informed by the Trust and its schools on the latest guidance, with extensive risk assessments undertaken to ensure the safe return to work for both students and staff. A number of surveys were also sent to staff to harness their feedback around their personal wellbeing and concerns on returning to work. Senior leaders across the Trust were then able to address many of these concerns with specific support measures.

TANDRIDGE LEARNING TRUST

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

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

The Trust undertook several large capital projects over the summer term and holidays, which were in addition to the usual Condition Improvement Fund (CIF) capital projects.

The projects at Warlingham School included refurbishment of the Sixth Form College facilities, increasing the security of the main school site and creating two large usable classrooms for the use of the business department.

The other two major projects were:

- creating nursery facilities at the Hamsey Green school lower site
- refurbishing the remainder of the site for use by community lettings and to provide office space for the central shared service teams.

The Trust secured six CIF capital projects spread across most of its schools. The work was for heating, fire protection, structural improvement and improving security with all projects designed to enhance the longevity of the estate and safety and security at the school sites.

All of the projects required the Trust to engage external contractors and suppliers under formal procurement processes and to formally contract with them to deliver the necessary work. The sixth form refurbishment engaged wider stakeholder feedback from students, staff and local governors to inform the design brief and the facilities required. The nursery went to formal consultation with the wider community and received positive responses. These have been confirmed by the rapid allocation of more than 26 places to local children.

Related parties and other connected charities and organisations

The Trust has formal links to four other organisations: Warlingham School Trading Company Limited, Warlingham School Educational Trust, Tatsfield Primary School Parent and Teachers Association and Woodlea School Parent and Teachers Association. Warlingham School Trading Company is an incorporated company set up by the School for the purposes of third parties hiring school premises.

The Warlingham School Educational Trust, Tatsfield Primary School Parent and Teachers Association and Woodlea School PTA are charities set up for the purposes of furthering education at the schools through charitable donations from parents and others.

Objectives and activities

Objects and aims

The Multi-academy Trust's objectives, as set out in the Articles of Association are:

a) to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum being Tandridge Learning Trust and

b) to promote for the benefit of the inhabitants of Surrey and the surrounding area, the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, 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 the said inhabitants

TANDRIDGE LEARNING TRUST

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Objectives, strategies and activities

The strategic objectives of Tandridge Learning Trust for 2019/20 formed part of a three year strategy from 2018-2021 and included:

- Support all schools to be at least good
- Consider expansion with an aim to grow towards 6-10 schools in the next five years
- Improve the operational efficiency of our organisation
- Enhance the governance of the Trust Board and local committees
- Develop TLT branding and marketing strategy
- Development of an income generation strategy

The School Improvement Plans of each school support the objective for each school to be at least good and were focussed particularly on Curriculum development this year.

Three of the five schools had Ofsted inspections under the new framework during the Spring Term. All schools in the Trust are now rated Good by Ofsted. The Trust is delighted to have helped Hamsey Green to become a good school after many years of it being judged to require improvement.

The Trust has centralised many of its finance and business functions increasing operational efficiencies through economies of scale and realising on-going savings.

Other work has included the Chair of Trustees working with Chairs of Governors to improve communications and effectiveness of governance further enhance the scheme of delegation through clear financial regulations. The Chair has also become a Local Leader of Governance for Surrey schools, working with SaFE and Cognus.

The branding for the Trust has been completed, so that the Trust has an identifiable brand to launch its services for generating income and growing the Trust.

Public benefit

In setting our objectives and planning our activities the Trustees have carefully considered the Charity Commission's general guidance on public benefit. The public benefit provided by the Trust is outlined in the Objects and Aims above.

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities and setting appropriate policies for the year.

TANDRIDGE LEARNING TRUST

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Strategic report

Achievements and performance

Tandridge Learning Trust is made up of one secondary school and four primary schools and was formed on 1 May 2017. This report does not contain any performance data in line with DfE guidance (see below).

Key Performance Indicators for the academic year 2018-2019 were fully reported and published in Tandridge Learning Trust's 2019 Annual Report & Financial Statements

DfE Guidance: Coronavirus (COVID 19) school and college accountability.

As part of steps taken to fight the spread of coronavirus (COVID-19), the government announced that all exams due to take place in schools and colleges in England in summer 2020 were cancelled and that it would not publish any school or college level educational performance data based on tests, assessments or exams for 2020, advising that:

School, college or MAT level performance data

- We will not be publishing school, college or multi-academy trust (MAT) level performance data based on summer 2020 tests, assessments and exams at any phase
- We will not be publishing, or sharing, school, college or MAT level accountability measures, such as Progress 8 and level 3 value added, using the summer 2020 data.

Primary school assessments

We will not publish any national, regional, local or constituency statistics for any primary school assessments for the 2019 to 2020 academic year. This includes:

- early years foundation stage profile
- phonics
- key stage 1
- multiplication tables check
- key stage 2

Organisations that use the data

- All those working with schools and colleges, such as Ofsted, Department for Education regional teams and local authorities, should use data from previous years when assessing school and college performance, and not the 2020 data.

Throughout the 2019-2020 academic year, the CEO and the Student & Learning Outcomes Committee met to scrutinise and monitor performance data, teacher assessments and CAG assessments across all schools. Attendance at these meetings was as follows:

Directors	Meetings attended	Out of possible
K Quinton (Chair)	4	4
S Burn	4	4
L Funnell	4	4
D Prothero	4	4

Going concern

After making appropriate enquiries, the Board of Directors has a reasonable expectation that the Multi Academy Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason the board of trustees continues to adopt the going concern basis in preparing the accounts. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

TANDRIDGE LEARNING TRUST

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Protecting the success of the academy trust

Promoting the success of the company

There were several key decisions during 2019/20 which Trustees undertook in order to promote the success of the Trust and its schools. The main key decisions during 2019/20 were:

Refurbishment of the Sixth Form at Warlingham School

Warlingham Sixth Form College needed a modern, clean and business-like look and feel, with facilities that appealed to the sixth form students, in order to continue to attract them to apply to the Sixth Form and secure future funding streams. If the sixth form numbers increase, then staff numbers and morale will also increase. The work was undertaken by external contractors who went through competitive tender in order to secure the most competitive market rate. Trustees approved the business case for the sixth form refurbishment and considered the contractor options before making their decision.

Establishing nursery provision (from age two) at Hamsey Green Primary School – the school was awarded a Good OFSTED judgement in February and promptly looked to establish nursery provision to help facilitate through-flow of children into the main school as a means of using early interventions to drive further long term enhancements to learning outcomes, as well as to secure future funding. Key views from stakeholders in the school and the wider community were considered through informal and formal consultation. Formal quotes were obtained from contractors as part of the wider Hamsey Green lower site refurbishment and market rates were secured. The Trustees ensured due diligence on the contractors was undertaken and a formal minor works contract was agreed with input from legal representatives.

Appointment of Head Teachers at Warlingham School and Hamsey Green Primary School – both schools had interim headship arrangements in place at the start of the academic year. External job adverts were placed and fielded some very good candidates. Following a rigorous interview and selection process permanent head teachers were appointed at both schools. This ensures stability at the schools and enables the schools to move forward with their plans.

Every opportunity is sought to promote the achievements and successes of the Trust and each of the schools within it. This year the Trust has significantly increased the use of social media, including Facebook, Twitter and Instagram to promote our schools and increase our presence in the community feeds. In addition to this we have strong and positive relationships with local newspapers and publications across Surrey, where we place articles and adverts to raise awareness of our schools and the wonderful work they are undertaking. We have also introduced termly Trust newsletters for parents, which go out from all schools.

Examples of success we have shared this year include:

- the three very positive Ofsted inspection reports from Hamsey Green, Woodlea and Bletchingley
- news about our Nursery provision and wrap around care at Bletchingley Village Primary School and the new Acorns Nursery opening at Hamsey Green
- the newly refurbished library and enhanced provision of learning technology at Woodlea Primary School
- Warlingham's refurbished Sixth Form Centre.

TANDRIDGE LEARNING TRUST

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Financial review

Most of the Academy's income is obtained from the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, some of which are restricted to particular purposes. The grants received from the ESFA during the year ended 31 August 2020 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

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

During the year ended 31 August 2020, total expenditure of £15,113k (2019: £14,332k) was met by recurrent grant funding from the ESFA together with other incoming resources. The excess of expenditure over income for the year (excluding restricted fixed asset funds and transfers to restricted fixed asset funds) was £1,332k (2019: £496k).

At 31 August 2020 the net book value of fixed assets was £32,976k (2019: £33,401k). Movements in tangible fixed assets are shown in note 14 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

The Surrey County Council Local Government Pension Fund, in which the Academy participates, showed a deficit of £7,219k at 31 August 2020 (2019: £6,414k).

Financial position

The Academy held fund balances at 31 August 2020 of £28,671k (2019: £30,030k) comprising £26,345k (2019: £27,284k) restricted funds and £2,326k (2019: £2,746k) of unrestricted general funds. Of the restricted funds £32,976k (2019: £33,401k) is represented by tangible fixed assets and £95k (2019: £133k) of unspent capital grants and restricted funds relating to GAG totalling £393k (2019: £85k), other DfE/ESFA grants totalling £65k (2019: £33k), other government grants of £5k (2019: £Nil) and other restricted funds of £30k (2019: £45k).

The pension reserve which is considered part of restricted funds was £7,219k (2019: £6,414k) in deficit.

Reserves policy

The Trustees review the reserve levels of the Academies annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees have determined that the appropriate level of unrestricted reserves should be £1,311k (2019: £1,100k), approximately equivalent to four weeks' expenditure.

The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance. The Trust's current level of unrestricted reserves is £2,326k (2019: £2,746k) (total funds less the amount held in fixed assets and restricted funds).

Investment policy

Under the Memorandum and Articles of Association, the Multi-academy trust has the power to invest funds not immediately required for its own purposes, in any way the Trustees see fit in order to further the Trust's charitable aims. The organisation has a positive cash balance to cover reasonable eventualities and unforeseen expenses. The banking facilities have recently been reviewed so all schools will be using the same bank account for school funds and the Trust are moving towards a central bank account for all other funds.

Principal risks and uncertainties

The Trustees have assessed the major risks to which the Trust is exposed, in particular those relating to education outcomes, health, safety and wellbeing of staff and pupils and financial security and sustainability. A risk register has been established and is reported to Trustees at every Finance and Audit Committee and Trust Board. The risk register includes mitigating actions which treat, tolerate, transfer or terminate each specific risk.

TANDRIDGE LEARNING TRUST

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

An emerging and new significant risk during 2019/20 was the COVID-19 pandemic, which has had to be managed through risk assessments and carefully thought through opening plans at each school. Trustees have approved these assessments and plans.

The Trustees have ensured through policies, procedures and systems an appropriate level of internal controls in order to minimise risk. Where significant financial risk still remains, Trustees have ensured they have adequate insurance cover and the Trust is a member of the DfE Risk Protection Arrangement.

Financial and risk management objectives and policies

The financial risks to which Tandridge Learning Trust is exposed, relate primarily to:

- Government funding reductions
- Cost of living and salary and pension related inflationary and actuarial pressures unsupported by revenue funding
- Demographic and social changes leading to reduced pupil numbers

The Covid-19 pandemic has resulted in additional costs being incurred for IT equipment, an increased number of hours required for cleaning, cleaning materials, PPE equipment and sanitiser. Two of the schools in the trust claimed the government grant funding that was available. The pandemic has increased the risks around cyber attacks, fraud and online safeguarding. The increase to these risks has been acknowledged by trustees and is reflected in the trust risk register.

Fundraising

The Academy Trust does not use any external fundraisers. All fundraising undertaken during the year was monitored by the Trustees. All staff members involved in fundraising activities are trained in accordance with recognised standards so as to ensure that the public, including vulnerable people, are protected from unreasonable or intrusive approaches. The Academy Trust has not received any complaints about its fund raising activities.

Streamlined energy and carbon reporting

The Trust is deemed to be a large company as determined by sections 465 and 466 of the Companies Act 2006 and consumes more than 40,000kWh of energy (in the UK) during the reporting period and therefore must report the following energy data:

<i>Energy consumption</i>	kWh	kWh
Aggregate of energy consumption in the year		
- Gas combustion	3,877,417	
- Fuel consumed for transport	936,762	
- Electricity purchased	13,105	
		<u>4,827,284</u>
<i>Emissions of CO2 equivalent</i>	metric tonnes	metric tonnes
Scope 1 - direct emissions		
- Gas combustion	712.94	
- Fuel consumed for owned transport	2.78	
		<u>715.72</u>
Scope 2 - indirect emissions		
- Electricity purchased		218.40
Scope 3 - other indirect emissions		
- Fuel consumed for transport not owned by the academy trust		0.53
Total gross emissions		<u>934.65</u>

TANDRIDGE LEARNING TRUST

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Intensity ratio

Tonnes CO2e per pupil

0.41

Quantification and reporting methodology

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2020 UK Government's Conversion Factors for Company Reporting.

Intensity measurement

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO2 equivalent per pupil, the recommended ratio for the sector.

Measures taken to improve energy efficiency

We have increased the use of video conferencing technology for meetings, to reduce travel between sites and we are mindful of turning off lights and turning down radiators.

Plans for future periods

1. Pupil Achievement

- Continuously improve educational outcomes for all pupils with a particular focus on reducing the attainment gap for disadvantaged pupils.

2. Growth Strategy

- To expand the Trust to between 6-8 schools over the next three years.

3. Central Service Provision

- To provide an excellent, collaborative shared services model to support our schools and improve the operational efficiency of our Trust

4. A Learning Organisation

- To develop and embed a Trust-wide Learning culture that permeates every aspect of Tandridge Learning Trust's community

5. Excellent Governance Structures

- To further strengthen governance at all levels throughout the Trust to increase capacity for further growth

Trust Principles that underpin our future objectives

Pupil Achievement:

- Relentless focus on high quality pupil learning and reducing the attainment gap.
- Excellence in learning outcomes irrespective of starting points.
- Promoting high aspirations and expectations to achieve success for all.

Growth Strategy;

- We will welcome more schools to join our learning community who share our aspirational vision and inclusive ethos.
- We are stronger together, celebrating what makes us unique whilst embracing our shared values.

Central Service Provision:

- Effectively delivering centralised services which support and enhance school functions and provide value for money
- A shared sense of belonging and pride.
- Encouraging progressive and sustained improvement.
- Supporting and building outstanding leadership capacity.
- Resilient support functions, that provide consistent and relevant professional support and advice

TANDRIDGE LEARNING TRUST

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

A Learning Organisation:

- Continually invest in professional learning opportunities for all staff.
- Create a positive learning culture for our pupils and their families, for our staff and our local community.
- An environment in which everyone feels safe, supported, happy and valued.
- Supporting and building outstanding leadership capacity.

Excellent Governance Structures:

- Create a positive learning culture for our pupils and their families, for our staff and our local community.
- Continually invest in professional learning opportunities for all staff.
- Promoting high aspirations and expectations to achieve success for all.
- A shared sense of belonging and pride

Auditor

In so far as the directors are aware:

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

A resolution proposing that Azets Audit Services be reappointed as auditor of the charitable company was agreed by members.

On 7 September 2020 Group Audit Services Limited, trading as Wilkins Kennedy Audit Services, changed its name to Azets Audit Services Limited. The name they practice under is Azets Audit Services and accordingly they have signed their report in their new name.

The directors' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 08 December 2020 and signed on its behalf by:



K Quinton
Chair of Trustees

TANDRIDGE LEARNING TRUST

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2020

Scope of responsibility

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

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

Trustees reviewed the market on their external auditors and have reappointed Azets Audit Services (previously Wilkins Kennedy Audit Services) and have changed their internal auditors to Buzzacotts.

Governance

The information on governance included here supplements that described in the Directors' Report and in the Statement of Directors' Responsibilities. The board of trustees has formally held 6 meetings in the year. Attendance during the year at meetings of the board of trustees was as follows:

Directors	Meetings attended	Out of possible
K Quinton (Chair of Trustees)	6	6
R Baker	6	6
S Burn	6	6
L Funnell	6	6
A Ghattas (Chair of Finance and Audit Committee)	6	6
D Prothero	5	6

The board has been focused on these core activities over the year:

- Supporting the new CEO in her role to lead the Trust and its schools through a particularly tumultuous year with three OFSTED inspections and the pandemic.
- Supporting Hamsey Green Primary School in its journey from 'requires improvement' to 'good' and ensuring increasing pupil numbers in reception and the establishment of nursery provision.
- Addressing core staffing issues – appointment of new Head teachers for Hamsey Green Primary School and Warlingham School.
- Addressing areas requiring improvement in Warlingham School and Sixth Form College
- Ensuring financial stability and sustainability while investing wisely in strategic initiatives to drive future improvements.

In the third year of the Trust's existence, the Trust Board has effectively held the operational staff of the Trust to account. The Finance and Audit, and Learning Outcomes, committees are becoming embedded and grow in impact each year.

TANDRIDGE LEARNING TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

During the year further opportunities have arisen from staff leaving, and we have seized those to centralise much of the finance, HR and IT functions, with significantly greater effectiveness and efficiency now being delivered.

- The financial information that is provided to the Trust Board has changed over the course of the year. It was previously very granular but is now much more focused on the key information that we need. The Finance and Audit committee is able to drill down into detail where required.
- The information that we have on learning outcomes has been structured in line with the requirements of the Learning Outcomes committee and is validated by comparison with the national data released each year. We have developed data dashboards to facilitate the presentation of management information and make comparisons easier.
- Communication with local governing committees has been more effective. Regular meetings take place between the Chair of the Trust Board and the chairs of local governing committees.

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

- Ensure that financial management is properly reviewed and scrutinised – monthly monitoring and budget planning.
- Direct the Trust's internal scrutiny programme
- Ensure that risks are addressed appropriately
- Report to the Board on the adequacy of the Trust's internal control framework – both financial and non-financial.

Directors	Meetings attended	Out of possible
K Quinton (Chair of Trustees)	6	6
R Baker	5	6
S Burn	6	6
L Funnell	4	6
A Ghattas (Chair of Finance and Audit Committee)	6	6
D Prothero	3	3

Review of value for money

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

TANDRIDGE LEARNING TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

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

The Accounting Officer for the Multi-academy trust has delivered improved value for money during the year by:

- reviewing expenditure on a monthly basis, including reviewing and countersigning bank reconciliations and reporting to the Trust Board at each scheduled meeting
- ensuring staff with budget responsibilities receive regular monthly reports and that they stay within their allocated budgets
- providing Trustees with regular reports and recommendations from the external auditors, responsible officer
- ensuring significant spending proposals are costed and shared with the Local Governing Committee and presented to the Board of Trustees for consideration, challenge and approval
- benchmarking main areas of expenditure against similar schools to improve prioritisation of resources, commissioning of services and employment of staff.
- reviewing staffing structure, timetable and curriculum provision to ensure efficient deployment of staff in order to provide best value.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Tandridge Learning Trust for the period 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

The board of directors has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of directors is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and accounts. This process is regularly reviewed by the board of directors.

The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by Local Governing Committees and board of trustees;
- regular reviews by the Finance and Audit Committee 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 trustees appointed ASCL as Internal Auditor (IA) for the financial year 2019/20. The IA's role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. The IA visits at least two of the Trust's schools each term, reporting on the effectiveness of the systems of control and the discharge of the schools' and Trust's, financial responsibilities.

TANDRIDGE LEARNING TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

A written report is provided within seven working days of the visit and is considered in detail by the Finance and Audit Committee and then reported to the Trust Board. Current checks carried out at each visit by the internal auditor include:

- revisiting outstanding issues from previous visits/reports
- sampling checks in purchasing, procurement, income and payroll
- examining the Trust's strategic financial planning processes and benchmarking to ensure budget plans are as robust and reliable as possible
- considering the Trust's monitoring and reporting procedures to ensure compliance with the requirements of the Academies Financial Handbook
- helping to assess the risks and potential solutions where weaknesses are identified.

In the past year, no material control issues or other causes for concern were notified.

Review of effectiveness

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

- termly visits by the Internal Auditor. Reports are followed up by the Finance and Audit Committee and Head Teachers' Executive Board;
- the work of the external auditor;
- the financial management and governance self-assessment process;
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the board of trustees on 08 December 2020 and signed on its behalf by:



K Quinton
Chair of Trustees



R Plaskitt
Accounting Officer

TANDRIDGE LEARNING TRUST

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

FOR THE YEAR ENDED 31 AUGUST 2020

As Accounting Officer of Tandridge Learning Trust, I have considered my responsibility to notify the academy trust board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2019.

I confirm that I and the academy trust's board of trustees are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2019.

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.



R Plaskitt
Accounting Officer

08 December 2020

TANDRIDGE LEARNING TRUST

STATEMENT OF DIRECTORS' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2020

The directors (who also act as trustees for Tandridge Learning Trust) are responsible for preparing the directors' report and the accounts in accordance with the Academies Accounts Direction 2019 to 2020 published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

In preparing these accounts, the directors are required to:

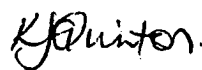
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the board of trustees on 08 December 2020 and signed on its behalf by:



K Quinton
Chair of Trustees

TANDRIDGE LEARNING TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2020

Opinion

We have audited the accounts of Tandridge Learning Trust for the year ended 31 August 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the accounts, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020 issued by the Education and Skills Funding Agency.

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2020 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020.

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

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

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

We have nothing to report in this regard.

TANDRIDGE LEARNING TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2020

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of directors

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

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

Auditor's responsibilities for the audit of the accounts

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

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

TANDRIDGE LEARNING TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2020

Use of our report

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

Azets Audit Services Limited

Michelle Wilkes FCA (Senior Statutory Auditor)
for and on behalf of Azets Audit Services
Chartered Accountants
Statutory Auditor

17 December 2020
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Greytown House
221-227 High Street
Orpington
Kent
BR6 0NZ

TANDRIDGE LEARNING TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2020

In accordance with the terms of our engagement letter dated 22 September 2020 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Tandridge Learning Trust during the period 1 September 2019 to 31 August 2020 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 Tandridge Learning Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Tandridge Learning Trust and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Tandridge Learning Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

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

The accounting officer is responsible, under the requirements of Tandridge Learning Trust's funding agreement with the Secretary of State for Education dated 1 November 2012 and the Academies Financial Handbook, extant from 1 September 2019, 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 2019 to 2020. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2019 to 31 August 2020 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 2019 to 2020 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

Our work included identification and assessment of the design and operational effectiveness of the controls, policies and procedures that have been implemented to ensure compliance with the framework of authorities including high level financial control areas and areas assessed of presenting a higher risk of impropriety. We undertook detailed testing, based on our assessment of risk of material irregularity, where such controls, policies and procedures apply to classes of transactions. This work was integrated with our audit on the financial statements to the extent evidence from the conduct of that audit supports the regularity conclusion as well as additional testing based on our assessment of risk of material irregularity.

TANDRIDGE LEARNING TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2020

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2019 to 31 August 2020 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Azets Audit Services Limited

Reporting Accountant

Azets Audit Services
Greytown House
221-227 High Street
Orpington
Kent
BR6 0NZ

Dated: 17 December 2020

TANDRIDGE LEARNING TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2020

	Notes	Unrestricted funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total 2020 £'000	Total 2019 £'000
Income and endowments from:						
Donations and capital grants	3	351	-	561	912	1,166
Charitable activities:						
- Funding for educational operations	4	-	12,538	-	12,538	12,328
Other trading activities	5	370	-	-	370	396
Investments	6	2	-	-	2	3
Total		<u>723</u>	<u>12,538</u>	<u>561</u>	<u>13,822</u>	<u>13,893</u>
Expenditure on:						
Charitable activities:						
- Educational operations	9	998	13,595	520	15,113	14,332
Total	7	<u>998</u>	<u>13,595</u>	<u>520</u>	<u>15,113</u>	<u>14,332</u>
Net income/(expenditure)		(275)	(1,057)	41	(1,291)	(439)
Transfers between funds	17	(145)	650	(505)	-	-
Other recognised gains/(losses)						
Actuarial losses on defined benefit pension schemes	19	-	(68)	-	(68)	(1,726)
Net movement in funds		<u>(420)</u>	<u>(475)</u>	<u>(464)</u>	<u>(1,359)</u>	<u>(2,165)</u>
Reconciliation of funds						
Total funds brought forward		2,746	(6,251)	33,535	30,030	32,195
Total funds carried forward		<u>2,326</u>	<u>(6,726)</u>	<u>33,071</u>	<u>28,671</u>	<u>30,030</u>

TANDRIDGE LEARNING TRUST

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2020

Comparative year information Year ended 31 August 2019	Notes	Unrestricted funds £'000	Restricted funds: General	Fixed asset £'000	Total 2019 £'000
Income and endowments from:					
Donations and capital grants	3	543	30	593	1,166
Charitable activities:					
- Funding for educational operations	4	-	12,328	-	12,328
Other trading activities	5	396	-	-	396
Investments	6	3	-	-	3
Total		<u>942</u>	<u>12,358</u>	<u>593</u>	<u>13,893</u>
Expenditure on:					
Charitable activities:					
- Educational operations	9	471	13,325	536	14,332
Total	7	<u>471</u>	<u>13,325</u>	<u>536</u>	<u>14,332</u>
Net income/(expenditure)		471	(967)	57	(439)
Transfers between funds	17	(62)	520	(458)	-
Other recognised gains/(losses)					
Actuarial losses on defined benefit pension schemes	19	-	(1,726)	-	(1,726)
Net movement in funds		409	(2,173)	(401)	(2,165)
Reconciliation of funds					
Total funds brought forward		2,337	(4,078)	33,936	32,195
Total funds carried forward		<u>2,746</u>	<u>(6,251)</u>	<u>33,535</u>	<u>30,030</u>

TANDRIDGE LEARNING TRUST

BALANCE SHEET

AS AT 31 AUGUST 2020

		2020	2019
	Notes	£'000	£'000
Fixed assets			
Tangible assets	13	32,976	33,401
Current assets			
Debtors	14	906	587
Cash at bank and in hand		3,556	3,961
		4,462	4,548
Current liabilities			
Creditors: amounts falling due within one year	15	(1,548)	(1,505)
Net current assets		2,914	3,043
Net assets excluding pension liability		35,890	36,444
Defined benefit pension scheme liability	19	(7,219)	(6,414)
Total net assets		28,671	30,030
Funds of the academy trust:			
Restricted funds	17		
- Fixed asset funds		33,071	33,535
- Restricted income funds		493	163
- Pension reserve		(7,219)	(6,414)
Total restricted funds		26,345	27,284
Unrestricted income funds	17	2,326	2,746
Total funds		28,671	30,030

The accounts on pages 25 to 50 were approved by the directors and authorised for issue on 08 December 2020 and are signed on their behalf by:



K Quinton
Chair of Trustees

Company Number 08248059

TANDRIDGE LEARNING TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2020

	Notes	2020 £'000	2019 £'000
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	20	(873)	115
Cash flows from investing activities			
Dividends, interest and rents from investments		2	3
Capital grants from DfE Group		488	593
Capital funding received from sponsors and others		73	-
Purchase of tangible fixed assets		(95)	(181)
Net cash provided by investing activities		468	415
Net (decrease)/increase in cash and cash equivalents in the reporting period		(405)	530
Cash and cash equivalents at beginning of the year		3,961	3,431
Cash and cash equivalents at end of the year		<u>3,556</u>	<u>3,961</u>

TANDRIDGE LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

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

1.1 Basis of preparation

The accounts of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2019 to 2020 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

1.2 Going concern

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

1.3 Income

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

Grants

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 period for which it is receivable, and any abatement in respect of the period is deducted from income and recognised as a liability.

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

Donations

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

Other income

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

TANDRIDGE LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

(Continued)

Donated goods, facilities and services

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

Donated fixed assets

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

Interest receivable

Interest receivable is included within the statement of financial activities on a receivable basis.

1.4 Expenditure

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

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

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Charitable activities

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

TANDRIDGE LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

(Continued)

1.5 Tangible fixed assets and depreciation

Assets costing less than £3,000 or a group of similar items costing £10,000 are written off. All others 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. 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 such assets is charged to the restricted fixed asset fund in the statement of financial activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the academy trust's depreciation policy. Where tangible fixed assets have been acquired with unrestricted funds the cost is transferred to the restricted fixed asset fund, depreciation on such assets is charged to the restricted fixed asset fund.

The property at Warlingham School has been included at the valuation provided by the ESFA when completing their desktop valuation.

The properties at Bletchingley Village Primary School, Hamsey Green Primary School and Tatsfield Primary School have been included based on the valuation provided by the Valuation Office Agency as at 31 March 2015 and included at the carrying value provided by the Valuation Office Agency as at 1 May 2017.

The properties at Woodlea Primary School has been included based on the valuation provided by the Valuation Office Agency as at 31 March 2016 and included at the carrying value provided by the Valuation Office Agency as at 1 May 2017.

The academies have a 125 year lease from the date of conversion for the use of the land and buildings with the local authority.

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

Land and buildings	Buildings 2%, Land is not depreciated
Computer equipment	33.3%
Fixtures, fittings & equipment	10-20%
Motor vehicles	25%

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

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

1.6 Liabilities

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

TANDRIDGE LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

(Continued)

1.7 Leased assets

Rentals payable under operating leases are charged against income on a straight-line basis over the period of the lease.

1.8 Financial instruments

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

Financial assets

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

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

Financial liabilities

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

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

1.9 Taxation

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

1.10 Pensions benefits

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

The TPS is an unfunded scheme and contributions are calculated to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary based on quadrennial valuations using a prospective unit credit method. The 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 are recognised in the period to which they relate.

TANDRIDGE LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

(Continued)

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

1.11 Fund accounting

General funds represent those resources which may be used towards meeting any of the 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 ESFA and DfE where the asset acquired or created is held for a specific purpose.

Restricted funds comprise all other restricted funds received and include grants from the ESFA and DfE.

1.12 Agency Arrangements

The academy trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the trust does not have control over the charitable application of the funds. The trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the statement of financial activities. The funds received and paid and any balances held are disclosed in note 27.

2 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 21, 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 2019 has been used by the actuary in valuing the pensions liability at 31 August 2020. 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.

TANDRIDGE LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

2 Critical accounting estimates and areas of judgement

(Continued)

Critical areas of judgement

Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 14 for the carrying amount of the property plant and equipment, and note 1.5 for the useful economic lives for each class of assets.

Bad debts

Debtors are regularly reviewed for recoverability, any debts which in the opinion of management are not recoverable are provided for as a specific bad debt.

There are no key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

3 Donations and capital grants

	Unrestricted funds £'000	Restricted funds £'000	Total 2020 £'000	Total 2019 £'000
School trips	172	-	172	334
Capital grants	-	488	488	593
Other donations	179	73	252	239
	<u>351</u>	<u>561</u>	<u>912</u>	<u>1,166</u>

4 Funding for the academy trust's educational operations

	Unrestricted funds £'000	Restricted funds £'000	Total 2020 £'000	Total 2019 £'000
DfE / ESFA grants				
General annual grant (GAG)	-	10,699	10,699	10,915
Other DfE group grants	-	1,285	1,285	832
	<u>-</u>	<u>11,984</u>	<u>11,984</u>	<u>11,747</u>
Other government grants				
Local authority grants	-	554	554	581
	<u>-</u>	<u>554</u>	<u>554</u>	<u>581</u>
Total funding	<u>-</u>	<u>12,538</u>	<u>12,538</u>	<u>12,328</u>

TANDRIDGE LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

5 Other trading activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2020 £'000	Total 2019 £'000
Hire of facilities	145	-	145	204
Catering income	31	-	31	43
Other income	194	-	194	149
	<u>370</u>	<u>-</u>	<u>370</u>	<u>396</u>

6 Investment income

	Unrestricted funds £'000	Restricted funds £'000	Total 2020 £'000	Total 2019 £'000
Short term deposits	<u>2</u>	<u>-</u>	<u>2</u>	<u>3</u>

7 Expenditure

	Staff costs £'000	Non-pay expenditure Premises £'000	Other £'000	Total 2020 £'000	Total 2019 £'000
Academy's educational operations					
- Direct costs	8,844	423	896	10,163	9,911
- Allocated support costs	<u>2,223</u>	<u>1,834</u>	<u>893</u>	<u>4,950</u>	<u>4,421</u>
	<u>11,067</u>	<u>2,257</u>	<u>1,789</u>	<u>15,113</u>	<u>14,332</u>

Net income/(expenditure) for the year includes:

	2020 £'000	2019 £'000
Fees payable to auditor for:		
- Audit	18	18
- Other services	15	12
Operating lease rentals	8	8
Depreciation of tangible fixed assets	520	536
Net interest on defined benefit pension liability	<u>121</u>	<u>121</u>

8 Central services

The academy trust has provided the following central services to its academies during the year:

- financial services
- legal services
- Staffing (CEO, DFO, MAT Finance Manager and IT)

TANDRIDGE LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

8 Central services

(Continued)

The academy trust charges for these services on the following basis:

- 5.83% (2019: 4.2%) of GAG School Budget Share and;
- IT team costs

The amounts charged during the year were as follows:

	2020 £'000	2019 £'000
Warlingham School	421	398
Bletchingley Village Primary School	65	59
Hamsey Green Primary School	72	55
Tatsfield Primary School	46	34
Woodlea Primary School	47	41
Tandridge Learning Trust	-	-
	<u>651</u>	<u>587</u>

9 Charitable activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2020 £'000	Total 2019 £'000
Direct costs				
Educational operations	998	9,165	10,163	9,911
Support costs				
Educational operations	-	4,950	4,950	4,421
	<u>998</u>	<u>14,115</u>	<u>15,113</u>	<u>14,332</u>

TANDRIDGE LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

9 Charitable activities		(Continued)	
		2020 £'000	2019 £'000
Analysis of support costs			
Support staff costs		2,223	2,071
Depreciation		97	113
Technology costs		154	117
Premises costs		1,737	1,302
Legal costs		27	19
Other support costs		679	769
Governance costs		33	30
		<u>4,950</u>	<u>4,421</u>
10 Staff			
Staff costs			
Staff costs during the year were:			
		2020 £'000	2019 £'000
Wages and salaries		7,858	7,761
Social security costs		715	696
Pension costs		2,396	1,800
Staff costs - employees		<u>10,969</u>	<u>10,257</u>
Agency staff costs		90	213
Staff restructuring costs		8	12
		<u>11,067</u>	<u>10,482</u>
Staff development and other staff costs		70	71
Total staff expenditure		<u>11,137</u>	<u>10,553</u>
Staff restructuring costs comprise:			
Redundancy payments		8	-
Severance payments		-	12
		<u>8</u>	<u>12</u>

TANDRIDGE LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

10 Staff

(Continued)

Staff numbers

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

	2020 Number	2019 Number
Teachers	134	134
Administration and support	198	204
Management	8	9
	<u>340</u>	<u>347</u>

Higher paid staff

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

	2020 Number	2019 Number
£60,001 - £70,000	7	8
£70,001 - £80,000	1	1
£80,001 - £90,000	3	2
£110,001 - £120,000	1	1
	<u>12</u>	<u>12</u>

Key management personnel

The key management personnel of the academy trust comprise the directors and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employers national insurance contributions) received by key management personnel for their services to the academy trust was £873k (2019: £797k).

11 Directors' remuneration and expenses

None of the directors have been paid remuneration or have received other benefits from an employment with the academy trust. The CEO only receives remuneration in respect of services provided in undertaking the role of CEO under their contract of employment.

During the year, no expenses were reimbursed or paid directly to directors (2019: £123 - 1 director).

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

The remuneration of the CEO is as follows:

Ms R Plaskitt (CEO) Started 1 September 2019
Remuneration: £115,000 - £120,000 (2019: £Nil)
Employers pension contributions £25,000 - £30,000 (2019: £Nil)

TANDRIDGE LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

12 Insurance for directors and officers

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

13 Tangible fixed assets

	Land and buildings	Computer equipment	Fixtures, fittings & equipment	Motor vehicles	Total
	£'000	£'000	£'000	£'000	£'000
Cost					
At 1 September 2019	35,418	595	346	59	36,418
Additions	-	31	37	27	95
At 31 August 2020	35,418	626	383	86	36,513
Depreciation					
At 1 September 2019	2,189	530	251	47	3,017
Charge for the year	423	45	39	13	520
At 31 August 2020	2,612	575	290	60	3,537
Net book value					
At 31 August 2020	32,806	51	93	26	32,976
At 31 August 2019	33,229	65	95	12	33,401

Included in cost of leasehold land and buildings is land of £14,047k (2019: £14,047k) which is not depreciated.

14 Debtors

	2020 £'000	2019 £'000
Trade debtors	19	50
VAT recoverable	175	183
Other debtors	-	8
Prepayments and accrued income	712	346
	<u>906</u>	<u>587</u>

TANDRIDGE LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

15 Creditors: amounts falling due within one year

	2020 £'000	2019 £'000
Trade creditors	440	653
Other taxation and social security	170	175
Other creditors	232	217
Accruals and deferred income	706	460
	<u>1,548</u>	<u>1,505</u>

16 Deferred income

	2020 £'000	2019 £'000
Deferred income is included within:		
Creditors due within one year	<u>165</u>	<u>184</u>
Deferred income at 1 September 2019	184	302
Released from previous years	(184)	(302)
Resources deferred in the year	<u>165</u>	<u>184</u>
Deferred income at 31 August 2020	<u>165</u>	<u>184</u>

At the balance sheet date, the Academy Trust was holding funds received for trips paid in advance, UIFSM, ESFA rates relief and hire of facilities relating to the financial year 2020/21.

TANDRIDGE LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

17 Funds

	Balance at 1 September 2019 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2020 £'000
Restricted general funds					
General Annual Grant (GAG)	85	10,699	(11,044)	653	393
Other DfE / ESFA grants	33	1,285	(1,250)	(3)	65
Other government grants	-	554	(564)	15	5
Other restricted funds	45	-	-	(15)	30
Pension reserve	(6,414)	-	(737)	(68)	(7,219)
	<u>(6,251)</u>	<u>12,538</u>	<u>(13,595)</u>	<u>582</u>	<u>(6,726)</u>
Restricted fixed asset funds					
Inherited on conversion	14	-	-	-	14
DfE group capital grants	119	488	-	(552)	55
Other capital donations	-	73	-	(47)	26
General fixed assets	33,402	-	(520)	94	32,976
	<u>33,535</u>	<u>561</u>	<u>(520)</u>	<u>(505)</u>	<u>33,071</u>
Total restricted funds	<u>27,284</u>	<u>13,099</u>	<u>(14,115)</u>	<u>77</u>	<u>26,345</u>
Unrestricted funds					
General funds	<u>2,746</u>	<u>723</u>	<u>(998)</u>	<u>(145)</u>	<u>2,326</u>
Total funds	<u>30,030</u>	<u>13,822</u>	<u>(15,113)</u>	<u>(68)</u>	<u>28,671</u>

TANDRIDGE LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

17 Funds

(Continued)

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

General Annual Grant: Income received from the ESFA to cover the normal running costs of the Academy.

Under the funding agreement with the Secretary of State, the academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2020.

Other DFE/ESFA grants: This includes the pupil premium, UIFSM, sports funding grant, year 7 catch up grant, teachers pay grant and teachers pension grant.

Other government grants: This includes SEN funding and additional pupil premium received from the Local Authority.

Other restricted funds relates to Local Authority funding for the Children's centre.

The capital grants included devolved capital grant and CIF Grant for the replacement of classroom lighting and ceilings and fire precaution at Bletchingley Primary School and Block Replacement and fire alarm replacement at Hamsey Green Primary School and science block re-roofing at Warlingham School.

The transfer of funds represent the purchase of fixed asset during the period and repairs and maintenance funded from capital grants.

TANDRIDGE LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

17 Funds

(Continued)

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

	Balance at 1 September 2018 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2019 £'000
Restricted general funds					
General Annual Grant (GAG)	66	10,915	(11,416)	520	85
Other DfE / ESFA grants	-	832	(799)	-	33
Other government grants	-	581	(501)	-	80
Other restricted funds	-	30	(65)	-	(35)
Pension reserve	(4,144)	-	(544)	(1,726)	(6,414)
	<u>(4,078)</u>	<u>12,358</u>	<u>(13,325)</u>	<u>(1,206)</u>	<u>(6,251)</u>
Restricted fixed asset funds					
Inherited on conversion	14	-	-	-	14
DfE group capital grants	166	593	-	(640)	119
General fixed assets	33,756	-	(536)	182	33,402
	<u>33,936</u>	<u>593</u>	<u>(536)</u>	<u>(458)</u>	<u>33,535</u>
Total restricted funds	<u>29,858</u>	<u>12,951</u>	<u>(13,861)</u>	<u>(1,664)</u>	<u>27,284</u>
Unrestricted funds					
General funds	2,337	942	(471)	(62)	2,746
	<u>2,337</u>	<u>942</u>	<u>(471)</u>	<u>(62)</u>	<u>2,746</u>
Total funds	<u>32,195</u>	<u>13,893</u>	<u>(14,332)</u>	<u>(1,726)</u>	<u>30,030</u>

TANDRIDGE LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

17 Funds

(Continued)

Total funds analysis by academy

	2020	2019
	£'000	£'000
Fund balances at 31 August 2020 were allocated as follows:		
Warlingham School	1,709	1,862
Bletchingley Village Primary School	589	527
Hamsey Green Primary School	301	299
Tatsfield Primary School	36	44
Woodlea Primary School	136	117
Tandridge Learning Trust	48	60
	<hr/>	<hr/>
Total before fixed assets fund and pension reserve	2,819	2,909
Restricted fixed asset fund	33,071	33,535
Pension reserve	(7,219)	(6,414)
	<hr/>	<hr/>
Total funds	28,671	30,030
	<hr/>	<hr/>

Total cost analysis by academy

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

	Teaching and educational support staff	Other support staff costs	Educational supplies	Other costs excluding depreciation	Total 2020	Total 2019
	£'000	£'000	£'000	£'000	£'000	£'000
Warlingham School	5,340	879	424	1,450	8,093	7,577
Bletchingley Village Primary School	987	142	43	409	1,581	1,677
Hamsey Green Primary School	979	196	11	338	1,524	1,648
Tatsfield Primary School	643	75	17	135	870	906
Woodlea Primary School	608	139	25	274	1,046	918
Tandridge Learning Trust	312	792	-	375	1,479	1,070
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	8,869	2,223	520	2,981	14,593	13,796
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

TANDRIDGE LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

18 Analysis of net assets between funds

	Unrestricted Funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total Funds £'000
Fund balances at 31 August 2020 are represented by:				
Tangible fixed assets	-	-	32,976	32,976
Current assets	3,874	493	95	4,462
Creditors falling due within one year	(1,548)	-	-	(1,548)
Defined benefit pension liability	-	(7,219)	-	(7,219)
Total net assets	2,326	(6,726)	33,071	28,671
Fund balances at 31 August 2019 are represented by:				
Tangible fixed assets	-	-	33,401	33,401
Current assets	4,251	163	134	4,548
Creditors falling due within one year	(1,505)	-	-	(1,505)
Defined benefit pension liability	-	(6,414)	-	(6,414)
Total net assets	2,746	(6,251)	33,535	30,030

19 Pension and similar obligations

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

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2016, and that of the LGPS related to the period ended 31 March 2019.

Contributions amounting to £200k were payable to the schemes at 31 August 2020 (2019: £170k) and are included within creditors.

Teachers' Pension Scheme

Introduction

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

The TPS is an unfunded scheme to which both the member and employer makes contributions, as a percentage of salary. These contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

TANDRIDGE LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

19 Pension and similar obligations

(Continued)

Valuation of the Teachers' Pension Scheme

The latest valuation of the Teachers' Pension Scheme has now taken place, in line with directions issued by HM Treasury and using membership data as at 31 March 2016. As a result of this valuation TPS employers will pay an increased contribution rate of 23.68% from September 2019 (this includes the administration levy of 0.08%). The timing of the implementation is to align its introduction with employers' budget planning cycles. Until then, employers will pay the current rate of 16.48%.

The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% 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 £218,100 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million giving a notional past service deficit of £22,000 million
- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI. The assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

The next valuation result is due to be implemented from 1 April 2023.

The employer's pension costs paid to TPS in the period amounted to £1,219k (2019: £824k).

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

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

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are % for employers and % for employees. The estimated value of employer contributions for the forthcoming year is £506k.

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

Total contributions made	2020 £'000	2019 £'000
Employer's contributions	563	547
Employees' contributions	147	142
Total contributions	710	689

TANDRIDGE LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

19 Pension and similar obligations (Continued)

Principal actuarial assumptions	2020 %	2019 %
Rate of increase in salaries	3.1	2.6
Rate of increase for pensions in payment/inflation	2.2	2.3
Discount rate for scheme liabilities	1.7	1.8
Inflation assumption (CPI)	2.2	2.3

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

	2020 Years	2019 Years
Retiring today		
- Males	22.1	21.6
- Females	24.3	23.6
Retiring in 20 years		
- Males	22.9	22.5
- Females	25.7	25.0

Scheme liabilities would have been affected by changes in assumptions as follows:

	2020 £'000	2019 £'000
Discount rate -0.5%	-1743	770
Salary rate +0.5%	139	128
Pension rate +0.5%	1575	641

Defined benefit pension scheme net liability

Scheme assets	7,664	7,425
Scheme obligations	(14,883)	(13,839)
Net liability	(7,219)	(6,414)

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

	2020 Fair value £'000	2019 Fair value £'000
Equities	5,518	5,272
Bonds	1,303	1,336
Cash	230	223
Property	613	594
Total market value of assets	7,664	7,425

TANDRIDGE LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

19 Pension and similar obligations

(Continued)

The actual return on scheme assets was £(317,000) (2019: £429,000).

Amount recognised in the Statement of Financial Activities	2020 £'000	2019 £'000
Current service cost	1,179	923
Past service cost	-	47
Interest income	(139)	(187)
Interest cost	260	308
Total operating charge	1,300	1,091
Changes in the present value of defined benefit obligations	2020 £'000	2019 £'000
At 1 September 2019	13,839	10,532
Current service cost	1,179	923
Interest cost	260	308
Employee contributions	147	142
Actuarial (gain)/loss	(388)	1,968
Benefits paid	(154)	(81)
Past service cost	-	47
At 31 August 2020	14,883	13,839
Changes in the fair value of the academy trust's share of scheme assets	2020 £'000	2019 £'000
At 1 September 2019	7,425	6,388
Interest income	139	187
Actuarial loss/(gain)	(456)	242
Employer contributions	563	547
Employee contributions	147	142
Benefits paid	(154)	(81)
At 31 August 2020	7,664	7,425

TANDRIDGE LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

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

	2020 £'000	2019 £'000
Net expenditure for the reporting period (as per the statement of financial activities)	(1,291)	(439)
Adjusted for:		
Capital grants from DfE and other capital income	(561)	(593)
Investment income receivable	(2)	(3)
Defined benefit pension costs less contributions payable	616	423
Defined benefit pension scheme finance cost	121	121
Depreciation of tangible fixed assets	520	536
(Increase) in debtors	(319)	(81)
Increase in creditors	43	151
Net cash (used in)/provided by operating activities	(873)	115

21 Analysis of changes in net funds

	1 September 2019 £'000	Cash flows £'000	31 August 2020 £'000
Cash	3,961	(405)	3,556

22 Contingent liabilities

During the period of the Funding Agreement, in the event of the sale or disposal by other means of any asset for which a Government capital grant was received, the Academy is required either to re-invest the proceeds or to repay to the Education and Skills Funding Agency the same proportion of the proceeds of the sale or disposal as equates with the proportion of the original cost met by the Secretary of State.

Upon termination of the Funding Agreement, whether as a result of the Secretary of State or the Academy serving notice, the Academy shall repay to the Secretary of State sums determined by reference to:

- the value at that time of the Academy's site and premises and other assets held for the purpose of the Academy; and
- the extent to which expenditure incurred in providing those assets was met by payments by the Secretary of State under the Funding Agreement.

The Academy is currently involved in a dispute with SGN in relation to a previously unregistered gas supply at the school. The accounts do not include any provision in respect of this matter.

TANDRIDGE LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

23 Commitments under operating leases

At 31 August 2020 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

	2020 £'000	2019 £'000
Amounts due within one year	8	8
Amounts due in two and five years	13	21
	<u>21</u>	<u>29</u>

24 Capital commitments

	2020 £'000	2019 £'000
Expenditure contracted for but not provided in the accounts	1,270	60

The capital commitment relates to ongoing CIF projects.

25 Related party transactions

Owing to the nature of the academy trust and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the directors have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the AFH and in accordance with the academy trust's financial regulations and normal procurement procedures relating to connected and related party transactions. The following related party transactions took place in the financial period.

In entering into these transactions, the academy trust has complied with the requirements of the Academies Financial Handbook 2019.

Expenditure related party transactions

Mrs Ghattas, is the wife of a trustee, and is employed as a finance assistant at one of the academies in the Trust. The appointment was made in open competition and Mr. A Ghattas was not involved in the decision making process regarding appointment.

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 or she is a member, or within one year after he or she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he or she ceases to be a member.

27 Agency arrangements

The academy trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ending 31 August 2020 the trust received £24k (2019: £22k) and disbursed £20k (2019: £18k) from the fund. An amount of £25k (2019: £25k) is included in other creditors relating to undistributed funds that is repayable to ESFA in the event the student leaves the school.