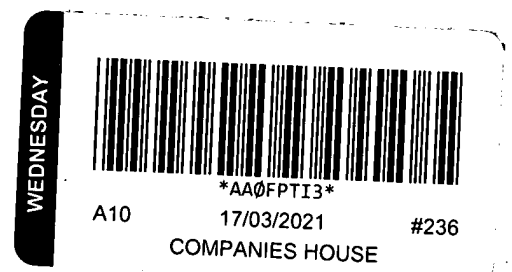


Company Registration Number: 10285015 (England & Wales)

LEARNING ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020



**LEARNING ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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LEARNING ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)

REFERENCE AND ADMINISTRATIVE DETAILS

Members	Councillor Mary Aspinall Mr Bob Mills Mrs Carol Bull Mr Philip Burgess
Trustees	Mr Andrew Robinson ^{1,2} Mr John Butcher, Chair ^{1,2} Mrs Ciara Moran Mr Warren O'Riley (resigned 18 November 2019) Mr Jonathan Bushby ^{1,2} Mr Adrian King ^{1,2} Mr Simon Spry, Chief Executive Officer & Accounting Officer ^{1,2} Mr Ambrose McDonough Mrs Claire Fortey Mrs Ruth Woodhouse Ms Anna Mills (appointed 4 February 2020) ¹ Finance and Personnel Committee ² Audit Committee
Company registered number	10285015
Company name	Learning Academies Trust
Principal and registered office	Prince Rock Primary School Embankment Road Plymouth Devon PL4 9JF
Company secretary	Mrs Kay Mabin
Chief Executive Officer & Accounting Officer	Mr Simon Spry
Senior management team	Mr Simon Spry, Chief Executive Officer Mrs Kay Mabin, Chief Finance Officer Mrs Amy Bosworth, HR/ Businesss Partner Mr Luke Pollard, ICT Lead Mr Duncan Baldie, Estate Manager
Independent auditors	Bishop Fleming LLP Chartered Accountants Statutory Auditors Salt Quay House 4 North East Quay Sutton Harbour Plymouth PL4 0BN

**LEARNING ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020**

Bankers	Lloyds Bank Andover Devon BX1 1LT
Solicitors	Browne Jacobson LLP 1 Manor Court Dix's Field Exeter Devon EX1 1UP

**LEARNING ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES REPORT
FOR THE YEAR ENDED 31 AUGUST 2020**

The Trustees present their annual report together with the financial statements and Auditors' Report of the Charitable Company for the year ended 31 August 2020. The annual report serves the purpose of both a Trustees' Report, and a Directors' Report under company law.

The Trust operates 8 primary Academies in Plymouth. Its Academies have a combined pupil number on roll as of the Autumn 2019 census data of 2594, with a potential capacity if full of 3045. We also have across the Trust 6 nurseries with pupils on roll of 245.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy Trust was incorporated on 19 July 2016 and opened as a Multi Academy Trust on 1 November 2016. It 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 Learning Academies Trust are also the directors of the Charitable Company for the purposes of company law. The Charitable Company is known as the 'Learning Academies Trust.'

Details of the Trustees who served throughout the year and to the date the accounts are approved are included in the Reference and Administration Details on page 1.

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 £10.00, for the debts and liabilities contracted before they cease to be a Member.

Trustees' Indemnities

In accordance with normal commercial practice the Academy Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust business. The insurance provides cover up to £5,000,000 on any one claim.

Method of recruitment and appointment or election of Trustees

The Academy Trust shall have the following Trustees as set out in its Articles of Association and funding agreement:

- up to 5 Trustees who are appointed by the Members
- up to 1 Parent Trustee who is appointed by the Trustee Board
- up to 5 Trustees who are appointed by the Trustee Board
- the CEO

Trustees are appointed for a four-year period, except that this time limit does not apply to the CEO. Subject to remaining eligible to be a particular type of Trustee, any Trustee can be re-appointed or re-elected.

When appointing new Trustees, the Board will give consideration to the skills and experience mix of existing Trustees in order to ensure that the Board has the necessary skills to contribute fully to the Academy Trust's development.

Policies and Procedures adopted for the Induction and Training of Trustees

The training and induction provided for new Trustees will depend upon their existing experience but would always include a tour of the Academies and a chance to meet staff and pupils. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees. As there are normally only one or two new Trustees a year, induction tends to be done informally and is tailored specifically to the individual. Advantage is taken of specific courses offered by the Local Authority and other bodies.

This year both our Chair of Trustees and our Vice Chair/Chair of Finance have been undertaking MAT Trustee training, although this was interrupted by Covid.

TRUSTEES REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Organisational Structure

The Board of Trustees normally meets at least once each term and 6 times over the course of an academic year. The Board establishes an overall framework for the governance of the Academy Trust and determines membership, terms of reference and procedures of Committees and other groups. It receives reports including policies from its Committees for ratification. It monitors the activities of the Committees through the minutes of their meetings. The Board may from time to time establish Working Groups to perform specific tasks over a limited timescale.

There are 3 main committees as follows;

- Finance and Personnel Committee - This meets 6 times a year and is responsible for monitoring, evaluating and reviewing policy and performance in relation to financial management, compliance with reporting and regulatory requirements, receiving reports from the CEO and CFO, and drafting the annual budget including setting staffing levels. It also incorporates the role of additional annual 'senior staff' pay committee.
- Curriculum and Standards Committee - This meets 6 times a year to monitor, evaluate and review MAT policy, practice and performance in relation to curriculum planning, communications, target setting and assessment, examinations and all safeguarding and pastoral issues.
- Audit Committee - This meets at least 3 times a year to receive and consider the annual audit report from the LATs external auditors, oversee the LATs general internal audit work and oversee and report on the LATs risk management.

The following decisions are reserved to the Board of Trustees: to consider any proposals for changes to the status or constitution of the Academy Trust and its committee structure, to appoint or remove the Chair and/or Vice Chair, to appoint the Headteachers and Clerk to the Trustees, and to approve the Annual MAT Improvement Plan and budget.

The Trustees are responsible for setting general policy, adopting an annual plan and budget, approving the statutory accounts, monitoring the Academy Trust by the use of budgets and other data, and making major decisions about the direction of the Academy Trust, capital expenditure and senior staff appointments.

The Trustees and Board of Trustees have devolved responsibility for day to day management of the Multi Academy Trust to the CEO, Headteachers and the Senior Leadership Teams (SLT) and Senior Management Team (SMT). The MAT Executive SLT comprises both the 2 Executive Headteachers, 4 Headteachers and the CEO. The service lead SMT comprises the CEO alongside the CFO and the LAT HR, ICT and Estates Leads. Both SLT & SMT implement the policies laid down by the Trustees and report back to them on performance. There is a clear scheme of delegation in place.

The Academy Trust comprises 8 primary schools – Prince Rock, Woodfield, Salisbury Road, Mount Wise, Shakespeare, Knowle, Mayflower and Mount Street. Each school has its own Local Governing Body responsible for day to day operations and some oversight of the school's budget.

The CEO is the Accounting Officer.

Arrangements for setting pay and remuneration of key management personnel

The Trustees comprise the Board of Trustees and the Senior Leadership Teams comprise the key management personnel of the MAT in charge of directing and controlling, running and operating the Trust on a day to day basis. All Trustees give their time freely and no Trustee received remuneration in the year.

Details of Trustees' expenses and related party transactions are disclosed in the notes to the accounts.

The pay of key management personnel is reviewed annually and normally increased in accordance with nationally agreed scales. The Pay Committee, a sub-committee of the Finance and Personnel Committee, meet annually to review senior staff pay.

LEARNING ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

The Trustees continue to benchmark against pay levels in other Academies of a similar size. The CEO's salary is set annually and is set within the nationally agreed Headteacher's Leadership salary range, after benchmarking against similar sized MATs and consulting the external auditors.

Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
0	0

Percentage of time spent on facility time

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

Percentage of pay bill spent on facility time

Provide the total cost of facility time	0
Provide the total pay bill	0
Provide the percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time / total pay bill) x 100	0

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as: (total hours spent on paid trade union activities by relevant union officials during the relevant period / total paid facility time hours) x 100	0
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Related Parties and other Connected Charities and Organisations

The MAT has strong collaborative links with the Plymouth Teaching School Alliance (PTSA) as Prince Rock Primary is the joint lead school in the PTSA.

There are no related parties which either control or significantly influence the decisions and operations of Learning Academies Trust. There are no sponsors associated with the MAT.

Engagement with employees (including disabled persons)

The Trust engages with their employees through many means and methods, including:

- Consulting with employees on key matters, including engaging the relevant union officials
- Regular updates to all staff members, via termly updates, emails and newsletters, including covering both financial and non-financial performance
- Wellbeing Champions in each Academy

TRUSTEES REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

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

I can confirm all our suppliers were paid during Covid due to us being funded mainly by government funding and an exercise of PPN was done to ensure all suppliers affected were vetted and due consideration given to whether goods/services were delivered in return for payment.

As a Trust, we are keen to use local suppliers when possible. Payment of invoices are made within the agreed payment terms for each supplier. We keep in regular contact with our main suppliers to ensure we achieve best value for money at all times.

We use social media to keep the local community up to date with activities and events within our schools as well as engaging our parents and carers through various communication channels such as newsletters, texts, emails and social media. Our pupils are kept up to date through face to face teaching and remote learning and phone calls during periods of Covid lockdown.

OBJECTIVES AND ACTIVITIES

Objects and Aims

The principal object and activity of the Academy Trust is to advance for the public benefit education in the United Kingdom, in particular by establishing, maintaining, carrying on, managing and developing schools, offering a broad curriculum for pupils of different abilities, with a strong emphasis on supporting disadvantaged children and families.

The aims of the Academy Trust during the period ended 31 August 2020 are summarised below:

- to continue to raise the standard of educational attainment and achievement of all pupils.
- to provide a broad and balanced curriculum, including extra-curricular activities.
- to develop students as more effective learners.
- to develop the Academies sites so that they enable students to achieve their full potential.
- to ensure that every child enjoys the same high-quality education in terms of resourcing, tuition and care.
- to improve the effectiveness of the Academy Trust by keeping the curriculum and organisational structure under continual review.
- to maximise the number of students who achieve at or above Key Stage 2 outcomes in reading, writing and maths.
- to provide value for money for the funds expended.
- to fulfil the role of a lead partner in the Plymouth Teaching School Alliance.
- to develop greater coherence, clarity and effectiveness in school systems across the MAT.
- to comply with all appropriate statutory and curriculum requirements.
- to develop the Academy Trust's capacity to manage change.
- to conduct the Academy Trust's business in accordance with the highest standards of integrity, probity and openness.
- to keep all of our staff and children safe.

At the Learning Academies Trust we aim to achieve the best for, and from, each child. We intend to enable each child to realise his or her full academic, creative and physical potential and to develop positive social and moral values. Our Academy Trust is a community in which children, staff and parents should be part of a happy and caring environment.

Our work as a MAT is summed up in this list of 3 beliefs and 7 'We wills'.

TRUSTEES REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

The LAT's Vision and Values

As a growing and significant Plymouth Primary School MAT, the 'Learning Academies Trust' has three core beliefs that underpin its work.

- We believe that every child in our Trust deserves an outstanding education.
- We believe that schools work best when they work together.
- We believe that every school is unique.

Every school in the Learning Academies Trust has its own individual mission statement and agreed set of individual school aims and values, however every school in the Trust is signed up and committed to the following values. The seven Learning Academies Trust 'We wills':

- We will strive for the highest possible academic standards and do everything we can to improve the life chances of the children in our care
- We will aim to develop our children as responsible, rounded citizens
- We will do everything we can to develop our children's love of enquiry and perseverance and encourage them to be truly 'lifelong learners'
- We will provide a rich and stimulating curriculum for all our children, which is both broad and balanced as well as exciting and relevant
- We will establish an inspirational environment in every classroom in every school
- We will all work hard and try our very best every day to be 'outstanding' in everything we do and strive to be truly 'world class'

And finally, the unique ingredient that makes the LAT a very special place to both learn in and work in:

- We will not let social disadvantage be an obstacle to success. We know that with great leadership, inspirational teaching, caring pastoral support and hard work, every child in every one of our schools can succeed.

Objectives, Strategies and Activities

Key priorities for the year are contained in our MAT 'Improvement Plan', which is available from the MAT Office. Improvement focuses identified for this year and our successes include:

- Fully embed the new LAT wide curriculum, designed collaboratively by our staff, to successfully meet the needs of our learners. Early indications on this work from Ofsted have been very positive.
- Successfully navigate the new Ofsted inspection framework. We had 3 different visits in the autumn of 2019 - a section 5, a section 8 and subject inspection with Requires Improvement, Good and Outstanding judgements respectively.
- In terms of progress and attainment this year our aim was to ensure that our children performed at least in line with, or above their peers nationally by the time they left the LAT, in reading, writing and maths. Due to the national lockdown and Covid, no external tests were taken and no external SATS data is available.
- Provide pupil premium pupils with opportunities and quality teaching to ensure they achieve in line with non pupil premium children. We planned to close gaps across the MAT and our internal teacher assessment data tells us that gaps are closing across a number of year groups, but we don't have externally verified test data to substantiate this.
- Develop robust monitoring and evaluation cycles and an aligned assessment framework across the MAT to ensure consistency and accountability. These have now been established in all 8 schools in terms of formative assessment and we are now developing our summative assessment work in relation to our new curriculum.
- Continue to embed the teaching of 'Oracy' across the MAT. This is continuing to go very well.
- Develop a MAT school council. This is now firmly established, but following Covid this will need to be relaunched.

**TRUSTEES REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020**

- Develop a range of career path structures to recruit/attract the best possible staff and make the LAT the employer of choice in the city. This will include embedding and developing our successful NQT, NQT+1 and middle leader courses, as well as growing and developing more senior leaders through NPQs. This is going very well as our pool of talent continues to grow and develop.
- Continue to prioritise the development of staff well-being across the MAT. An exciting new LAT-wide strategy has now been launched and we received the LiveWell Bronze award in late 2019.
- Develop the central LAT team to support the growth of the MAT. This is developing well and all 4 service leads are now firmly in place.

Public Benefit

The Trustees confirm that they have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the Charity Commissioner's general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Academy Trust's aims and objectives and in planning its future activities.

The Multi Academy Trust aims to advance for the public benefit, education in Plymouth and the surrounding area.

As a Multi Academy Trust we have a duty to support other schools. We undertake this support work through our joint leadership of the Plymouth Teaching School Alliance. This involves key senior staff from our schools supporting colleagues across the city of Plymouth and beyond.

As an NLE, the CEO of the LAT has supported school improvement in schools both inside and outside the city.

STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE

The Multi Academy Trust is in its fourth year of operation and as at Autumn 2019 it had 2594 students. This included 182 pupils at Woodfield, 479 at Salisbury Road and 409 at Prince Rock. In the 3 new schools that joined in April 2018 there are 401 children at Shakespeare, 315 at Knowle and 245 at Mount Wise. These figures do not include any nursery children. Mayflower has 394 children and Mount Street has 169. We also had 245 nursery pupils on roll.

In terms of the current Ofsted grades of our 8 schools, 2 are 'Outstanding', 3 are 'Good' and 3 'Require Improvement'. Our Good and Outstanding schools are currently generally full or oversubscribed, but our 3 'RI' schools are currently not.

Official academic performance is very difficult to confirm this year as Covid not only meant we were locked down for months, but no external or indeed internal 'tests' took place. As a result, we have no Year 1 phonics scores, Year 2 test scores or Year 6 SATs data. However, we were very proud of the fact that as a group of schools we stayed open to the children of key workers and vulnerable children throughout the whole period of lockdown.

During the year, the MAT secured 5 Condition Improvement Grants totalling £555,537 to replace the curtain wall/windows at Mount Wise, Fire Safety upgrades at Mount Wise, Mayflower and Mount Street and upgrade the Dining Hall at Salisbury Road.

During the year, a number of senior/middle leaders have benefited from external National Professional Qualification training; others undertook internal 'aspirant leader' training and a number of NQT's were given bespoke training in addition to their basic induction. We also ran a very successful NQT +1 programme for our teachers in their second year with us.

LEARNING ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

The MAT continues to play a key role in the work of the Plymouth Teaching School Alliance. The MAT has an active NLE (National Leader of Education), two LLEs (Local Leaders of Education), and a number of SLEs (Specialist Leaders of Education) and PLEs (Plymouth Lead Educators). All of these staff contribute to support the work of the MAT and children across the city of Plymouth.

Key Performance Indicators

The following KPI's were set at the start of the year:

	Target	Actual to 31.8.20
GAG as a % of total income	76%	61%
Staff costs as % of total income	80%	69%
Staff costs as % of total expenditure	72%	75%
Average teacher cost £	£54,000	£51,691
Average non teacher cost	£26,000	£27,469
Leadership team costs as a % of total staff costs	7%	3%
Pupil teacher ratio	20.1	19:1
Average class size	28	27

These KPI's are monitored monthly and reported to the Finance Committee and Trust Board.

As funding is based on pupil numbers this is also a key performance indicator. Pupil numbers on the October 2019 census were 2594, an increase of 12 compared to October 2018. It is anticipated that this number will continue to rise in future years.

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.

FINANCIAL REVIEW

Most of the Academy Trust's income is obtained from the DfE via the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2020 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

The Academy Trust also receives grants for fixed assets from the DfE which are shown in the Statement of Financial Activities as restricted income in the Fixed Asset Fund. The Restricted Fixed Asset Fund balance is reduced by annual depreciation charges over the useful life of the assets concerned, as defined in the Academy Trust's accounting policies.

During the year ended 31 August 2020, the Academy Trust received total income of £16,068,884 and incurred total expenditure of £16,989,521. The excess of expenditure over income for the year was £920,637.

The impact of Covid on the Trust's income meant reduced income was seen in areas such as bank interest, Breakfast, After School and Clubs and lettings. Reduced expenditure was seen in consumables, utilities and external agency costs.

During the year ended 31 August 2020, the Academy Trust received total revenue income of £15,450,760 and incurred total revenue expenditure of £14,939,681. This excluded capital items and the FRS102 pension charge.

**LEARNING ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020**

At 31 August 2020 the net book value of fixed assets was £31,354,248 and movements in tangible fixed assets are shown in note 15 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy Trust.

The Academy Trust has taken on the deficit in the Local Government Pension Scheme in respect of its non-teaching staff transferred on conversion. The deficit is incorporated within the Statement of Financial Activities with details in note 26 to the financial statements.

Key financial policies adopted or reviewed during the year include the Finance Policy and Financial Procedures Manual which lays out the framework for financial management, including financial responsibilities of the Board, Chief Executive Officer, Executive/Head Teacher, Chief Finance Officer, budget holders and other staff, as well as delegated authority for spending. Other policies reviewed and updated included the Accounting, Investment, Reserves, Staff Expenses, Governor Expenses, LGPS Discretions and Reserves Policies.

Reserves Policy

The Trustees have determined that the appropriate level of free reserves to cover all 8 schools should not exceed £1,750,000. The reason for this is to provide sufficient working capital to cover the equivalent of 1.5 to 2 months salaries and invoices and to provide a cushion to deal with unexpected emergencies such as urgent maintenance or designated projects such a central office expansion or supporting teaching staff absence.

Total reserves of the Academy Trust amount to £23,669,098, although £21,675,409 of this is invested in fixed assets or represents non-GAG restricted funds. The remaining £1,993,689 (representing £862,042 unrestricted funds and £1,176,850 unspent GAG) is the balance that the Trustees monitor in accordance with the Board's reserves policy. This represents 2 months of normal recurring expenditure.

The Trustees have reviewed the future plans of the Academy Trust and have set designated reserves as follows:

- £94,662 to support the Trust's internal teacher absence insurance scheme.
- £100,000 towards school improvement, building Trust capacity and growth.
- £200,000 ICT infrastructure and ICT hardware for all schools.

The defined benefit pension scheme reserve has a negative balance. The effect of the deficit position of the pension scheme is that the Academy Trust is paying higher employers' pension contributions over a period of years. The higher employers' pension contributions will be met from the Academy Trust's budgeted annual income. Whilst the deficit will not be immediately eliminated, there should be no actual cash flow deficit on the fund, nor any direct impact on the free reserves of the Academy Trust.

Investment Policy

Due to the nature and timing of receipt of funding, the Academy Trust may at times hold cash balances surplus to its short-term requirements. The Trustees have authorised the opening of an additional short-term bank investment account/s to take advantage of higher interest rates. No other form of investment is authorised.

Trustees are committed to ensuring that all funds under their control are managed in such a way as to maximise return whilst minimising risk. Any cash not required for operating expenses is placed on deposit at the most favourable rate available from providers covered by the Financial Services Compensation Scheme. Day to day management of the surplus funds is delegated to the Chief Finance Officer.

PRINCIPAL RISKS AND UNCERTAINTIES

The Board of Trustees has reviewed the major risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. These are outlined and available in a separate Risk Register.

**TRUSTEES REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020**

The principal risks and uncertainties facing the Academy Trust are as follows:

Financial - the Academy Trust has considerable reliance on continued Government funding through the ESFA. In the last year 92% of the Academy Trust's incoming resources were ultimately Government funded and whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.

Failures in governance and/or management - the risk in this area arises from potential failure to effectively manage the Academy Trust's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Trustees continue to review and ensure that appropriate measures are in place to mitigate these risks. The Trustees are also aware of the need to both train Trustees and recruit new ones.

Reputational - the continuing success of the Academy Trust is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk, Trustees ensure that student success and achievement are closely monitored and reviewed. The MAT is also aware of the need to grow slowly and carefully and to consider its capacity to support the schools who may wish to join.

Safeguarding, child protection and health and safety - the Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health & safety and discipline.

Staffing - the success of the Academy Trust is reliant upon the quality of its staff and so the Trustees monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning. The Trustees are also aware of the need to retain the current senior leaders while developing and preparing the next phase of middle leaders to succeed them.

Fraud and mismanagement of funds - The Academy Trust has outsourced its internal audit work to carry out checks on financial systems and records as required by the Academies Financial Handbook. All finance staff receive training to keep them up to date with financial practice requirements and develop their skills in this area.

Risk Management - The Academy Trust has continued to strengthen its risk management process throughout the year by improving the process and ensuring staff awareness. A live risk register is maintained, available on the Trust's website and reviewed and updated on a regular basis.

The Trustees have assessed the major risks to which the Academy Trust is exposed, in particular those relating to its finances, teaching, facilities and other operational areas. The Trustees have implemented a number of systems to assess and minimise those risks, including internal controls described elsewhere. Where significant financial risk still remains, they have ensured they have adequate insurance cover.

The Trustees examine the financial health of the Trust formally every term. They review performance against budgets and overall expenditure by means of regular update reports at all Board and Finance Committee meetings. The Trustees also regularly review cash flow forecasts and ensure sufficient funds are held to cover all known and anticipated commitments.

At the year end, the Academy Trust had no significant liabilities arising from trade creditors or debtors that would have a significant effect on liquidity.

The Board of Trustees recognises that the defined benefit pension scheme deficit (Local Government Pension Scheme), which is set out in note 26 to the financial statements, represents a significant potential liability. However, as the Trustees consider that the Academy Trust is able to meet its known annual contribution commitments for the foreseeable future, this risk from this liability is minimised.

TRUSTEES REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

FUNDRAISING

We have undertaken some bid writing and income generation this year using existing Trust personnel in order to increase the income stream for the Trust. We have, as a result, had some success and we hope to continue with this in 2020/2021 by recruiting a Trust bid writer.

STREAMLINED ENERGY AND CARBON REPORTING

UK Greenhouse gas emissions and energy use data for the year ended 31 August 2020	
Energy consumption used to calculate emissions (kWh)	973,264
Energy consumption breakdown (kWh) <ul style="list-style-type: none">• gas,• electricity• transport fuel	80,061 893,202 500 litres
<u>Scope 1 emissions in metric tonnes CO2e</u> Gas consumption Owned transport – mini-buses <u>Total scope 1</u>	14.744
<u>Scope 2 emissions in metric tonnes CO2e</u> Purchased electricity	314.014
<u>Scope 3 emissions in metric tonnes CO2e</u> Business travel in employee owned vehicles	1.099
Total gross emissions in metric tonnes CO2e	329.857
<u>Intensity ratio</u> Tonnes CO2e per pupil (based on 2,594 R-Y6 pupils)	0.127

Quantification and Reporting Methodology

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard guidance and have reviewed the 2020 UK Government's Conversion Factors for Company Reporting. To calculate the above emissions and ratios, the NEF simple calculator was used. This has been sense tested to the above quantification and reporting methodology and can confirm comparable readings have been given.

Intensity measurement

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

Measures taken to improve energy efficiency

We have installed smart meters across the majority of sites, use energy efficient lighting, solar panels and increased video conferencing technology for staff for meetings, to reduce the need for travel between sites.

PLANS FOR FUTURE PERIODS

Full details of our plans for the future are given in our MAT Improvement Plan, which is available on our website or from the Clerk to the Trustees.

The Academy Trust will continue to strive to provide outstanding education and improve the levels of performance of its pupils at all levels. The Academy Trust will continue to aim to attract high quality teachers and support staff in order to deliver its objectives.

The Academy Trust will continue to work with partner schools and the Plymouth Teaching School Alliance to improve the educational opportunities for students in the MAT and the wider community of Plymouth.

**LEARNING ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020**

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

The Academy Trust and its Trustees do not act as the Custodian Trustees of any other Charity.

AUDITOR

In so far as the Trustees are aware:

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

The auditors, Bishop Fleming LLP, are willing to continue in office and a resolution to appoint them will be proposed at the annual general meeting.

Approved by order of the members of the Board of Trustees on 10/12/2020 and signed on their behalf,
by:

A handwritten signature in black ink, appearing to read 'J Butcher', written over a horizontal line.

John Butcher
Chair of Trustees

**LEARNING ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

As Trustees, we acknowledge we have overall responsibility for ensuring that the Learning Academies 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.

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

The Board of Trustees has delegated the day-to-day responsibility to the CEO, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Learning Academies 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.

**LEARNING ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

GOVERNANCE STATEMENT (CONTINUED)

GOVERNANCE

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 6 times during the year.

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

Trustee	Meetings attended	Out of a possible
Mr Andrew Robinson	5	6
Mr John Butcher, Chair	6	6
Mrs Ciara Moran	0	0
Mr Warren O'Riley	0	1
Mr Jonathan Bushby	6	6
Mr Adrian King	6	6
Mr Simon Spry, Chief Executive Officer & Accounting Officer	6	6
Mr Ambrose McDonough	5	6
Mrs Claire Fortey	3	6
Mrs Ruth Woodhouse	5	6
Ms Anna Mills	2	4

Warren O'Riley resigned from the Board on 18 November 2019 and Anna Mills was appointed to the Board on 4 February 2020. No further changes in the composition of the Board of Trustees has taken place during 2019/2020.

The Trust held a governance review of our Local Governing Bodies (LGB's) across the Trust as a whole with more detailed testing being undertaken at 2 of our schools: Salisbury Road Primary and Mayflower Community Academy.

This included reviewing a selection of minutes and key documentation, testing core governance practices at the 2 schools and providing feedback to the CEO and CFO.

The findings have highlighted a few areas we need to address:

- The roles within the LGB's
- How we deal with perceived conflicts of interests or independence
- To undertake a governance skills review
- Compliance with Trust documentation and handbooks
- Develop Trust-wide reporting dashboard/KPI's to develop oversight at Trust Board level
- Develop further links with governance training providers
- To develop a governance training programme and update LGB handbook to include:
 - Financial oversight responsibilities
 - Clerking training and evaluation
 - LGB self-evaluation

The next governance review will be undertaken during 2020/2021.

The Finance and Personnel Committee is a sub-committee of the main Board of Trustees. Its purpose is to deal with finance and personnel issues, including reviewing and setting annual budgets, monitoring variances to budget, reviewing KPI's and cashflow as well as agreeing all pay awards for both teaching and support staff.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Simon Spry - attendance only - non voting	6	6
Jonathan Bushby	6	6
John Butcher	6	6

**LEARNING ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

GOVERNANCE STATEMENT (CONTINUED)

GOVERNANCE (CONTINUED)

Adrian King	6	6
Andrew Robinson	5	6

The Audit Committee is also a sub-committee of the main Board of Trustees. Its purpose is to deal with external and internal audit and to provide assurance to the Trust Board over the suitability of, and compliance with, its financial systems and operational controls, and to ensure that risks are being adequately identified and managed. The Audit Committee will agree a programme of work annually to deliver internal scrutiny as well as offer advice and insight to the Trust Board on how to address weaknesses in both financial and non-financial controls.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Simon Spry - attendance only - non voting	3	3
Jonathan Bushby	3	3
John Butcher	3	3
Adrian King	3	3
Andrew Robinson	2	3

REVIEW OF VALUE FOR MONEY

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

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:

- Robust financial governance and budget management.
- Value for money purchasing.
- Reviewing controls and managing risk.
- Stringent financial controls around spending Trust reserves. For example, schools used their reserve balances to finance:
 - School improvement - additional teaching and support staff posts
 - Read, Write, Inc learning resources
 - ICT purchases - clevertouch boards, chrome books and laptops for the classrooms
 - Investing in the upgrade of school buildings
 - Investing in playground equipment.
- Further centralising of back office functions such as higher level budget reforecasting, increased capacity in HR, Estates and Finance teams and recruitment of Clerk to Trust Board.
- Considering allocation/targeting/use of resources.
- Making comparisons with similar Academies using data provided by the ESFA and the Government.
- Challenging proposals and examining their effectiveness and efficiency.
- Deploying staff effectively.
- Reviewing quality of curriculum provision and quality of teaching.
- Reviewing quality of children's learning to enable children to achieve nationally expected progress.
- Outlining procedures for accepting best value quotes, noting that this is not necessarily the cheapest quote.

GOVERNANCE STATEMENT (CONTINUED)

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an 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 Learning Academies Trust for the year 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the year 1 September 2019 to 31 August 2020 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 Personnel Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes
- setting targets to measure financial and other performance
- clearly defined purchasing (asset purchase or capital investment) guidelines
- delegation of authority and segregation of duties
- identification and management of risks

The Board of Trustees has considered the need for a specific internal audit function and has decided to appoint Bishop Fleming to perform a programme of additional works.

Bishop Fleming completed additional checks during the year 2019/2020, with scope of the work and the work programme agreed before the new standards came into force. Advantage was therefore taken of the transitional arrangements to complete the assignment. For 2021 the Trust will look to engage a new partner to undertake this work.

The internal 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:

- Governance Review – two Trust schools
- Review previous years audit findings to ensure revised procedures in place to include:
 - Testing of payroll systems
 - Testing of purchase systems
 - Testing of control account/bank account reconciliations

Over the course of the three annual audit meetings, the auditors' reports/findings were reported to the Audit Committee and upwards to the Trust Board. The schedule of works were delivered as planned and COVID did not prevent the working being completed.

GOVERNANCE STATEMENT (CONTINUED)

REVIEW OF EFFECTIVENESS

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

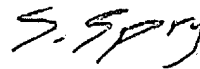
- the additional work completed by the external auditors;
- the work of the external auditors;
- the financial management and governance self-assessment process;
- the work of the Senior Management Team within the Academy Trust who have responsibility for the development and maintenance of the internal 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 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 on 10 December 2020 and signed on their behalf by:



Mr John Butcher
Chair of Trustees



Mr Simon Spry
Accounting Officer

**LEARNING ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Learning Academies 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 ESFA terms and conditions of funding, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2019.

I confirm that I and the Academy Trust 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 2019.

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



Mr Simon Spry
Accounting Officer
Date: 10 December 2020

**LEARNING ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2020**

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 and 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 2019 and the Academies Accounts Direction 2019 to 2020 2019 to 2020;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the Board of Trustees on 10 December 2020 and signed on its behalf by:



Mr John Butcher
(Chair of Trustees)

**LEARNING ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
LEARNING ACADEMIES TRUST**

OPINION

We have audited the financial statements of Learning Academies Trust (the 'academy trust') for the year ended 31 August 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the 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 2019 and the Academies Accounts Direction 2019 to 2020 issued by the Education and 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 2020 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020 issued by the Education and Skills Funding Agency.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Academy 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 ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
LEARNING ACADEMIES TRUST (CONTINUED)**

OTHER INFORMATION

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

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

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of our knowledge and understanding of the Academy 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 ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
LEARNING ACADEMIES TRUST (CONTINUED)**

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the directors of the Academy 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.

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

USE OF OUR REPORT

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



Pamela Tuckett FCA DChA (Senior Statutory Auditor)

for and on behalf of
Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
Salt Quay House
4 North East Quay
Sutton Harbour
Plymouth
PL4 0BN

21 December 2020

**LEARNING ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

In accordance with the terms of our engagement letter dated 31 July 2017 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Learning Academies Trust during the year 1 September 2019 to 31 August 2020 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

RESPECTIVE RESPONSIBILITIES OF LEARNING ACADEMIES TRUST'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT

The accounting officer is responsible, under the requirements of Learning Academies Trust's funding agreement with the Secretary of State for Education dated 1 September 2017 and the Academies Financial Handbook, extant from 1 September 2019, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2019 to 2020. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2019 to 31 August 2020 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

APPROACH

We conducted our engagement in accordance with the Academies Accounts Direction 2019 to 2020 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

**LEARNING ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

CONCLUSION

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



Pamela Tuckett FCA DChA
Bishop Fleming LLP
Chartered Accountants
Statutory Auditors

Salt Quay House
4 North East Quay
Sutton Harbour
Plymouth
PL4 0BN

Date: 21 December 2020

LEARNING ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2020

	Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £	Total funds 2019 £
INCOME FROM:						
Donations and capital grants:	3					
Transfers on Conversion		-	-	-	-	5,995,248
Other donations and capital grants		16,967	61,565	618,124	696,656	602,489
Charitable activities	4	1,032,796	14,094,004	-	15,126,800	14,299,447
Other trading activities		236,107	-	-	236,107	343,403
Investments	7	9,321	-	-	9,321	11,030
TOTAL INCOME		1,295,191	14,155,569	618,124	16,068,884	21,251,617
EXPENDITURE ON:						
Raising funds		17,889	-	-	17,889	22,663
Charitable activities		1,456,391	14,528,401	986,840	16,971,632	16,310,092
TOTAL EXPENDITURE		1,474,280	14,528,401	986,840	16,989,521	16,332,755
NET INCOME/ (EXPENDITURE)		(179,089)	(372,832)	(368,716)	(920,637)	4,918,862
Transfers between funds	19	279,241	(394,067)	114,826	-	-
OTHER RECOGNISED GAINS/(LOSSES):						
Actuarial losses on defined benefit pension schemes	26	-	(23,000)	-	(23,000)	(1,771,000)
NET MOVEMENT IN FUNDS		100,152	(789,899)	(253,890)	(943,637)	3,147,862

LEARNING ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
(CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £	Total funds 2019 £
RECONCILIATION OF FUNDS:					
Total funds brought forward	1,041,131	(8,126,155)	31,697,759	24,612,735	21,464,873
Net movement in funds	100,152	(789,899)	(253,890)	(943,637)	3,147,862
TOTAL FUNDS CARRIED FORWARD	1,141,283	(8,916,054)	31,443,869	23,669,098	24,612,735

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 30 to 61 form part of these financial statements.

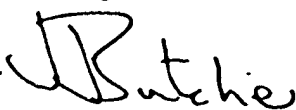
LEARNING ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:10285015

BALANCE SHEET
AS AT 31 AUGUST 2020

	Note	2020 £	2019 £
FIXED ASSETS			
Tangible assets	15	31,354,248	31,648,370
CURRENT ASSETS			
Debtors	16	1,116,146	832,924
Cash at bank and in hand		2,738,616	2,272,285
		<u>3,854,762</u>	<u>3,105,209</u>
Creditors: amounts falling due within one year	17	(1,668,837)	(1,349,099)
NET CURRENT ASSETS		<u>2,185,925</u>	<u>1,756,110</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>33,540,173</u>	<u>33,404,480</u>
Creditors: amounts falling due after more than one year	18	(13,075)	(19,745)
NET ASSETS EXCLUDING PENSION LIABILITY		<u>33,527,098</u>	<u>33,384,735</u>
Defined benefit pension scheme liability	26	(9,858,000)	(8,772,000)
TOTAL NET ASSETS		<u><u>23,669,098</u></u>	<u><u>24,612,735</u></u>
FUNDS OF THE ACADEMY TRUST			
Restricted funds:			
Fixed asset funds	19	31,443,869	31,697,759
Restricted income funds	19	941,946	645,845
		<u>32,385,815</u>	<u>32,343,604</u>
Restricted funds excluding pension liability	19	32,385,815	32,343,604
Pension reserve	19	(9,858,000)	(8,772,000)
Total restricted funds	19	<u>22,527,815</u>	<u>23,571,604</u>
Unrestricted income funds	19	<u>1,141,283</u>	<u>1,041,131</u>
TOTAL FUNDS		<u><u>23,669,098</u></u>	<u><u>24,612,735</u></u>

The financial statements on pages 26 to 61 were approved by the Trustees, and authorised for issue on 10 December 2020 and are signed on their behalf, by:

Mr John Butcher
Chair of Trustees



The notes on pages 30 to 61 form part of these financial statements.

LEARNING ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2020

	Note	2020 £	2019 £
CASH FLOWS FROM OPERATING ACTIVITIES			
Net cash provided by operating activities	21	708,952	824,710
CASH FLOWS FROM INVESTING ACTIVITIES	23	(242,621)	(135,850)
CASH FLOWS FROM CONVERSION TO AN ACADEMY TRUST	22	-	468,356
CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR		466,331	1,157,216
Cash and cash equivalents at the beginning of the year		2,272,285	1,115,069
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	24, 25	<u>2,738,616</u>	<u>2,272,285</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. ACCOUNTING POLICIES

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

1.1 BASIS OF PREPARATION 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 2019 to 2020 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Learning Academies 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.

- **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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. ACCOUNTING POLICIES (continued)

1.3 INCOME (CONTINUED)

- **Transfer on conversion**

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

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

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

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.

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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. ACCOUNTING POLICIES (continued)

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 bases:

Freehold property	- Land: not depreciated, Buildings: 50 years
Long-term leasehold property	- Land: 125 years/Lease term, Buildings: 50 years
Furniture and equipment	- 4 years straight line
Computer equipment	- 3 years straight line

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use and reclassified to freehold or leasehold land and buildings.

1.8 DEBTORS

Trade and other debtors with no stated interest rate and due within one year are recorded at the amount of the cash or other consideration expected to be received. Prepayments are valued at the amount paid.

1.9 CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account and cash on deposit that has a notice period of less than 30 days.

1.10 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. ACCOUNTING POLICIES (continued)

1.11 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 16. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

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 17 and 18. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

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.

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.

**LEARNING ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

1. ACCOUNTING POLICIES (continued)

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.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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.

2. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 26, 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 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement:

The Academy Trust obtains use of fixed assets as a lessee. The classification of such leases as operating or finance lease requires the Academy Trust to determine, based on an evaluation of the terms and conditions of the arrangements, whether it retains or acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the Balance Sheet.

LEARNING ACADEMIES TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

3. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £
Donations	16,967	61,565	-	78,532
Capital Grants	-	-	618,124	618,124
TOTAL 2020	16,967	61,565	618,124	696,656

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £
DONATIONS				
Transfers on conversion	472,360	5,522,888	-	5,995,248
Donations	44,782	(6,935,206)	7,094,888	204,464
Capital Grants	-	-	398,025	398,025
TOTAL 2019	517,142	(1,412,318)	7,492,913	6,597,737

4. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Education	74,514	14,094,004	14,168,518
Nursery	958,282	-	958,282
TOTAL 2020	1,032,796	14,094,004	15,126,800

LEARNING ACADEMIES TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

4. INCOME FROM CHARITABLE ACTIVITIES (CONTINUED)

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £
Education	158,648	13,313,529	13,472,177
Nursery	817,270	10,000	827,270
TOTAL 2019	975,918	13,323,529	14,299,447

5. FUNDING FOR THE ACADEMY TRUST'S EDUCATION

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
DfE/ESFA grants			
General Annual Grant	-	11,132,561	11,132,561
Other DfE Group grants	-	2,645,436	2,645,436
	-	13,777,997	13,777,997
Other Government grants			
High Needs	-	297,881	297,881
Other government grants non capital	-	18,126	18,126
	-	316,007	316,007
Other funding			
Income for hosting trainee teachers	29,729	-	29,729
Sales to students	40,423	-	40,423
Other	4,362	-	4,362
	74,514	-	74,514
TOTAL 2020	74,514	14,094,004	14,168,518

LEARNING ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

5. FUNDING FOR THE ACADEMY TRUST'S EDUCATION (CONTINUED)

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £
DfE/ESFA grants			
General Annual Grant	-	10,856,113	10,856,113
Other DfE/EFA grants	-	2,189,075	2,189,075
	-	13,045,188	13,045,188
Other Government grants			
High Needs	-	170,619	170,619
Other government grants non capital	-	97,722	97,722
	-	268,341	268,341
Other funding			
Income for hosting trainee teachers	23,703	-	23,703
Sales to students	106,875	-	106,875
Other	8,236	-	8,236
Internal catering income	19,834	-	19,834
	158,648	-	158,648
TOTAL 2019	158,648	13,313,529	13,472,177

6. INCOME FROM OTHER TRADING ACTIVITIES

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Lettings	11,846	11,846	19,165
Sales of other goods and services	11,451	11,451	16,686
Consultancy	112,736	112,736	176,565
Fees received	100,074	100,074	130,987
TOTAL 2020	236,107	236,107	343,403

LEARNING ACADEMIES TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

7. INVESTMENT INCOME

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Bank interest	9,321	9,321	11,030

All prior year funds relate to unrestricted.

8. EXPENDITURE

	Staff Costs 2020 £	Premises 2020 £	Other 2020 £	Total 2020 £
Expenditure on fundraising trading activities:				
Direct costs	-	-	17,889	17,889
Education:				
Direct costs	9,877,430	766,529	777,393	11,421,352
Support costs	2,423,845	550,787	1,542,820	4,517,452
Nursery				
Direct costs	753,891	174,344	5,982	934,217
Support costs	53,413	40,908	4,290	98,611
TOTAL 2020	13,108,579	1,532,568	2,348,374	16,989,521

	Staff Costs 2019 £	Premises 2019 £	Other 2019 £	Total 2019 £
Expenditure on fundraising trading activities:				
Direct costs	-	-	22,663	22,663
Education:				
Direct costs	9,198,579	740,506	683,513	10,622,598
Allocated support costs	2,499,734	450,027	1,903,242	4,853,003
Nursery:				
Direct costs	674,676	19,034	6,867	700,577
Allocated support costs	48,681	45,737	39,496	133,914
TOTAL 2019	12,421,670	1,255,304	2,655,781	16,332,755

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

9. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2020 £	Support costs 2020 £	Total funds 2020 £
Education	11,421,352	4,517,452	15,938,804
Nursery	934,217	98,611	1,032,828
TOTAL 2020	12,355,569	4,616,063	16,971,632

	Activities undertaken directly 2019 £	Support costs 2019 £	Total funds 2019 £
Education	10,622,598	4,853,003	15,475,601
Nursery	700,577	133,914	834,491
TOTAL 2019	11,323,175	4,986,917	16,310,092

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

9. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

Analysis of support costs

	Education	Nursery	Total
	2020	2020	funds
	£	£	2020
			£
Pension finance costs	62,000	-	62,000
Staff costs	2,453,845	53,413	2,507,258
Depreciation	62,208	4,407	66,615
Other costs	12,190	-	12,190
Recruitment and support	35,672	20	35,692
Maintenance of premises and equipment	133,425	100	133,525
Cleaning	70,699	210	70,909
Rent and rates	102,762	-	102,762
Energy costs	174,324	-	174,324
Insurance	60,746	-	60,746
Security and transport	18,723	27	18,750
Catering	649,952	3,296	653,248
Technology costs	211,693	577	212,270
Office overheads	81,408	36,191	117,599
Legal and professional - other	360,283	370	360,653
Bank interest and charges	1,967	-	1,967
Governance costs	25,555	-	25,555
TOTAL 2020	4,517,452	98,611	4,616,063

LEARNING ACADEMIES TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

9. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

Analysis of support costs (continued)

	Education 2019 £	Nursery 2019 £	Total funds 2019 £
Pension income	92,000	-	92,000
Staff costs	2,499,734	48,681	2,548,415
Depreciation	172,638	41,670	214,308
Other costs	31,976	422	32,398
Recruitment and support	31,300	403	31,703
Maintenance of premises and equipment	194,515	3,807	198,322
Cleaning	59,755	232	59,987
Rent and rates	79,604	2,832	82,436
Energy costs	189,840	-	189,840
Insurance	67,815	-	67,815
Security and transport	62,067	-	62,067
Catering	656,493	1,973	658,466
Technology costs	184,625	81	184,706
Office overheads	147,160	31,467	178,627
Legal and professional	351,324	2,346	353,670
Bank interest and charges	1,469	-	1,469
Governance costs	30,688	-	30,688
TOTAL 2019	4,853,003	133,914	4,986,917

10. NET EXPENDITURE

Net expenditure for the year includes:

	2020 £	2019 £
Operating lease rentals	50,979	45,916
Depreciation of tangible fixed assets	1,007,488	954,813
Fees paid to auditors for:		
- audit	16,800	16,350
- other services	8,755	6,455

LEARNING ACADEMIES TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

11. STAFF

a. STAFF COSTS

Staff costs during the year were as follows:

	2020 £	2019 £
Wages and salaries	9,456,499	9,032,563
Social security costs	786,747	748,986
Pension costs	2,865,333	2,360,702
	<u>13,108,579</u>	<u>12,142,251</u>
Agency staff costs	142,725	186,370
Staff restructuring costs	-	93,049
	<u>13,251,304</u>	<u>12,421,670</u>
	2020 £	2019 £
Redundancy payments	-	57,207
Severance payments	-	14,100
Other restructuring costs	-	21,742
	<u>-</u>	<u>93,049</u>

b. STAFF NUMBERS

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

	2020 No.	2019 No.
Teachers	150	160
Educational support	269	276
Administration and clerical	35	35
Management	15	14
	<u>469</u>	<u>485</u>

LEARNING ACADEMIES TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

11. STAFF (CONTINUED)

c. HIGHER PAID STAFF

The number of employees whose employee benefits (excluding employer's National Insurance contributions and employer pension costs) exceeded £60,000 was:

	2020	2019
	No.	No.
In the band £60,001 - £70,000	2	3
In the band £70,001 - £80,000	4	2
In the band £110,001 - £120,000	1	1
	=====	=====

d. KEY MANAGEMENT PERSONNEL

The key management personnel of the Academy Trust comprise the Trustees (who do not receive remuneration for their role as Trustees) and the Senior Management Team as listed on page 1. During the year the key management personnel has grown to include all of the Senior Management Team and now comprises 5 members of staff. 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 £379,007 (2019 £286,225).

LEARNING ACADEMIES TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

12. CENTRAL SERVICES

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

- Finance and accountancy team
- HR Lead and Business Partner – HR and Wellbeing
- Estates Manager
- ICT Network Manager and ICT team
- School Improvement Support including National Leaders of Education (NLE's) and Senior Leaders of Education (SLE's) support and Maths and English leads
- National Foundation for Educational Research resources
- Payroll services including pension scheme administration
- Legal services
- Accountancy support
- Internal audit function
- Access to British Council grants - overseas staff secondment opportunities
- Property and Compliance membership fees and support, including Health & Safety
- Trust wide investment in ICT infrastructure
- Finance and budgeting software
- Governor Services - Effective School Governance for school/LAB's
- MAPA trained staff
- Media Management
- ICO registration
- Data Protection Officer
- Access to staff training budget
- Access to training budget
- ILG service
- The Key for School Leaders
- Fixed Asset register/inventory software
- Access to property consultants and MAT support with CIF bids for large capital projects
- Access to in house staff absence insurance scheme

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

The cost of provision of central services is recharged to the academies on a 5% of income basis, and also certain costs recharged on an individual basis dependant on usage.

The actual amounts charged during the year were as follows:

	2020 £	2019 £
Prince Rock Primary School	128,330	139,211
Salisbury Road Primary School	167,688	171,131
Woodfield Primary School	75,559	74,428
Mount Wise Community Primary School	70,188	58,226
Shakespeare Primary School	124,870	111,575
Knowle Primary School	98,282	97,524
Mount Street Primary School	60,766	47,417
Mayflower Primary School	139,089	112,826
	864,772	812,338

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

13. TRUSTEES' REMUNERATION AND EXPENSES

The CEO and other Staff Trustees only received remuneration in respect of services they provide undertaking the roles of CEO and staff under their contracts of employment, and not in respect of their services as Trustees. Other Trustees did not receive any payments from the Academy Trust in respect of their role as Trustees. The value of Trustee' remuneration and other benefits was as follows: Mr S Spry: Remuneration £110,000 - £115,000 (2019: £110,000 - £115,000), Employer's pension contributions £15,000 - £20,000 (2019: £15,000 - £20,000), Mrs C Moran: Remuneration £70,000 - £75,000 (2019: £70,000 - £75,000), Employer's pension contributions £10,000 - £15,000 (2019: £10,000 - £15,000).

During the year ended 31 August 2020, expenses totalling £2,396 were reimbursed or paid directly to 5 Trustees (2019 - £NIL to 1 Trustee).

14. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice, the Academy Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £25,000,000 on any one claim and the cost for all insurances for the year ended 31 August 2020 was £57,279 (2019 - £68,378).

15. TANGIBLE FIXED ASSETS

	Freehold property £	Long-term leasehold property £	Furniture and equipment £	Computer equipment £	Total £
COST OR VALUATION					
At 1 September 2019	7,688,841	24,701,927	702,553	700,477	33,793,798
Additions	392,896	191,832	23,957	104,681	713,366
At 31 August 2020	<u>8,081,737</u>	<u>24,893,759</u>	<u>726,510</u>	<u>805,158</u>	<u>34,507,164</u>
DEPRECIATION					
At 1 September 2019	249,828	1,024,200	371,555	499,845	2,145,428
Charge for the year	130,507	466,428	145,302	265,251	1,007,488
At 31 August 2020	<u>380,335</u>	<u>1,490,628</u>	<u>516,857</u>	<u>765,096</u>	<u>3,152,916</u>
NET BOOK VALUE					
At 31 August 2020	<u>7,701,402</u>	<u>23,403,131</u>	<u>209,653</u>	<u>40,062</u>	<u>31,354,248</u>
At 31 August 2019	<u>7,439,013</u>	<u>23,677,727</u>	<u>330,998</u>	<u>200,632</u>	<u>31,648,370</u>

The value of land not depreciated is £1,593,103 (2019: £1,593,103).

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

16. DEBTORS

	2020 £	2019 £
DUE WITHIN ONE YEAR		
Trade debtors	21,764	9,439
Prepayments and accrued income	940,185	768,282
VAT recoverable	154,197	55,203
	<u>1,116,146</u>	<u>832,924</u>

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Trade creditors	625,027	283,042
Other taxation and social security	182,865	179,814
Other creditors	213,947	176,338
Accruals and deferred income	646,998	709,905
	<u>1,668,837</u>	<u>1,349,099</u>

DEFERRED INCOME

	2020 £	2019 £
Deferred income at 1 September 2019	357,185	242,328
Resources deferred during the year	277,341	357,185
Amounts released from previous years	(357,185)	(242,328)
Deferred income at 31 August 2020	<u>277,341</u>	<u>357,185</u>

At the Balance Sheet date the Academy Trust was holding funds received in advance for trips deferred due to Covid, Universal Infant Free School Meal funding in advance of 20/21, rates relief funding in advance of 20/21 and SEMH funding in advance of 20/21.

**LEARNING ACADEMIES TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

18. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2020 £	2019 £
ESFA loans	<u>13,075</u>	<u>19,745</u>

Included within ESFA loans is a Salix loan of £13,075 repayable in six monthly instalments over 3 years with an applicable interest rate of 0%.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

19. STATEMENT OF FUNDS

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
UNRESTRICTED FUNDS						
DESIGNATED FUNDS						
Salisbury Road classrooms	25,000	-	-	(25,000)	-	-
School Improvement and building trust capacity	100,000	-	(18,487)	18,487	-	100,000
Internal staff insurance	24,650	-	(8,138)	78,535	-	95,047
Building Trust capacity	150,000	-	(30,111)	(119,889)	-	-
ICT infrastructure	-	-	-	200,000	-	200,000
	<u>299,650</u>	<u>-</u>	<u>(56,736)</u>	<u>152,133</u>	<u>-</u>	<u>395,047</u>
GENERAL FUNDS						
General funds	720,864	1,295,191	(1,397,113)	70,278	-	689,220
Fixed assets	20,617	-	(20,431)	56,830	-	57,016
	<u>741,481</u>	<u>1,295,191</u>	<u>(1,417,544)</u>	<u>127,108</u>	<u>-</u>	<u>746,236</u>
TOTAL UNRESTRICTED FUNDS	<u>1,041,131</u>	<u>1,295,191</u>	<u>(1,474,280)</u>	<u>279,241</u>	<u>-</u>	<u>1,141,283</u>
RESTRICTED GENERAL FUNDS						
General Annual Grant (GAG)	598,234	11,132,561	(10,496,930)	(341,624)	-	892,241
High Needs	-	297,881	(292,512)	-	-	5,369
Pupil Premium	15,273	1,538,923	(1,543,373)	-	-	10,823
Sports and PE Grant	6,877	150,050	(128,120)	-	-	28,807
UIFSM	2,776	298,035	(248,368)	(52,443)	-	-
Other	22,685	738,119	(756,098)	-	-	4,706
Pension reserve	(8,772,000)	-	(1,063,000)	-	(23,000)	(9,858,000)
	<u>(8,126,155)</u>	<u>14,155,569</u>	<u>(14,528,401)</u>	<u>(394,067)</u>	<u>(23,000)</u>	<u>(8,916,054)</u>

LEARNING ACADEMIES TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

19. STATEMENT OF FUNDS (CONTINUED)

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
RESTRICTED FIXED ASSET FUNDS						
Fixed assets transferred on conversion and transfer	30,935,746	-	(840,296)	-	-	30,095,450
Fixed assets purchased from GAG and other restricted funds	217,748	-	(50,658)	55,392	-	222,482
DfE/ESFA Capital grants	143,708	62,589	(77,443)	-	-	128,854
Condition Improvement Fund	420,302	555,535	(18,443)	52,764	-	1,010,158
Shakespeare - Salix loan	(19,745)	-	-	6,670	-	(13,075)
	<u>31,697,759</u>	<u>618,124</u>	<u>(986,840)</u>	<u>114,826</u>	<u>-</u>	<u>31,443,869</u>
TOTAL RESTRICTED FUNDS	<u>23,571,604</u>	<u>14,773,693</u>	<u>(15,515,241)</u>	<u>(279,241)</u>	<u>(23,000)</u>	<u>22,527,815</u>
TOTAL FUNDS	<u>24,612,735</u>	<u>16,068,884</u>	<u>(16,989,521)</u>	<u>-</u>	<u>(23,000)</u>	<u>23,669,098</u>

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

Designated Funds

Details of designated funds are included within the Reserves Policy of the Trustees' Report.

Restricted Funds

General Annual Grant - Income from the ESFA which is to be used for the normal running costs of the Academy Trust, including education and support costs.

Start Up and Growth Funding – This represents one off funding received from the ESFA to contribute to the cost of converting from a school to an academy.

High Needs - Funding received by the Local Authority to fund further support for students with additional needs.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

19. STATEMENT OF FUNDS (CONTINUED)

Pupil Premium - Pupil premium represents funding received from the ESFA for children that qualify for free school meals to enable the Academy Trust to address the current underlying inequalities between those children and their wealthier peers.

Sports and PE Grant - This represents funding received from the ESFA and must be used to fund improvements to the provision of PE and sport, for the benefit of primary-aged pupils, so that they develop healthy lifestyles.

Universal Infant Free School Meals (UIFSM) - this represents funding from the ESFA for the provision of free school meals for infants.

PAN expansion - This represents funding from the Local Authority to support the increase in the Academy Trust's published admission number.

Other - This represents all other funding from restricted sources.

Pension reserve – This represents the Academy Trust's share of the assets and liabilities in the Local Government Pension Scheme. As with most pension schemes this is currently in deficit due to an excess of scheme liabilities over scheme assets which was inherited on conversion to an academy. The Academy Trust is following the recommendations of the actuary to reduce the deficit by making additional contributions over a number of years.

Restricted Fixed Asset Funds

Fixed assets transferred on conversion and transfer - This represent the buildings and equipment donated to the Academy Trust from the Local Authority on conversion to an academy or transferred from another academy trust.

Fixed assets purchased from GAG and other restricted funds - this represents the net book value of fixed assets funded using the General Annual Grant from the ESFA.

DfE/ESFA Capital grants - This represents funding from the ESFA to cover the maintenance and purchase of the Academy Trust's assets.

Condition Improvement Fund - This represents funding from the ESFA to upgrade mechanical and electrical systems at the schools.

Shakespeare Salix Loan - This represents a salix energy efficiency loan held by Shakespeare primary school

Other information

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 2020.

LEARNING ACADEMIES TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

19. STATEMENT OF FUNDS (CONTINUED)

Total funds analysis by academy

Fund balances at 31 August 2020 were allocated as follows:

	2020	2019
	£	£
Prince Rock Primary School	293,458	256,379
Salisbury Road Primary School	148,959	137,607
Woodfield Primary School	104,334	51,989
Knowle Primary School	245,476	156,766
Shakespeare Primary School	150,671	109,808
Mount Wise Community Primary School	184,548	180,628
Central function	283,939	281,856
Mount Street Primary School	100,858	68,044
Mayflower Academy	513,970	443,899
Unrestricted fixed assets	57,016	-
	<hr/>	<hr/>
Total before fixed asset funds and pension reserve	2,083,229	1,686,976
Restricted fixed asset fund	31,443,869	31,697,759
Pension reserve	(9,858,000)	(8,772,000)
	<hr/>	<hr/>
TOTAL	23,669,098	24,612,735
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LEARNING ACADEMIES TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

19. 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 2020 £
Prince Rock Primary School	1,381,097	274,326	79,270	289,917	2,024,610
Salisbury Road Primary School	1,722,314	311,506	77,235	297,359	2,408,414
Woodfield Primary School	629,635	361,126	33,053	146,898	1,170,712
Knowle Primary School	1,119,534	369,495	65,091	227,471	1,781,591
Shakespeare Primary School	1,340,335	408,459	68,789	282,088	2,099,671
Mount Wise Community Primary School	900,894	288,137	49,257	224,588	1,462,876
Central function	217,166	329,494	35,208	73,883	655,751
Mount Street Primary School	596,334	227,116	47,533	145,191	1,016,174
Mayflower Academy	1,422,043	448,336	113,214	315,641	2,299,234
ACADEMY TRUST	9,329,352	3,017,995	568,650	2,003,036	14,919,033

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2019 £
Prince Rock Primary School	1,228,268	235,437	61,367	352,825	1,877,897
Salisbury Road Primary School	1,572,905	288,412	38,007	414,134	2,313,458
Woodfield Primary School	666,468	148,701	18,380	369,004	1,202,553
Knowle Primary School	1,041,876	241,310	43,965	368,064	1,695,215
Shakespeare Primary School	1,296,264	295,955	44,893	554,965	2,192,077
Mount Wise Community Primary School	748,202	144,506	24,484	403,157	1,320,349
Central function	225,052	241,144	14,080	229,837	710,113
Mount Street Primary School	590,969	143,038	22,218	209,426	965,651
Mayflower Academy	1,227,205	316,231	55,579	487,968	2,086,983
ACADEMY TRUST	8,597,209	2,054,734	322,973	3,389,380	14,364,296

LEARNING ACADEMIES TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

19. STATEMENT OF FUNDS (CONTINUED)

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

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
UNRESTRICTED FUNDS						
DESIGNATED FUNDS						
Salisbury Road classrooms	100,000	-	-	(75,000)	-	25,000
School Improvement and building trust capacity	30,000	-	(18,011)	88,011	-	100,000
Internal staff insurance	-	-	-	24,650	-	24,650
Building Trust capacity	-	-	-	150,000	-	150,000
	<u>130,000</u>	<u>-</u>	<u>(18,011)</u>	<u>187,661</u>	<u>-</u>	<u>299,650</u>
GENERAL FUNDS						
General funds	413,725	1,847,493	(1,226,626)	(313,728)	-	720,864
Fixed assets	11,593	-	(14,382)	23,406	-	20,617
	<u>425,318</u>	<u>1,847,493</u>	<u>(1,241,008)</u>	<u>(290,322)</u>	<u>-</u>	<u>741,481</u>
TOTAL UNRESTRICTED FUNDS	<u>555,318</u>	<u>1,847,493</u>	<u>(1,259,019)</u>	<u>(102,661)</u>	<u>-</u>	<u>1,041,131</u>

LEARNING ACADEMIES TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

19. STATEMENT OF FUNDS (CONTINUED)

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
RESTRICTED GENERAL FUNDS						
General Annual Grant (GAG)	204,421	10,856,113	(10,030,185)	(432,115)	-	598,234
Start up grants	69,975	70,000	(139,975)	-	-	-
High Needs	(7,319)	170,619	(372,883)	209,583	-	-
Pupil Premium	26,970	1,530,648	(1,673,447)	131,102	-	15,273
Sports and PE Grant	3,463	149,835	(155,196)	8,775	-	6,877
UIFSM	-	299,486	(296,710)	-	-	2,776
PAN Expansion	-	94,583	(94,583)	-	-	-
Other	67,188	311,927	(356,684)	254	-	22,685
Pension reserve	(4,417,000)	(1,572,000)	(1,012,000)	-	(1,771,000)	(8,772,000)
	<u>(4,052,302)</u>	<u>11,911,211</u>	<u>(14,131,663)</u>	<u>(82,401)</u>	<u>(1,771,000)</u>	<u>(8,126,155)</u>
RESTRICTED FIXED ASSET FUNDS						
Fixed assets transferred on conversion and transfer	24,680,915	7,094,888	(840,057)	-	-	30,935,746
Fixed assets purchased from GAG and other restricted funds	112,568	-	(42,978)	148,158	-	217,748
DfE/ESFA Capital grants	43,461	175,970	(49,910)	(25,813)	-	143,708
Condition Improvement Fund	151,328	222,055	(9,128)	56,047	-	420,302
Shakespeare - Salix loan	(26,415)	-	-	6,670	-	(19,745)
	<u>24,961,857</u>	<u>7,492,913</u>	<u>(942,073)</u>	<u>185,062</u>	<u>-</u>	<u>31,697,759</u>
TOTAL RESTRICTED FUNDS	<u>20,909,555</u>	<u>19,404,124</u>	<u>(15,073,736)</u>	<u>102,661</u>	<u>(1,771,000)</u>	<u>23,571,604</u>
TOTAL FUNDS	<u>21,464,873</u>	<u>21,251,617</u>	<u>(16,332,755)</u>	<u>-</u>	<u>(1,771,000)</u>	<u>24,612,735</u>

LEARNING ACADEMIES TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT PERIOD

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £
Tangible fixed assets	57,016	-	31,297,232	31,354,248
Current assets	1,084,267	2,380,924	389,571	3,854,762
Creditors due within one year	-	(1,438,978)	(229,859)	(1,668,837)
Creditors due in more than one year	-	-	(13,075)	(13,075)
Provisions for liabilities and charges	-	(9,858,000)	-	(9,858,000)
TOTAL	1,141,283	(8,916,054)	31,443,869	23,669,098

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR PERIOD

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £
Tangible fixed assets	20,827	-	31,627,543	31,648,370
Current assets	1,020,304	1,779,873	305,032	3,105,209
Creditors due within one year	-	(1,134,028)	(215,071)	(1,349,099)
Creditors due in more than one year	-	-	(19,745)	(19,745)
Provisions for liabilities and charges	-	(8,772,000)	-	(8,772,000)
TOTAL	1,041,131	(8,126,155)	31,697,759	24,612,735

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

21. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2020 £	2019 £
Net (expenditure)/income for the period (as per Statement of Financial Activities)	(920,637)	4,918,862
ADJUSTMENTS FOR:		
Depreciation	1,007,488	956,456
Capital grants from DfE and other capital income	(618,124)	(398,025)
Interest receivable	(9,321)	(11,030)
Defined benefit pension scheme obligation inherited	-	1,572,000
Defined benefit pension scheme cost less contributions payable	899,000	(209,000)
Defined benefit pension scheme finance cost	164,000	152,000
Decrease/(increase) in debtors	110,089	163,288
Increase in creditors	76,457	174,403
Net income on assets and liabilities on conversion/transfer	-	(6,494,244)
NET CASH PROVIDED BY OPERATING ACTIVITIES	708,952	824,710

22. CASH TRANSFERRED ON CONVERSION TO AN ACADEMY TRUST

	2020 £	2019 £
Cash transferred from converting/transferring schools	-	468,356
NET CASH PROVIDED BY FINANCING ACTIVITIES	-	468,356

23. CASH FLOWS FROM INVESTING ACTIVITIES

	2020 £	2019 £
Interest receivable	9,321	11,030
Purchase of tangible fixed assets	(476,755)	(322,850)
Capital grants from DfE Group	224,813	175,970
NET CASH USED IN INVESTING ACTIVITIES	(242,621)	(135,850)

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

24. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2020 £	2019 £
Cash in hand	2,738,616	2,272,285
TOTAL CASH AND CASH EQUIVALENTS	2,738,616	2,272,285

25. ANALYSIS OF CHANGES IN NET DEBT

	At 1 September 2019 £	Cash flows £	At 31 August 2020 £
Cash at bank and in hand	2,272,285	466,331	2,738,616
Debt due after 1 year	(19,745)	6,670	(13,075)
	2,252,540	473,001	2,725,541

26. PENSION COMMITMENTS

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

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

Contributions amounting to £211,753 were payable to the schemes at 31 August 2020 (2019 - £173,700) and are included within creditors.

TEACHERS' PENSION SCHEME

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

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

26. PENSION COMMITMENTS (CONTINUED)

VALUATION OF THE TEACHERS' PENSION SCHEME

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% administration levy)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million, giving a notional past service deficit of £22,000 million
- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI, assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

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

The employer's pension costs paid to TPS in the year amounted to £1,263,304 (2019 - £870,353).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (<https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx>).

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

LOCAL GOVERNMENT PENSION SCHEME

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2020 was £842,000 (2019 - £798,252), of which employer's contributions totalled £653,000 (2019 - £498,367) and employees' contributions totalled £ 189,000 (2019 - £185,679). The agreed contribution rates for future years are 15.3 per cent for employers and 5-12.5 per cent for employees.

As described in note the LGPS obligation relates to the employees of the Academy Trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Academy Trust at the balance sheet date.

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.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

26. PENSION COMMITMENTS (CONTINUED)

Principal actuarial assumptions

	2020 %	2019 %
RATE OF INCREASE IN SALARIES	3.25	3.65
RATE OF INCREASE FOR PENSIONS IN PAYMENT/INFLATION	2.25	2.15
DISCOUNT RATE FOR SCHEME LIABILITIES	1.65	1.90

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

	2020 Years	2019 Years
<i>RETIRING TODAY</i>		
MALES	22.9	22.5
FEMALES	24.1	24.4
<i>RETIRING IN 20 YEARS</i>		
MALES	24.3	24.2
FEMALES	25.5	26.2

Sensitivity analysis

	2020 £000	2019 £000
DISCOUNT RATE +0.1%	15,853	13,949
DISCOUNT RATE -0.1%	16,768	14,811
MORTALITY ASSUMPTION - 1 YEAR INCREASE	16,868	14,895
MORTALITY ASSUMPTION - 1 YEAR DECREASE	15,759	13,869
CPI RATE +0.1%	16,716	14,769
CPI RATE -0.1%	15,904	13,989

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

	2020 £	2019 £
EQUITIES	3,848,000	3,446,000
GILTS	1,343,000	1,087,000
PROPERTY	512,000	488,000
CASH AND OTHER LIQUID ASSETS	74,000	75,000
OTHER	669,000	505,000
TOTAL MARKET VALUE OF ASSETS	6,446,000	5,601,000

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

26. PENSION COMMITMENTS (CONTINUED)

The actual return on scheme assets was £24,000 (2019 - £218,000).

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

	2020 £	2019 £
CURRENT SERVICE COST	(1,552,000)	(1,293,000)
PAST SERVICE COST	-	(199,000)
INTEREST INCOME	109,000	130,000
INTEREST COST	(273,000)	(282,000)
BENEFIT CHANGES, GAIN/(LOSS) ON CURTAILMENT AND GAIN/(LOSS) ON SETTLEMENT	-	(1,572,000)
TOTAL AMOUNT RECOGNISED IN THE STATEMENT OF FINANCIAL ACTIVITIES	(1,716,000)	(3,216,000)

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

	2020 £	2019 £
AT 1 SEPTEMBER	14,373,000	7,704,000
CURRENT SERVICE COST	1,552,000	1,293,000
INTEREST COST	273,000	282,000
EMPLOYEE CONTRIBUTIONS	189,000	186,000
ACTUARIAL LOSSES	78,000	1,857,000
BENEFITS PAID	(161,000)	(65,000)
PAST SERVICE COSTS	-	199,000
EFFECTS OF NON-ROUTINE SETTLEMENTS	-	2,917,000
AT 31 AUGUST	16,304,000	14,373,000

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

	2020 £	2019 £
AT 1 SEPTEMBER	5,601,000	3,287,000
INTEREST INCOME	113,000	132,000
ACTUARIAL GAINS	55,000	86,000
EMPLOYER CONTRIBUTIONS	653,000	632,000
EMPLOYEE CONTRIBUTIONS	189,000	186,000
BENEFITS PAID	(161,000)	(65,000)
EFFECTS OF NON-ROUTINE SETTLEMENTS	-	1,345,000
ADMINISTRATION EXPENSE	(4,000)	(2,000)
AT 31 AUGUST	6,446,000	5,601,000

LEARNING ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

27. OPERATING LEASE COMMITMENTS

At 31 August 2020 the Academy Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2020 £	2019 £
Not later than 1 year	16,474	25,212
Later than 1 year and not later than 5 years	34,505	50,331
	<u>50,979</u>	<u>75,543</u>

28. 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.

29. GENERAL INFORMATION

Learning Academies Trust is a company limited by guarantee, incorporated in England and Wales. The registered office is Embankment Road, Plymouth, Devon, PL4 9JF.

30. 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 trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Academies Financial Handbook, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the Academy Trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

No related party transactions took place in the period of account other than certain Trustees' remuneration and expenses already disclosed in note 13.