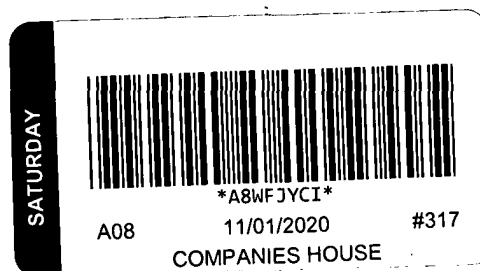


Company Registration Number: 09470229 (England & Wales)

LEARNING FOR LIFE EDUCATION TRUST
(A Company Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019



LEARNING FOR LIFE EDUCATION TRUST
(A Company Limited by Guarantee)

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LEARNING FOR LIFE EDUCATION TRUST
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS

Members	Stephen Gordon Peter Grindrod Roger Jones Stephen Ward Peterborough Diocese Church Schools Trust
Trustees	Stephen Ward, Chair Paul Bedwell Liz Carr-Archer (resigned 14 April 2019) Jayne Clancy (appointed 1 April 2019) Peter French (appointed 1 June 2019) Sandy Hoyland Jan Marshall Abhijit Pani Mark Plant (resigned 14 October 2019) Penny Reading Joanne Sanchez-Thompson, Chief Executive Officer & Accounting Officer David Stuttle (resigned 4 April 2019)
Company registered number	09470229
Company name	Learning For Life Education Trust
Principal and registered office	Irthlingborough Junior School College Street Irthlingborough Wellingborough NN9 5TX
Senior management team	Joanne Sanchez-Thompson, Chief Executive Officer Nick Garley, Headteacher Joanne Lloyd-Williams, Headteacher Jan Marshall, Headteacher Kate Oxford, Chief Finance Officer
Independent auditor	MHA MacIntyre Hudson Chartered Accountants Peterbridge House The Lakes Northampton NN4 7HB
Bankers	Lloyds Bank Plc 37-39 High Street Rushden Northants NN10 0QE

LEARNING FOR LIFE EDUCATION TRUST
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Solicitors	J A Walker Solicitor 14 Forsells End Houghton on the Hill Leicester LE7 9HQ
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LEARNING FOR LIFE EDUCATION TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2019

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year 1 September 2018 to 31 August 2019. The annual report serves the purposes of both a Trustees' report and a directors' report under company law.

The Academy Trust operates four primary age academies in Irthlingborough and Finedon in Northamptonshire. Its academies have a combined pupil capacity of 1,233 and had a roll of 1,043 in the school census on 16 May 2019.

Structure, governance and management

Constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Academy Trust. The trustees of the Learning for Life Education Trust Limited are also the directors of the charitable company for the purposes of company law. The charitable company operates as the Learning for Life Education Trust. Its former name to 8 August 2018 was The Irthlingborough and Finedon Learning Trust.

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

Members' liability

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

Trustees' indemnities

Trustees benefit from indemnity insurance to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy Trust. The cost of the insurance in the year was within the membership payment of the Government Risk Protection Arrangement.

Method of recruitment and appointment or election of Trustees

Trustees are recruited taking into account their individual skills and the experience that they bring to the Academy Trust. Trustees will be allocated to a specific area of responsibility which will include finance, safeguarding, governance and health, safety and premises.

Policies adopted for the induction and training of Trustees

The Academy Trust has a policy for Induction and Training of Trustees. New Trustees are given an induction pack, they will meet with the Executive Officer of the Trust and will visit and meet each of the Trust Headteachers at their schools. New Trustees will work with a mentor for the Board of Trustees.

LEARNING FOR LIFE EDUCATION TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Structure, governance and management (continued)

Organisational structure

The Chief Executive Officer is also the Executive Officer and Accounting Officer.

The Trustees have appointed a Chair and Vice Chair. For the financial year ending 31 August 2018 the Trustees operated five committees. The committees were Learning - Provision Committee, Learning - Outcomes Committee, Finance and Personnel Committee, Risk and Audit Committee and Health, Safety and Premises Committee. Terms of Reference are in place for all committees.

Arrangements for setting pay and remuneration of key management personnel

The Trustees approved a Pay Policy for Teachers and adopted the Northamptonshire LA Pay Policy for Support Staff.

The Trustees delegated powers for Teachers' pay reviews to the Pay Review Committee.

The Trustees developed job descriptions and person specifications for senior Trust staff and consulted with the Trust's HR advisors to evaluate the roles and in setting their pay scales.

The appointment of senior leadership for the Academy Trust and for Trust schools is authorised by the Trustees. The Trustees directly appoint the Chief Executive Officer and the individual schools' Headteachers and work with the Local Governing Committees to appoint Deputy and Assistant Headteachers.

Trade union facility time

There were no employees who were relevant union officials during the relevant period.

Related parties and other connected charities and organisations

Peterborough Diocese appoints two Trustees. Otherwise there are no related parties which either control or significantly influence the decisions and operations of the Learning for Life Education Trust.

All schools are members of the Inspire TSA. From April 2018 the schools have all participated in the Schools Partnership Programme.

Objectives and activities

Objects and aims

The Academy Trust's vision is to develop and nurture, to the highest level, the talents and aspirations of our children, our schools, and the wider Trust community. We will raise achievement and attainment in our member schools to a consistently high level, thereby making a positive difference to the education and lives of all our children.

LEARNING FOR LIFE EDUCATION TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Objectives and activities (continued)

Objectives, strategies and activities

OUTCOMES FOR PUPILS	Improve outcomes, especially for disadvantaged pupils and those with SEND, through a rigorous target setting and performance process which leads to improved quality of teaching over time.
QUALITY OF TEACHING, LEARNING AND ASSESSMENT	Ensure that all teachers are using assessment information well to inform their teaching and as a result improve outcomes for pupils, with a specific focus on reading.
LEADERSHIP AND MANAGEMENT WITHIN SCHOOLS	Ensure all leaders are improving their effectiveness in holding others to account and in improving the quality of the curriculum by accessing a wide range of professional development opportunities.
PERSONAL DEVELOPMENT, BEHAVIOUR AND WELFARE	Ensure attendance is at least at the national average in all schools by a rigorous attendance management process that supports pupils and ensures they are benefitting from school. Ensure pupils' behaviour on the playground is at least good by improving the opportunities and activities available to them.
LEADERSHIP AND MANAGEMENT WITHIN TRUST	Ensure that all resources are full focussed on the core purpose of improving the quality of education for our pupils by making sure that the Trust is well-run and financially sustainable.

Public benefit

The Trustees have complied with the duty to have high regard for the guidance on public benefit, published by the Charities Commission.

The children who attend the Academy Trust schools will benefit from the collaboration and strength of the schools working together. We aim to improve the standards at all member schools and to educate the whole child.

We work in close collaboration with Huxlow Science College, the local secondary school, to ensure shared practices and values to support a positive transition for our pupils.

All schools are active in their local community, church services are held for Christmas and Easter. The premises are used for Brownies, Guides, sports clubs and remembrance parades.

LEARNING FOR LIFE EDUCATION TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Strategic report

Achievements and performance

OUTCOMES FOR PUPILS	<ol style="list-style-type: none">1. Rates of progress in KS2 improved with most pupils making good progress over the course of the year. Attainment in Y6 rose, especially in maths.2. The proportion of pupils achieving High/Greater Depth maintained in relation to the key stage starting point in most year groups, particularly in writing and maths. Reading was the weaker area.3. Pupil premium pupils made accelerated progress and the % attaining at ARE increased in most cohorts.4. SEND pupils made increasingly good progress from their starting points due to improved provision and support.5. Spelling ages increased for most pupils – some gaps were identified in curriculum provision.6. EYFS Exceeding in Writing, Reading and Maths matched national 2018
QUALITY OF TEACHING, LEARNING AND ASSESSMENT	<ol style="list-style-type: none">1. Most teachers used day to day assessment and feedback effectively to accelerate progress2. The quality of teaching over time in reading improved from the September 2018 baseline3. Teachers felt increasingly confident in planning for and teaching vocabulary4. Interventions were more effectively targeted at pupils at risk of falling behind their peers in terms of their progress5. Learning support assistants were seen to be effective in scaffolding and supporting learning
LEADERSHIP AND MANAGEMENT WITHIN SCHOOLS	<ol style="list-style-type: none">1. Senior and middle leaders are now more effective in using assessment information and Trust QA systems to improve the quality of teaching and outcomes2. Pupil premium funding is ensuring improved outcomes for some pupils but this remains a focus for those who are FSM3. The Schools' Partnership Programme supported school improvement – all schools had at least one peer review4. The curriculum is developed to reflect the Trust drivers of Possibilities, Growth and Diversity (including Global Learning)5. All schools fully engaged in and benefitted from the Erasmus Programme
PERSONAL DEVELOPMENT, BEHAVIOUR AND WELFARE	<ol style="list-style-type: none">1. Attendance was at least at the national average in each school and the attendance of vulnerable pupils improved further (where there were not specific circumstances)2. Pupils had opportunities to work with pupils across the Trust to broaden their experiences e.g. Sports Day, Growth Mindset3. Lunchtime behaviour in all schools improved because of leaders' actions4. The needs of pupils with SEMH are increasingly well-managed because of training and better identification of needs5. Pupils developed a better understanding of the knowledge, skills and understanding they will need to pursue different careers through assemblies and PSHE lessons

LEARNING FOR LIFE EDUCATION TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Strategic report (continued)

Achievements and performance (continued)

LEADERSHIP AND MANAGEMENT WITHIN TRUST	<ol style="list-style-type: none"> 1. Well-planned school improvement work made an effective contribution to improved quality of teaching and outcomes – leaders and staff at all levels worked together 2. Trust Board is effective 3. A balanced budget was returned for 2019-20 4. Staffing structures in each school reflect the curriculum needs and available finances 5. Trust development and expansion remains a focus but as yet no further progress has been made
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Key performance indicators

Finedon Mulso CE VA Junior School had a successful Section 48 (SIAMs) inspection in July 2019. The inspector said, 'The school's Christian vision and values underpin quality relationships at all levels. Consequently, all pupils talk about the school being a welcoming place where everyone is encouraged to 'be the best you can be.' Further, one parent rightly claimed this Christian school enables a deeper connection with self and the divine so that pupils feel secure to be individual and to extend their talents. Pupils' behaviour is good as a result'.

		2019		
		FMJS	DS	Nat
KS2 Reading	Exp+	65	67	73
KS2 Reading	High	15	17	27
KS2 Writing	Exp+	79	76	78
KS2 Writing	GDS	15	9	20
KS2 Maths	Exp+	75	74	79
KS2 Maths	High	25	15	27
KS2 EGPS	Exp+	73	70	78
KS2 EGPS	High	33	24	36
KS2 Science	Exp+	75	94	
KS2 Combined	Exp+	58	55	65
KS2 Combined	GDS	2	4	11
Reading	Prog	1.8	2.8	
	Band	BA	BA	
Writing	Prog	0.9	2.2	
	Band	Ave	BA	
Maths	Prog	0.6	1.9	
	Band	Ave	BA	

LEARNING FOR LIFE EDUCATION TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Strategic report (continued)

Achievements and performance (continued)

		FIS	INIS	Nat
GLD	Exp+	71	69	72
Reading ELG	Exp+	78	73	77
	Exc	20	15	19
Writing ELG	Exp+	76	71	74
	Exc	20	13	11
Number ELG	Exp+	76	77	80
	Exc	20	19	17
Speaking ELG	Exp+	80	85	86
	Exc	22	15	20
Phonics Y1	32+	87	81	82
	Ave	35.4	33.6	33.8
Phonics Y2	32+	96	94	92
KS1 Reading	Exp+	64	74	75
	GDS	18	26	25
KS1 Writing	Exp+	61	74	69
	GDS	9	12	15
KS1 Maths	Exp+	64	79	76
	GDS	21	22	22
KS1 Science	Exp+	72	83	82

Going concern

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

LEARNING FOR LIFE EDUCATION TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Strategic report (continued)

Financial review

The in-year surplus for the Trust was £355,088.

The majority of the Academy Trust's income is obtained from the Department for Education (DfE) via the Education and Skills Funding Agency (ESFA) in the form of grants which are restricted for specified spending.

The Trust increased the service level agreements being provided centrally and as a result increased the retention charge to all schools. To cover central costs and services the central retention was 5% of General Annual Grant to all schools, for the financial year ending 31 August 2019. The central trust charges include the salaries for the Executive Officer, Chief Finance Officer, School Improvement Consultant and Auditors fees, service level agreements included membership of Inspire TSA, EPM as HR advisors and payroll services provider, Plumsun as Health and Safety Advisors.

During the financial year there was a restructure of teaching provision within both the Finedon Schools, greater periods of the day will be taught as single age classes, this required a reduction in the number of Teaching Assistants across the schools. The savings identified through the change were approximately £12,000 for financial year 18/19 and £40,000 for the financial year 2019/20.

Other restricted funding received by the schools from the ESFA includes; Pupil Premium Funding, Sports Funding, Capital Grant and monies for Universal Infant Free School Meals. Funding is received from the Local Authority for Special Educational Needs Top up funding and also Early Years funding for the Nursery provision at Irthlingborough Nursery and Infant School. In accordance with the Statement of Recommended Practice (SORP), these funding sources are shown in the Statement of Financial Activities (SOFA) as Restricted Funds. Other items of funding have been reflected in the financial statements in accordance with the guidelines set down by SORP.

The premises used by the Learning for Life Education Trust are leased under the following arrangements:

Irthlingborough Nursery and Infant School and Irthlingborough Junior School – joint 125-year lease for the two school sites.

Finedon Infant School – 125-year lease.

Finedon Mulso CE Junior School – Licence to occupy school and hardstanding.

The following documents, financial policies and procedures have been adopted by the Academy Trust between 1 September 2018 and 31 August 2019:

- Scheme of Delegation
- Accounting Policies
- Financial Management Policy
- Financial Regulations and Procedures
- Charging and Remissions
- Bribery
- Gifts and Hospitality
- Whistleblowing
- New Directors and Governors Induction
- Complaints
- Teachers' Pay Policy
- Support Staff Pay Policy

LEARNING FOR LIFE EDUCATION TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Strategic report (continued)

Financial review (continued)

The deficit on the pension reserve of £2,451,000 as recorded in the balance sheet at 31 August 2019, relates to the non-teaching staff pension, where unlike the teachers' scheme, separate assets are held to fund future liabilities. The deficit can be met in the longer term from any combination of increased employer or employee contributions, increased government funding or changes to scheme benefits.

Reserves policy

The Policy of the Academy Trust is to hold reserves of a prudent level to ensure the Academy Trust can meet short term cash flow and long-term needs of asset renewal, premises upkeep and other unforeseen contingencies. Balances held will be within the levels recommended by the ESFA.

Levels of reserves will be closely monitored by the Academy Trust ensuring schools individually have the optimum levels of reserves and that overall the Academy Trust also has the correct level of reserves. Close attention is paid to budget preparation and forward planning to forecast the position for future years.

At 31 August 2019 the total funds comprised:

	£
Unrestricted	473,913
Restricted:	
Fixed asset funds	7,786,661
Pension reserve	(2,451,000)
Other	320,066
	<u>6,129,640</u>

Investment policy

The Academy Trust manages its cash by reviewing short and medium-term requirements for funds. No investments have been made to date. Any investment the Academy Trust does make will be into High Street bank accounts to give the best possible returns with reduced risk and easy access, for the period of the time the funds are to be invested.

Principal risks and uncertainties

An analysis of potential risk has been completed and is regularly reviewed. Strategies are in place to control and manage the identified risks. These strategies, such as the appointment of key staff, external independent review and the rigorous application of policies and procedures enable the overall impact of risks to be reduced.

The principal risks and their control measures are:

Failure to meet national standards for pupil outcomes

- Close monitoring of all schools by Executive Officer;
- External review by School Improvement Consultant;
- Peer review process;
- Cross-Trust working groups to moderate and improve standards.

LEARNING FOR LIFE EDUCATION TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Strategic report (continued)

Financial review (continued)

Reduced funding as a result of falling rolls

- Use of three-year financial plans to identify potential shortfalls;
- Ongoing review of staffing structures;
- Review of procurement so that savings and efficiencies are identified wherever possible;
- Reserves used judiciously to improve school fabric to maintain a positive learning environment.

Business continuity disrupted

- Externally prepared plans for Business continuity and disaster recovery;
- Appropriate internet protection and external cloud back up for IT systems.

LGPS pension deficit

- The Trustees of the LGPS pension scheme arrange for appropriate contribution rates to be paid by the members and employer to ensure that the pension scheme is properly funded over time.

Fundraising

The Academy Trust will ensure that their actions are within the Trust's best interests, they will manage resources responsibly and will act with reasonable care and skill.

Principles the Trust will follow:

- Agreeing and monitoring the Trusts approach to fundraising;
- Grant applications will remain a Trust action, external fundraisers will not be employed;
- Protection of the Trust's reputation, money and other assets;
- Ensure compliance with the laws and regulations that apply to appropriate fundraising;
- Identify and follow any recognised standards that apply to the Trust's fundraising;
- Be open and accountable.

Plans for future periods

KPIs for 2019-20

- Reading outcomes in KS2 improve by at least 10%;
- KS2 Value added for disadvantaged pupils is positive in Reading, Writing and Maths;
- All schools have a 'Good' curriculum in Reading, Writing and Maths;
- All have made sufficient progress in developing the curriculum in foundation subjects to receive a Good Quality of Education judgement ;
- Parents are involved in their child's learning and attendance is at, or above, the national average for all groups;
- Pupils have the social and emotional skills to learn effectively;
- Trust and school structures are fit for purpose – financial sustainability.

Funds held as custodian on behalf of others

The Academy Trust does not act as custodian trustee on behalf of others.

LEARNING FOR LIFE EDUCATION TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Disclosure of information to auditor

Insofar as the Trustees are aware:

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

The Trustees' Report, incorporating a strategic report, was approved by order of the board of Trustees, as the company directors and signed on its behalf by:



.....
Stephen Ward
Chair of Trustees

Date:

13/12/19

LEARNING FOR LIFE EDUCATION TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT

Scope of responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that Learning for Life Education 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 Chief Executive Officer, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between the Learning for Life Education Trust and the Secretary of State for Education. They are also responsible for reporting to the board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The board of Trustees has formally met 4 times during the year.

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

Trustee	Meetings attended	Out of a possible
Stephen Ward, Chair	4	4
Joanne Sanchez-Thompson, Chief Executive Officer & Accounting Officer	4	4
Paul Bedwell	3	4
Liz Carr-Archer (Resigned 14 April 2019)	3	3
Jayne Clancy (Appointed 1 April 2019)	2	2
Peter French (Appointed 1 June 2019)	1	1
Sandy Hoyland	3	4
Jan Marshall	3	4
Abhijit Pani	0	4
Mark Plant (Resigned 14 October 2019)	3	4
Penny Reading	3	4
David Stuttle (Resigned 4 April 2019)	2	3

The Trust operates through five committees.

The **Learning-Outcomes committee** is a sub-committee of the main board of trustees. Its purpose is to ratify ongoing and annual achievement to bring about improvements in performance.

During the year Jayne Clancy joined the committee and Liz Carr-Archer resigned from the committee. Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Liz Carr-Archer, Chair to 4 April 2019	2	2
Jayne Clancy, Chair from 4 April 2019	2	2
Paul Bedwell	3	4
Sandy Hoyland	1	4
Jan Marshall	4	4
Joanne Sanchez-Thompson	4	4
Stephen Ward	4	4

LEARNING FOR LIFE EDUCATION TRUST
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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

The **Learning - Provision committee** is a sub-committee of the main board of trustees. Its purpose is to ensure that the Trust schools provide a broad and balanced curriculum that meets the needs of all pupils and enables them to achieve their full educational potential.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Penny Reading, Chair	2	3
Jayne Clancy	0	1
Sandy Hoyland	2	3
Jan Marshall	3	3
Mark Plant	2	3
Joanne Sanchez-Thompson	3	3
Stephen Ward	3	3

The **Finance and Personnel committee** is a sub-committee of the main board of trustees. Its purpose financially is to monitor and review budgets and expenditure on a regular basis and ensure compliance with the terms of the Funding Agreements and regarding personnel to observe all statutory and contractual obligations related to employment and appraisal of staff:

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Abhijit Pani, Chair	3	3
Paul Bedwell	2	3
Jan Marshall	3	3
Joanne Sanchez-Thompson	3	3
Stephen Ward	3	3

The **Risk and Audit committee** is also a sub-committee of the main board of trustees. Its purpose is to provide assurance to the Directors regarding sound management and control of the Trust finances and other resources:

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Sandy Hoyland, Chair	2	2
Abhijit Pani	0	2
Penny Reading	2	2

LEARNING FOR LIFE EDUCATION TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

The **Health, Safety and Premises committee** is a sub-committee of the main board of trustees. Its purpose is to ensure the Trust and Trust schools comply with all Health and Safety standards on school premises:

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
David Stuttle, Chair	1	2
Jan Marshall	3	3
Joanne Sanchez-Thompson	3	3
Stephen Ward	3	3

Review of value for money

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

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

- Trust-wide capital investment in computers for staff and pupils. The number of machines purchased allowed for savings on purchase costs and on set up and installation;
- Review of broadband provision across the Lrthlingborough, fibre link has been installed to enable one supply to provide for both schools rather than individual provision;
- Continued joint professional development across the school and increased use of staff expertise within the Academy Trust to save on cost of external support;
- Project developing to consolidate purchasing of consumables for premises and administration across the Trust.

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 the Learning for Life Education Trust for the period 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements.

LEARNING FOR LIFE EDUCATION TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Capacity to handle risk

The board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the year 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of Trustees.

The risk and control framework

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

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

The board of Trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Trustees have appointed MHA MacIntyre Hudson, the external auditor, to perform additional checks.

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

- testing of payroll systems
- testing of purchase systems
- testing of control account / bank reconciliations

On an annual basis, MHA MacIntyre Hudson reports to the board of trustees, through the Risk and Audit committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

The reviewer has delivered their schedule of work as planned. There were no material control issues arising as a result of this work.

LEARNING FOR LIFE EDUCATION TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

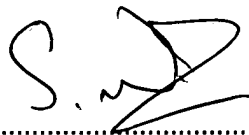
Review of effectiveness

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

- the work of the 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 Risk and Audit Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

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


.....
Stephen Ward
Chair of Trustees

Date:

13/12/19


.....
Joanne Sanchez-Thompson
Accounting Officer

LEARNING FOR LIFE EDUCATION TRUST
(A Company Limited by Guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Learning for Life Education Trust I have considered my responsibility to notify the Academy Trust board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding 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 2018.

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

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


.....
Joanne Sanchez-Thompson
Accounting Officer

Date: 13/12/19

LEARNING FOR LIFE EDUCATION TRUST
(A Company Limited by Guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2019

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

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

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

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

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

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

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



.....
Stephen Ward
Chair of Trustees

Date:

13/12/19

LEARNING FOR LIFE EDUCATION TRUST
(A Company Limited by Guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
LEARNING FOR LIFE EDUCATION TRUST**

Opinion

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

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

LEARNING FOR LIFE EDUCATION TRUST
(A Company Limited by Guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
LEARNING FOR LIFE EDUCATION TRUST (CONTINUED)**

Other information

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

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

LEARNING FOR LIFE EDUCATION TRUST
(A Company Limited by Guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
LEARNING FOR LIFE EDUCATION TRUST (CONTINUED)**

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

Use of our report

This report is made solely to the Academy Trust's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Academy Trust's members those matters we are required to state to them in an 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 Academy Trust and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Rebecca Hughes BSc (Hons) FCCA (Senior Statutory Auditor)
for and on behalf of

MHA MacIntyre Hudson
Chartered Accountants
Statutory Auditors
Chartered Accountants
Peterbridge House
The Lakes
Northampton
NN4 7HB

Date: 17 December 2019

LEARNING FOR LIFE EDUCATION TRUST
(A Company Limited by Guarantee)

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

In accordance with the terms of our engagement letter dated 20 September 2017 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2018 to 2019, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Learning for Life Education Trust during the year 1 September 2018 to 31 August 2019 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Learning for Life Education Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Learning for Life Education Trust's funding agreement with the Secretary of State for Education dated 19 March 2015 and the Academies Financial Handbook, extant from 1 September 2018, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

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

LEARNING FOR LIFE EDUCATION TRUST
(A Company Limited by Guarantee)

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

The work undertaken to draw to our conclusion includes:

- reviewing the Minutes of the meetings of the Governing Body and other evidence made available to us, relevant to our consideration of regularity;
- a review of the objectives and activities of the Academy, with reference to the income streams and other information available to us as auditors of the Academy;
- testing of a sample of payroll payments to staff;
- testing of a sample of payments to suppliers and other third parties;
- consideration of governance issues; and
- evaluating the internal control procedures and reporting lines, testing as appropriate and making appropriate enquiries of the Accounting Officer.

Conclusion

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

MHA MacIntyre Hudson

MHA MacIntyre Hudson
Chartered Accountants
Peterbridge House
The Lakes
Northampton
NN4 7HB

Date: *17 December 2019*

LEARNING FOR LIFE EDUCATION TRUST
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2019**

	Note	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £	Total funds 2018 £
Income from:						
Donations and capital grants	3	3,047	-	671,623	674,670	112,044
Charitable activities	4	-	5,079,604	-	5,079,604	4,951,456
Other trading activities	5	190,063	84,038	-	274,101	277,200
Investments	6	606	-	-	606	591
Total income		193,716	5,163,642	671,623	6,028,981	5,341,291
Expenditure on:						
Raising funds		134,126	125,689	-	259,815	213,735
Charitable activities		42,079	5,098,534	273,465	5,414,078	5,456,907
Total expenditure	7	176,205	5,224,223	273,465	5,673,893	5,670,642
Net income / (expenditure)		17,511	(60,581)	398,158	355,088	(329,351)
Transfers between funds	17	(6,322)	(82,469)	88,791	-	-
Net movement in funds before other recognised gains/(losses)		11,189	(143,050)	486,949	355,088	(329,351)
Other recognised gains/(losses):						
Actuarial losses on defined benefit pension schemes	23	-	(682,000)	-	(682,000)	296,000
Net movement in funds		11,189	(825,050)	486,949	(326,912)	(33,351)
Reconciliation of funds:						
Total funds brought forward		462,724	(1,305,883)	7,299,711	6,456,552	6,489,903
Net movement in funds		11,189	(825,050)	486,949	(326,912)	(33,351)
Total funds carried forward		473,913	(2,130,933)	7,786,660	6,129,640	6,456,552

LEARNING FOR LIFE EDUCATION TRUST
(A Company Limited by Guarantee)
REGISTERED NUMBER: 09470229

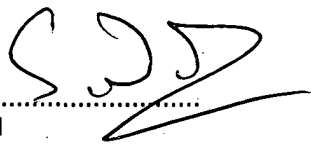
BALANCE SHEET
AS AT 31 AUGUST 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	13	7,775,323	7,287,776
Current assets			
Debtors	14	394,040	129,163
Cash at bank and in hand		1,379,235	961,065
		<u>1,773,275</u>	<u>1,090,228</u>
Creditors: amounts falling due within one year	15	(958,461)	(362,241)
Net current assets		<u>814,814</u>	<u>727,987</u>
Total assets less current liabilities		<u>8,590,137</u>	<u>8,015,763</u>
Creditors: amounts falling due after more than one year	16	(9,497)	(12,211)
Net assets excluding pension liability		<u>8,580,640</u>	<u>8,003,552</u>
Defined benefit pension scheme liability	23	(2,451,000)	(1,547,000)
Total net assets		<u><u>6,129,640</u></u>	<u><u>6,456,552</u></u>
Funds of the Academy Trust			
Restricted funds:			
Fixed asset funds	17	7,786,661	7,299,711
Restricted income funds	17	320,066	241,117
		<u>8,106,727</u>	<u>7,540,828</u>
Restricted funds excluding pension asset	17	8,106,727	7,540,828
Pension reserve	17	(2,451,000)	(1,547,000)
Total restricted funds	17	<u>5,655,727</u>	<u>5,993,828</u>
Unrestricted income funds	17	<u>473,913</u>	<u>462,724</u>
Total funds		<u><u>6,129,640</u></u>	<u><u>6,456,552</u></u>

LEARNING FOR LIFE EDUCATION TRUST
(A Company Limited by Guarantee)

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2019

The financial statements on pages 25 to 56 were approved by the Trustees, authorised for issue and signed on their behalf, by:


.....
Stephen Ward
Chair of Trustees

Date:

13/12/19

The notes on pages 29 to 56 form part of these financial statements.

LEARNING FOR LIFE EDUCATION TRUST
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2019

	Note	2019 £	2018 £
Cash flows from operating activities			
Net cash provided by operating activities	19	509,667	166,186
Cash flows from investing activities	21	(88,783)	(76,165)
Cash flows from financing activities	20	(2,714)	(2,714)
Change in cash and cash equivalents in the year		418,170	87,307
Cash and cash equivalents at the beginning of the year		961,065	873,758
Cash and cash equivalents at the end of the year	22	<u>1,379,235</u>	<u>961,065</u>

The notes on pages 29 to 56 form part of these financial statements

LEARNING FOR LIFE EDUCATION TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

1. Accounting policies

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

1.1 Basis of preparation of financial statements

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

Learning for Life Education Trust meets the definition of a public benefit entity under FRS 102.

1.2 Going concern

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

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

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

- **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.

LEARNING FOR LIFE EDUCATION TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

1. Accounting policies (continued)

1.3 Income (continued)

- **Other income**

Other income, including the hire of facilities, is recognised in the year it is receivable and to the extent the Academy Trust has provided the goods or services.

- **Donated fixed assets (excluding transfers on conversion or into the Academy Trust)**

Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as 'Income from Donations and Capital Grants' 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.

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 allocated on the portion of the asset's use.

- **Expenditure on raising funds**

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Interest receivable

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

1.6 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.

LEARNING FOR LIFE EDUCATION TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

1. Accounting policies (continued)

1.6 Taxation (continued)

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

1.7 Tangible fixed assets

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

Depreciation is provided on the following basis:

Long term leasehold property	-	2% straight line
Furniture and equipment	-	20% straight line
Computer equipment	-	33% straight line
Motor vehicles	-	33% straight line

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.

1.8 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.

LEARNING FOR LIFE EDUCATION TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

1. Accounting policies (continued)

1.9 Provisions

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

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.10 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 bases are as follows:

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 14. Prepayments are not financial instruments. Amounts due to the Academy Trust's wholly owned subsidiary are held at face value less any impairment. Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 15 and 16. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to the Academy Trust's wholly owned subsidiary are held at face value less any impairment.

1.11 Leased assets

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

1.12 Pensions

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

LEARNING FOR LIFE EDUCATION TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

1. Accounting policies (continued)

1.12 Pensions (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 operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

1.13 Fund accounting

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

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

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

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

1.14 Licence to occupy

The Trustees of the Learning For Life Education Trust, in agreement with the Board of Education of the Diocese of Peterborough, own the leasehold interest in the building which is occupied by the Finedon Mulso CE Junior School on a rent free licence to occupy. Full details of the arrangement are detailed in note 13.

The Trustees have considered the guidance in the Academies Accounts Direction 2018 to 2019 paragraph 8.7.5 in relation to properties occupied under licence. Having considered the arrangements under which the Academy Trust is occupying the buildings, for the reasons given in note 13, the Trustees have concluded that the arrangement should not be included as an asset on the balance sheet nor any notional rental expense for the donated use of the buildings. The Trustees have not included any value of buildings or donated services provided by the Board of Education of the Diocese of Peterborough in the financial statements.

LEARNING FOR LIFE EDUCATION TRUST
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FOR THE YEAR ENDED 31 AUGUST 2019

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 23, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2019. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

3. Income from donations and capital grants

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £	Total funds 2018 £
Donations	3,047	-	-	3,047	14,125
Capital Grants	-	-	671,623	671,623	97,919
	<u>3,047</u>	<u>-</u>	<u>671,623</u>	<u>674,670</u>	<u>112,044</u>
Total 2018	<u>3,985</u>	<u>10,140</u>	<u>97,919</u>	<u>112,044</u>	

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

4. Funding for the Academy Trust's educational operations

	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
DfE/ESFA grants			
General annual grant (GAG)	4,142,237	4,142,237	4,094,538
Other DfE/ESFA grants	257,524	257,524	214,278
Pupil premium	342,788	342,788	377,086
	<u>4,742,549</u>	<u>4,742,549</u>	<u>4,685,902</u>
Other government grants			
Local authority grants	262,302	262,302	249,276
Other government grants	57,743	57,743	13,358
	<u>320,045</u>	<u>320,045</u>	<u>262,634</u>
Other funding			
Other grants	17,010	17,010	2,920
	<u>5,079,604</u>	<u>5,079,604</u>	<u>4,951,456</u>

5. Income from other trading activities

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Trips and activities	131,140	84,038	215,178	245,270
Miscellaneous income	12,038	-	12,038	16,273
Staff absence insurance	46,885	-	46,885	15,657
	<u>190,063</u>	<u>84,038</u>	<u>274,101</u>	<u>277,200</u>
Total 2018	<u>166,759</u>	<u>110,441</u>	<u>277,200</u>	

LEARNING FOR LIFE EDUCATION TRUST
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NOTES TO THE FINANCIAL STATEMENTS
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6. Investment income

	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Bank interest	606	606	591

7. Expenditure

	Staff Costs 2019 £	Premises 2019 £	Other 2019 £	Total 2019 £	Total 2018 £
Expenditure on fundraising trading activities:					
Direct costs	79,578	-	180,237	259,815	213,735
Expenditure on educational operations					
Direct costs	3,446,523	-	256,436	3,702,959	3,906,739
Allocated support costs	744,857	477,991	488,271	1,711,119	1,550,168
	<u>4,270,958</u>	<u>477,991</u>	<u>924,944</u>	<u>5,673,893</u>	<u>5,670,642</u>
Total 2018	<u>4,342,830</u>	<u>453,413</u>	<u>874,399</u>	<u>5,670,642</u>	

Net expenditure for the year includes:

	2019 £	2018 £
Depreciation	273,465	264,508
Fees payable to the auditor for audit	8,500	8,500
Fees payable to the auditor for non-audit	9,225	3,750
Operating lease payments	<u>10,984</u>	<u>12,984</u>

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NOTES TO THE FINANCIAL STATEMENTS
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8. Analysis of expenditure by activities

	Activities undertaken directly 2019 £	Support costs 2019 £	Total funds 2019 £	Total funds 2018 £
Educational operations	3,702,959	1,711,119	5,414,078	5,456,907
Total 2018	3,906,739	1,550,168	5,456,907	

Analysis of support costs

	Activities 2019 £	Total funds 2019 £	Total funds 2018 £
LGPS pension costs	46,000	46,000	42,000
Staff costs	744,857	744,857	743,620
Depreciation	273,465	273,465	264,508
Technology costs	77,441	77,441	56,533
Premises costs	204,526	204,526	188,908
Catering	149,380	149,380	-
Governance costs	17,725	17,725	28,490
Other support costs	197,725	197,725	226,109
	1,711,119	1,711,119	1,550,168

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NOTES TO THE FINANCIAL STATEMENTS
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9. Staff costs

a. Staff costs

Staff costs during the year were as follows:

	2019 £	2018 £
Wages and salaries	3,157,962	3,325,175
Social security costs	254,669	235,362
Pension costs	713,071	703,979
	<u>4,125,702</u>	<u>4,264,516</u>
Agency staff costs	137,944	51,367
Staff restructuring costs	7,312	26,947
	<u>4,270,958</u>	<u>4,342,830</u>

Staff restructuring costs comprise:

	2019 £	2018 £
Redundancy payments	7,312	12,018
Severance payments	-	14,929
	<u>7,312</u>	<u>26,947</u>

b. Non-statutory/non-contractual staff severance payments

Included in staff restructuring costs is a non-statutory/non-contractual severance payment totalling £nil (2018 - £14,929 made in October 2017).

LEARNING FOR LIFE EDUCATION TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

9. Staff costs (continued)

c. Staff numbers

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

	2019 No.	2018 No.
Teachers	55	49
Administration and Support	118	122
Management	5	5
	<u>178</u>	<u>176</u>

d. Higher paid staff

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

	2019 No.	2018 No.
In the band £60,001 - £70,000	2	1
In the band £70,001 - £80,000	1	1
	<u>1</u>	<u>1</u>

The above employees participated in the Teachers' Pension Scheme. During the period ended 31 August 2019 employer's pension contributions for these staff amounted to £33,979 (2018 - £23,532).

e. Key management personnel

The key management personnel of the Academy Trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £392,039 (2018 - £384,697).

LEARNING FOR LIFE EDUCATION TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

10. Central services

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

- human resources
- financial services
- legal services
- educational support services
- other services as arising

The Academy Trust charges for these services on the following basis:

All Education Service Grant and 5% of GAG received from the ESFA is recharged for central services.

The actual amounts charged during the year were as follows:

	2019 £	2018 £
Irthlingborough Nursery and Infants School	56,892	46,080
Irthlingborough Junior School	84,720	65,760
Finedon Infant School	28,344	21,600
Finedon Mulso CE Junior School	36,960	28,680
Total	206,916	162,120

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

11. Trustees' remuneration and expenses

One or more Trustees has been paid remuneration or has received other benefits from an employment with the Academy Trust. The principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment. The value of Trustees' remuneration and other benefits was as follows:

		2019	2018
		£	£
Jan Marshall, Headteacher and Trustee	Remuneration	65,000 -	65,000 -
		70,000	70,000
	Pension contributions paid	10,000 -	10,000 -
Joanne Sanchez-Thompson, Chief Executive Officer, Accounting Officer and Trustee		15,000	15,000
	Remuneration	70,000 -	75,000 -
		75,000	80,000
	Pension contributions paid	10,000 -	10,000 -
		15,000	15,000

During the year ended 31 August 2019, no Trustee expenses have been incurred (2018 - £NIL).

J Sanchez-Thompson generated income for the Trust from external activities, additional payments were made within the salary paid to reflect the additional workload these activities created.

Other related party transactions involving the trustees are set out in note 26.

12. Trustees' and Officers' insurance

The Academy Trust 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 membership.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

13. Tangible fixed assets

	Long-term leasehold property £	Furniture and equipment £	Computer equipment £	Motor vehicles £	Total £
Cost or valuation					
At 1 September 2018	7,658,722	128,853	274,377	7,935	8,069,887
Additions	650,911	73,152	36,949	-	761,012
Disposals	-	-	(13,805)	-	(13,805)
At 31 August 2019	8,309,633	202,005	297,521	7,935	8,817,094
Depreciation					
At 1 September 2018	524,861	81,158	175,298	794	782,111
Charge for the year	187,985	16,489	67,404	1,587	273,465
On disposals	-	-	(13,805)	-	(13,805)
At 31 August 2019	712,846	97,647	228,897	2,381	1,041,771
Net book value					
At 31 August 2019	7,596,787	104,358	68,624	5,554	7,775,323
At 31 August 2018	7,133,861	47,695	99,079	7,141	7,287,776

The buildings occupied by Irthlingborough Nursery and Infants School, Irthlingborough Junior School and Finedon Infant School are leased by the school after being transferred from the Local Authority on conversion to an Academy Trust. The land and buildings which were occupied by the academies within the Trust are held under a 125 year lease from Northamptonshire County Council.

The Academy Trust is responsible for the maintenance and insurance of the land and buildings.

LEARNING FOR LIFE EDUCATION TRUST
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NOTES TO THE FINANCIAL STATEMENTS
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13. Tangible fixed assets (continued)

License to occupy

The Trustees of Learning for Life Education Trust, in agreement with the Board of Education of the Diocese of Peterborough, own the leasehold interest in the building which is occupied by the Finedon Mulso CE Junior School on a rent free licence to occupy. This continuing permission of their trustees is pursuant to, and subject to, the Trustees' charitable objects, and is part of the Church of England's contribution to provide State funded education in partnership with the State and detailed in a supplemental agreement with the academy. The licence delegates aspects of the management of the building to the Academy Trust company for the time being, but does not vest any rights over the land in the Academy Trust company, the terms of which have been agreed between the Secretary of State and the Trustees of The Irthlingborough and Finedon Learning Trust. This agreement can be revoked at any time and without the agreement is a termination clause with the trustees of The Irthlingborough and Finedon Learning Trust giving two years notice. The Trustees have concluded that the land and buildings should not be recognised as an asset of the academy as the Academy Trust does not control the asset.

The financial statements do not reflect any notional rental expense for the donated use of the land and buildings as the Trustees have concluded that no reliable figure can be measured for this donation as there are no rental premises for academy operations which are considered to be comparable and reliably measured.

14. Debtors

	2019 £	2018 £
Due within one year		
Trade debtors	7,485	3,366
Other debtors	121,464	43,086
Prepayments and accrued income	265,091	82,711
	<u>394,040</u>	<u>129,163</u>

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15. Creditors: Amounts falling due within one year

	2019 £	2018 £
Other loans	2,714	2,714
Trade creditors	370,904	88,142
Other taxation and social security	59,156	60,489
Accruals and deferred income	525,687	210,896
	<u>958,461</u>	<u>362,241</u>
	2019 £	2018 £
Deferred income		
Deferred income at 1 September 2018	123,397	105,422
Resources deferred during the year	158,560	123,397
Amounts released from previous periods	(123,397)	(105,422)
	<u>158,560</u>	<u>123,397</u>

At the balance sheet date the Academy Trust was holding funds received in advance for Universal Infant Free School Meals, Devolved Formula Capital, Rates Relief and Other Government Grants for the autumn term 2019.

16. Creditors: Amounts falling due after more than one year

	2019 £	2018 £
Salix loan	<u>9,497</u>	<u>12,211</u>

The Academy Trust has a Salix loan of £12,211 (2018 - £14,925) from Northamptonshire County Council Salix Finance Limited which is provided on an interest free basis payable over 7 years. £2,714 (2018 - £2,714) is payable within one year and £9,497 (2018 - £12,211) is payable after more than one year.

LEARNING FOR LIFE EDUCATION TRUST
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NOTES TO THE FINANCIAL STATEMENTS
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17. Statement of funds

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
Unrestricted funds						
General funds	462,724	193,716	(176,205)	(6,322)	-	473,913
Restricted general funds						
General Annual Grant (GAG)	238,043	4,142,237	(3,991,441)	(82,469)	-	306,370
Local authority income	-	262,302	(251,785)	-	-	10,517
Other ESFA and government grants	3,074	315,267	(315,162)	-	-	3,179
ESFA Pupil Premium	-	342,788	(342,788)	-	-	-
Miscellaneous restricted	-	101,048	(101,048)	-	-	-
Pension reserve	(1,547,000)	-	(222,000)	-	(682,000)	(2,451,000)
	<u>(1,305,883)</u>	<u>5,163,642</u>	<u>(5,224,224)</u>	<u>(82,469)</u>	<u>(682,000)</u>	<u>(2,130,934)</u>
Restricted fixed asset funds						
Unspent capital	11,934	671,623	-	(672,222)	-	11,335
Capital exp from GAG	214,854	-	(10,363)	82,469	-	286,960
Capital income transferred from LA	6,363,084	-	(232,561)	-	-	6,130,523
Other capital expenditure	709,839	-	(30,540)	678,544	-	1,357,843
	<u>7,299,711</u>	<u>671,623</u>	<u>(273,464)</u>	<u>88,791</u>	<u>-</u>	<u>7,786,661</u>
Total Restricted funds	<u>5,993,828</u>	<u>5,835,265</u>	<u>(5,497,688)</u>	<u>6,322</u>	<u>(682,000)</u>	<u>5,655,727</u>
Total funds	<u>6,456,552</u>	<u>6,028,981</u>	<u>(5,673,893)</u>	<u>-</u>	<u>(682,000)</u>	<u>6,129,640</u>

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NOTES TO THE FINANCIAL STATEMENTS
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17. Statement of funds (continued)

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

The transfer between the restricted General Annual Grant fund and restricted fixed asset funds represents amounts capitalised during the period.

Restricted general funds will be used for educational purposes in line with Academy Trust's objects and its funding agreement with the EFA.

Restricted fixed assets funds amounting to £7,775,326 will be reserved against future depreciation charges, and the remainder of £11,335 relates to unspent capital grants which will be utilised to enhance the Academy Trust's facilities.

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

Total funds analysis by academy

Fund balances at 31 August 2019 were allocated as follows:

	2019 £	2018 £
Irthlingborough Nursery and Infant School	261,853	187,051
Irthlingborough Junior School	118,478	102,565
Finedon Infant School	162,578	164,933
Finedon Mulso CE Junior School	81,975	72,169
Central services	169,095	177,123
	<hr/>	<hr/>
Total before fixed asset funds and pension reserve	793,979	703,841
Restricted fixed asset fund	7,786,661	7,299,711
Pension reserve	(2,451,000)	(1,547,000)
	<hr/>	<hr/>
Total	6,129,640	6,456,552

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

17. Statement of funds (continued)

Total cost analysis by academy

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2019 £	Total 2018 £
Irthlingborough Nursery and Infant School	991,456	181,116	10,308	314,545	1,497,425	1,530,678
Irthlingborough Junior School	1,368,486	201,597	83,886	411,542	2,065,511	2,005,581
Finedon Infant School	458,474	88,378	12,715	159,136	718,703	724,537
Finedon Mulso CE Junior School	566,895	89,466	17,430	145,213	819,004	861,748
Learning for Life Education Trust	-	149,670	-	135,638	285,308	241,463
Academy Trust	3,385,311	710,227	124,339	1,166,074	5,385,951	5,364,007

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

	Balance at 1 September 2017 £	Income £	Expenditure £	Transfers in/out £	Gains/(Losses) £	Balance at 31 August 2018 £
Unrestricted funds						
General funds	444,768	171,335	(114,629)	(38,750)	-	462,724

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

17. Statement of funds (continued)

	£	£	£	£	£	Balance at 31 August 2018 £
Restricted general funds						
General Annual Grant (GAG)	210,683	4,094,538	(4,023,241)	(43,937)	-	238,043
Local authority income	-	255,224	(255,224)	-	-	-
Other ESFA and government grants	36,558	337,913	(371,397)	-	-	3,074
ESFA Pupil Premium	18,519	374,222	(392,741)	-	-	-
Miscellaneous restricted	393	10,140	(4,533)	(6,000)	-	-
Pension reserve	(1,600,000)	-	(243,000)	-	296,000	(1,547,000)
	<u>(1,333,847)</u>	<u>5,072,037</u>	<u>(5,290,136)</u>	<u>(49,937)</u>	<u>296,000</u>	<u>(1,305,883)</u>
Restricted fixed asset funds						
Unspent capital	-	97,919	-	(85,985)	-	11,934
Capital exp from GAG	170,917	-	-	43,937	-	214,854
Capital income transferred from LA	6,628,961	-	(265,877)	-	-	6,363,084
Other capital expenditure	579,104	-	-	130,735	-	709,839
	<u>7,378,982</u>	<u>97,919</u>	<u>(265,877)</u>	<u>88,687</u>	<u>-</u>	<u>7,299,711</u>
Total Restricted funds	<u>6,045,135</u>	<u>5,169,956</u>	<u>(5,556,013)</u>	<u>38,750</u>	<u>296,000</u>	<u>5,993,828</u>
Total funds	<u>6,489,903</u>	<u>5,341,291</u>	<u>(5,670,642)</u>	<u>-</u>	<u>296,000</u>	<u>6,456,552</u>

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NOTES TO THE FINANCIAL STATEMENTS
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18. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £
Tangible fixed assets	-	-	7,775,323	7,775,323
Current assets	473,913	1,288,024	11,338	1,773,275
Creditors due within one year	-	(958,461)	-	(958,461)
Creditors due in more than one year	-	(9,497)	-	(9,497)
Provisions for liabilities and charges	-	(2,451,000)	-	(2,451,000)
Total	473,913	(2,130,934)	7,786,661	6,129,640

Analysis of net assets between funds - prior year

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £
Tangible fixed assets	-	-	7,287,776	7,287,776
Current assets	462,724	615,569	11,935	1,090,228
Creditors due within one year	-	(362,241)	-	(362,241)
Creditors due in more than one year	-	(12,211)	-	(12,211)
Provisions for liabilities and charges	-	(1,547,000)	-	(1,547,000)
Total	462,724	(1,305,883)	7,299,711	6,456,552

LEARNING FOR LIFE EDUCATION TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

19. Reconciliation of net income/(expenditure) to net cash flow from operating activities

	2019 £	2018 £
Net income/(expenditure) for the year (as per Statement of Financial Activities)	355,088	(329,351)
Adjustments for:		
Depreciation	273,465	264,508
Capital grants from DfE and other capital income	(671,623)	(97,919)
Interest receivable	(606)	(591)
Defined benefit pension scheme cost less contributions payable	176,000	201,000
Defined benefit pension scheme finance cost	46,000	42,000
(Increase)/decrease in debtors	(264,877)	60,152
Increase in creditors	596,220	26,387
Net cash provided by operating activities	509,667	166,186

20. Cash flows from financing activities

	2019 £	2018 £
Repayments of borrowing	(2,714)	(2,714)
Net cash used in financing activities	(2,714)	(2,714)

21. Cash flows from investing activities

	2019 £	2018 £
Dividends, interest and rents from investments	606	591
Purchase of tangible fixed assets	(761,012)	(174,675)
Capital grants from DfE Group	663,887	97,919
Capital funding received from sponsors and others	7,736	-
Net cash used in investing activities	(88,783)	(76,165)

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

22. Analysis of cash and cash equivalents

	2019 £	2018 £
Cash in hand	1,379,235	961,065
Total cash and cash equivalents	1,379,235	961,065

23. Pension commitments

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

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

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

Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS or scheme) is a statutory, unfunded, defined benefit occupational scheme, governed by the Teachers' Pensions Regulations 2010 (as amended), and the Teachers' Pension Scheme Regulations 2014 (as amended). These regulations apply to teachers in schools and other educational establishments, including academies, in England and Wales that are maintained by local authorities. In addition, teachers in many independent and voluntary-aided schools and teachers and lecturers in some establishments of further and higher education may be eligible for membership. Membership is automatic for full-time teachers and lecturers and, from 1 January 2007, automatic too for teachers and lecturers in part-time employment following appointment or a change of contract. Teachers and lecturers are able to opt out of the TPS.

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NOTES TO THE FINANCIAL STATEMENTS
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23. Pension commitments (continued)

The Teachers' Pension Budgeting and Valuation Account

Although members may be employed by various bodies, their retirement and other pension benefits are set out in regulations made under the Superannuation Act (1972) and Public Service Pensions Act (2013) and are paid by public funds provided by Parliament. The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – contributions from members, along with those made by employers, are credited to the Exchequer under arrangements governed by the above Acts.

The Teachers' Pensions Regulations 2010 require an annual account, the Teachers' Pension Budgeting and Valuation Account, to be kept of receipts and expenditure (including the cost of pension increases). From 1 April 2001, the Account has been credited with a real rate of return, which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return.

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 0.8%). 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%.

Scheme Changes

The arrangements for a reformed Teachers' Pension Scheme, in line with the recommendations made by Lord Hutton, in particular the introduction of a Career Average Revalued Earnings (CARE) scheme, were implemented from 1 April 2015.

In December 2018, the Court of Appeal held that transitional protection provisions contained in the reformed judicial and firefighter pension schemes, introduced as part of public service pension reforms in 2015, gave rise to direct age discrimination and were therefore unlawful. The Supreme Court, in a decision made in June 2019, have rejected the Government's application for permission to appeal the Court of Appeal's ruling. The case will now be referred to an Employment Tribunal for a decision regarding the remedy which will need to be offered to those members of the two schemes who were subject of the age discrimination.

HM Treasury are clear that the ruling has implications for the other public service schemes, including the Teachers' Pension Scheme. Those implications are currently being considered and any impact on scheme costs is expected to be looked at within the next scheme valuation, which is currently scheduled to be based on April 2020 data and implemented in April 2023.

The employer's pension costs paid to TPS in the year amounted to £304,517 (2018 - £319,175).

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.

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23. Pension commitments (continued)

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2019 was £270,000 (2018 - £293,000), of which employer's contributions totalled £216,000 (2018 - £236,000) and employees' contributions totalled £54,000 (2018 - £57,000). The agreed contribution rates for future years are 22.6 per cent for employers and 5.5 per cent for employees.

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

Principal actuarial assumptions

	2019 %	2018 %
Rate of increase in salaries	2.6	2.7
Rate of increase for pensions in payment/inflation	2.3	2.4
Discount rate for scheme liabilities	1.8	2.8

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

	2019 Years	2018 Years
<i>Retiring today</i>		
Males	21.2	22.1
Females	23.3	24.2
<i>Retiring in 20 years</i>		
Males	22.3	23.9
Females	24.7	26.1

Sensitivity analysis

	2019 £	2018 £
0.5% decrease in Real Discount Rate	617,000	434,000
0.5% increase in the Salary Increase Rate	75,000	64,000
0.5% increase in the Pension Increase Rate	530,000	364,000

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23. Pension commitments (continued)

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

	At 31 August 2019 £	At 31 August 2018 £
Equities	1,449,000	1,245,000
Corporate bonds	342,000	252,000
Property	181,000	135,000
Cash and other liquid assets	40,000	50,000
Total market value of assets	2,012,000	1,682,000

The actual return on scheme assets was £89,000 (2018 - £78,000).

The amounts recognised in the Statement of Financial Activities are as follows:

	2019 £	2018 £
Current service cost	(376,000)	(437,000)
Past service cost	(16,000)	(11,000)
Interest income	50,000	37,000
Interest cost	(96,000)	(79,000)
Total amount recognised in the Statement of Financial Activities	(438,000)	(490,000)

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

	2019 £	2018 £
At 1 September	3,229,000	2,932,000
Interest cost	96,000	79,000
Employee contributions	54,000	57,000
Actuarial losses/(gains)	721,000	(255,000)
Benefits paid	(29,000)	(21,000)
Past service costs	16,000	-
Current service cost	376,000	437,000
At 31 August	4,463,000	3,229,000

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23. Pension commitments (continued)

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

	2019 £	2018 £
At 1 September	1,682,000	1,332,000
Interest income	50,000	37,000
Actuarial gains	39,000	41,000
Employer contributions	216,000	236,000
Employee contributions	54,000	57,000
Benefits paid	(29,000)	(21,000)
At 31 August	2,012,000	1,682,000

24. Operating lease commitments

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

	2019 £	2018 £
Not later than 1 year	9,193	10,984
Later than 1 year and not later than 5 years	15,872	20,729
	25,065	31,713

25. Members' liability

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

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26. Related party transactions

Owing to the nature of the Academy Trust and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the Trust have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the AFH and with the Academy Trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

Peterborough Diocese Church Schools Trust is a member of Learning For Life Education Trust.

All the transactions with the Peterborough Diocese Church Schools Trust were conducted at arms length and in accordance with the Academy Trust's financial regulations and normal procurement procedures. The Irthlingborough and Finedon Learning Trust received no benefit from any such arrangement.

The transactions are as follows:

- The Academy Trust incurred costs totalling £1,300 (2018 - £1,000) during the year.

At the year end a balance of £Nil (2018 - £Nil) was due to the Peterborough Diocese Church Schools Trust.

Stephen Gordon, member of Learning For Life Education Trust, is the Headteacher of Huxlow Science College. Stephen Ward, member and trustee of Learning For Life Education Trust is also a member and Trustee at Huxlow Science College. In this capacity, they are not directly involved in making decisions relating to transactions with the Academy Trust.

All the transactions with Huxlow Science College were conducted at arms length and in accordance with the Academy Trust's financial regulations and normal procurement procedures. Steve Gordon and Stephen Ward received no benefit from any such arrangement.

The transactions are as follows:

- The Academy Trust recharged costs totalling £715 (2018 - £705) during the year, in respect of 'The Key' Governance membership.
- The Academy Trust invoiced Huxlow Science College £Nil (2018 - £100) during the year, in respect of minibus loan charges.

At the year end a balance of £Nil (2018 - £Nil) was due from Huxlow Science College.