

Company Registration Number: 10259334 (England & Wales)

THE TILIAN PARTNERSHIP
(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2019



The
TILIAN PARTNERSHIP



THE TILIAN PARTNERSHIP
(A company limited by guarantee)

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REFERENCE AND ADMINISTRATIVE DETAILS

Members C Wells MBE **, Chair
 D Pettitt
 T Brooke
 St Edmundsbury and Ipswich Academies Umbrella Trust
 Rev Dr A Harding

Directors C Wells MBE **, Chair
 D Pettitt **, Vice Chair (resigned 1 January 2019)
 N Butcher **
 P Harrington
 N Insley **
 S Richards
 S Yapp**
 K Palmer (appointed 9 July 2019)

 ** Members of the Finance and Audit Committee

**Company registered
number** 10259334

Company name The Tilian Partnership

**Principal and registered
office** The Tilian Partnership
 Tilian House
 Skinners Lane Off School Lane
 Bardwell
 Suffolk
 IP31 1AD

Chief Executive Officer A Berry

**Senior management
team** A Berry, Principal and Chief Executive Officer
 J Welham, Headteacher
 J Waters, Headteacher
 C Dunnell Paley, Headteacher
 L Schultheiss, Headteacher
 L Allsopp, Headteacher
 D Grimes, Headteacher
 J Winch, Headteacher
 R Franksen, Headteacher
 L Clark, School Improvement Leader
 I Bartholomew, Chief Finance Officer

Independent auditors Larking Gowen LLP
 Chartered Accountants
 King Street House
 15 Upper King Street
 Norwich
 NR3 1RB

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

Bankers	Lloyds Bank PLC Cambridge CB1 7BH
Solicitors	Stone King Boundary House 91 Charterhouse Street London EC1M 6HR

THE TILIAN PARTNERSHIP
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DIRECTORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2019

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

The trust operates 7 primary school academies in Suffolk. Its academies have a combined pupil roll of 771 in the school census on October 2019.

Structure, governance and management

a. Constitution

The MAT is a charitable company limited by guarantee and an exempt charity.

The charitable company's Memorandum of Association dated 1 July 2016 is the primary governing document of the MAT.

The Directors of The Tilian Partnership are also the directors of the charitable company for the purposes of company law.

The charitable company is known as The Tilian Partnership .

Details of the Directors who served during the year are approved are included in the Reference and administrative details on page 1.

The schools within the MAT are:

- Bardwell Church of England Primary School,
- Crawford's Church of England Primary School (joined 1 September 2018),
- Gislingham Church of England Primary School,
- Ixworth Church of England Primary School,
- Old Newton Church of England Primary School,
- Palgrave Church of England Primary School and
- Rougham Church of England Primary School.

b. Members' liability

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

c. Directors' indemnities

The MAT has purchased Risk Protection Arrangement (RPA) which includes professional indemnity insurance for the trustees.

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

Structure, governance and management (continued)

d. Method of recruitment and appointment or election of Directors

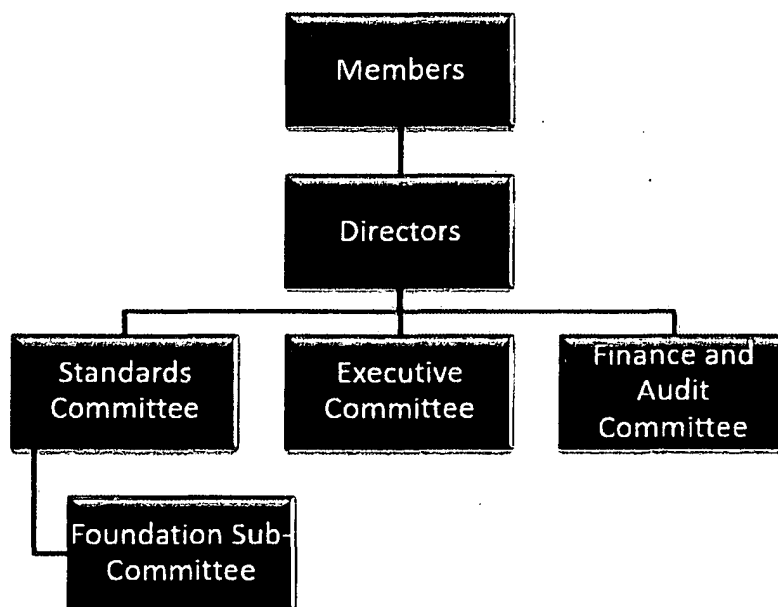
- Members appoint up to five directors
- The St Edmundsbury and Ipswich Academies Trust shall appoint two directors providing that this number does not exceed 25% of the total number of directors
- The directors may co opt up to two further directors
- Appointed, elected or co opted directors serve for a four year term of office

e. Policies adopted for the induction and training of Directors

The Tilian Partnership provides induction and training for newly appointed trustees and ongoing training for all trustees. All new trustees attend a third party induction course and all trustees have access to elearning via the National Governors Association. Trustees receive a weekly newsletter from the National Governors Association to ensure they are kept up to date with Government changes.

f. Organisational structure

The structure of the Tilian Partnership enables effective decision making for the trust. A scheme of delegation sets out the responsibilities of the Trust Board, the three committees and the Foundation Sub Committee. Terms of Reference have been agreed.



Each school has a local governing body known as a School Governance Committee (SGC). The Trust Board appoints the Chair of each SGC.

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

Structure, governance and management (continued)

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

The pay of the CEO/Principal and that of the Heads of each school are determined by the Trust Board and incremental progression occurs through performance management.

h. Related parties and other connected charities and organisations

Related Parties

Mr C Wells – daughter works as a teaching assistant at one of the schools.
Mr N Butcher – wife works as a teaching assistant at one of the schools.
Mr A Berry – wife works as a teaching assistant at one of the schools.

Connected Charities and Organisations

The Trust works very closely with the Teaching School Alliance, Primary East. The teaching school grant, other income and expenditure for the Teaching School Alliance is held by the Trust.

i. Trade union facility time

During the year:

- There were no employees who were relevant union officials during the 2018/19 financial year;
- There was no time spent on facility time during the 2018/19 financial year; and
- There was no time spent on paid trade union activities during the 2018/19 financial year.

Objectives and activities

a. Objects and aims

Our Vision

- To give our pupils the best start in life by providing an excellent grounding in key skills, building character and developing confidence.

Our Purpose

- To inspire our pupils with the desire to reach their potential and to be responsible, compassionate members of the community who demonstrate respect for others.

Our Values

- We believe that effective small schools are a vital part of our community and we will strive to support these schools wherever possible.

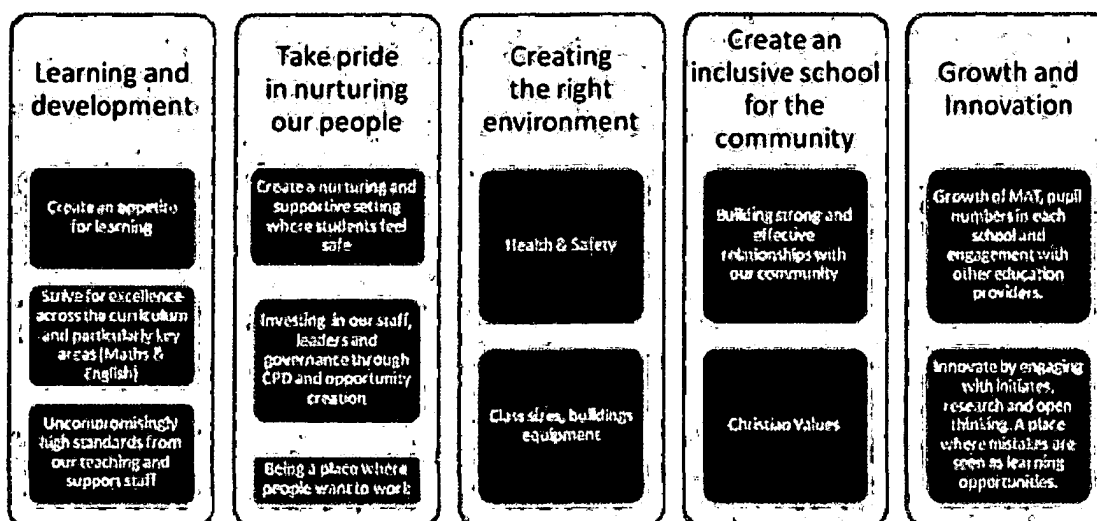
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DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Objectives and activities (continued)

b. Objectives, strategies and activities

Strategic Pillars



c. Public benefit

In setting our objectives and planning our activities, the Directors have given careful consideration to the Charity Commission's general guidance on public benefit.

By supporting small village schools to remain viable and thrive, the MAT provides a positive impact on the local communities, reducing the need for parents to transport their children and ensuring there is a strong church to school link.

THE TILIAN PARTNERSHIP
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DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Strategic report

Achievements and performance

a. Key performance indicators

The key performance indicators for The Tilian Partnership are predominantly linked to the performance of the schools within the MAT.

Bardwell CE Primary School produced progress results at Key Stage 2 (KS2) which were in line with national averages. However the attainment in Key Stage 1 (KS1) was disappointing. The school is focusing on these areas and has introduced a new scheme of work for maths.

Crawford's CE Primary School's KS2 progress results improved from the previous year but remain below average in Reading and Maths. KS1 results and EYFS results were also below national averages. The school is focusing heavily on reading and maths through linking with a Literacy Hub and reviewing maths provision.

Gislingham CE Primary School's progress and attainment across all key stages was good with particular improvements in maths. Reading progress in KS2 was well above national average.

Ixworth CE Primary School's results in were low but were an accurate benchmark for the cohort. Performance in KS1 and KS2 were low. The results in KS1 resulted from inconsistency in teaching and progress at KS2 was an area that requires further focus. The school has reviewed its class structure and is focusing on reading development. Maths development continues to be developed through the continuation of Abacus maths to support the White Rose materials focusing on mastery.

Old Newton CE Primary School's Phonics results were in line with national average. KS1 and EYFS results were low and these areas are a focus for development. KS2 progress and attainment were good, in line with national averages.

Palgrave CE Primary School produced good results across all key stages in terms of attainment. Progress was good and in line with national averages.

Rougham CE Primary School's data was good in EYFS and KS1. Progress and attainment were generally in line with national averages although maths progress was a little lower. The school focused on maths by introducing a new scheme in 2018/19 but the Year 6 pupils continued with their original curriculum as this was felt more appropriate. Year 6 in 2019/20 have the benefit of beginning learning on the new curriculum last year and therefore will continue this into Year 6 which should lead to improvements in maths progress.

b. Going concern

After making appropriate enquiries, the board of Directors has a reasonable expectation that the MAT has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue 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 accounting policies.

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

Strategic report (continued)

Financial review

a. Reserves policy

The MAT maintains a revenue reserve fund to provide flexibility and certainty in forward planning. The current policy is for each academy within the MAT to hold revenue reserves equivalent to one month's expenditure (including staff salaries). Unrestricted and restricted income funds stood at £770,677 at 31 August 2019, with the GAG balance standing at £32,552. The unrestricted and restricted income funds surplus for the period was £148,993.

The MAT has in place a business plan which has committed funds to future projects and development.

The fixed asset funds stood at £1,265,127 at 31 August 2019.

The pension deficit stood at £851,000 which represents the obligations owed to the Local Government Pension Scheme. The MAT is making payments at the levels recommended by the scheme actuary.

Other restricted funds at £158,210. Total funds were £1,184,804.

b. Investment policy

The MAT has reviewed its investment policy and put measures in place so that any surplus funds during the year can be invested free of risk.

c. Principal risks and uncertainties

The MAT has a risk policy and register in place, which has identified risks in the following areas:

Strategic and Reputational Risk
Operation Risk
Compliance Risk
Financial Risk

Detailed consideration of the risks is undertaken by the Finance and Audit Committee and reported to the full Trust Board at each meeting.

The MAT has identified and will monitor and manage key risks as follows:

1. In a time of when the MAT is expanding significantly it will need to ensure:
 - Capacity to fulfil requirement of MAT schools.
 - MAT schools are not adversely affected.
2. Compliance of GDPR
3. Increased staffing costs linked to the increase in pension contribution and minimum wage.

Fundraising

No material fundraising activities have been undertaken in the year.

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

Plans for future periods

Future developments

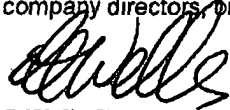
The MAT recognises the need to increase the number of member schools to enable financial security in the future. There will be a need to continue to review the current structure of the organisation, both governance and staffing.

Disclosure of information to auditors

Insofar as the Directors are aware:

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

The Directors' report, incorporating a strategic report, was approved by order of the board of Directors, as the company directors, on 17 December 2019 and signed on its behalf by:



C Wells MBE
Chair of Directors

THE TILIAN PARTNERSHIP
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GOVERNANCE STATEMENT

Scope of responsibility

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

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

Governance

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

The Trust Board maintains oversight of the Trust and school fund by delegating finance monitoring powers (as recorded in the scheme of delegation) to the Finance and Audit Committee, which meet six times a year and reports directly to the Trust Board on their work. Attendance during the year at meetings of the board of Directors was as follows:

Director	Meetings attended	Out of a possible
C Wells MBE **, Chair	4	4
D Pettitt **, Vice Chair	3	3
N Butcher **	2	4
P Harrington	4	4
N Insley **	4	4
S Richards	3	4
S Yapp**	3	4
K Palmer	1	1

**** Members of the Finance and Audit Committee**

The Trust Board is scheduled to meet 4 times per year with additional meetings called as and when required.

Changes to the Members and Directors are listed on page 1.

The Tilian Partnership Trust Board provides the strategic development of the multi academy trust as well as being responsible for the statutory functions as listed on the Trust's website (www.tilian.org.uk). The Trust Board carried out an annual self-evaluation of the effectiveness of its governance during the Autumn Term. This was completed prior to the accounts sign off but took into consideration the findings of the auditors.

The Trust Board receives performance data from all schools as well as financial reports so that Directors can ensure action is being taken to deal with any weaknesses.

The Finance and Audit Committee is a committee of the Board of Trustees and incorporates the role of an Audit Committee within its terms of reference. Its purpose is to scrutinise the trust's finances and have financial oversight of the management of the trust.

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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

Attendance during the year at meetings was as follows:

Director	Meetings attended	Out of a possible
C Wells MBE	3	6
N Butcher, Chair	6	6
N Insley	5	6
D Pettitt	1	2
S Yapp	3	5

Review of value for money

As Accounting Officer, the Principal has responsibility for ensuring that the MAT 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 MAT'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 MAT has delivered improved value for money during the year by improving the performance at each school as highlighted in the Key Performance Indicator section. Restructuring of the central team to create more finance and administration tasks held centrally rather than at the individual schools which is more efficient.

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 MAT policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in The Tilian Partnership for the year 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

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

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GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework

The MAT'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 Directors
- regular reviews by the Finance and Audit 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 Directors has considered the need for a specific internal audit function and has decided to appoint Schools' Choice as internal auditor. The internal auditor reports to the Board of Trustees through the Finance and Audit Committee on the operation of the systems of control and on the discharge of the board of trustee's financial responsibilities.

The internal auditor's role includes giving advice on financial matters and performing a range of checks on the MAT's financial systems. During the current year independent checks were carried out in the following key areas of internal control:

- Purchasing
- Income Controls
- Petty Cash
- Payroll
- Data Security

The resulting internal audit reports are presented to the Finance and Audit Committee for review and an appropriate remedial action plan is then agreed and monitored by them.

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

Review of effectiveness

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

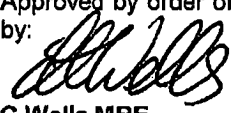
- the work of the internal auditor;
- the work of the external auditors;
- the financial management and governance self-assessment process;
- the work of the executive managers within the MAT who have responsibility for the development and maintenance of the internal control framework.

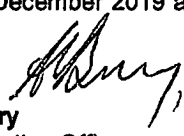
The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the audit committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

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GOVERNANCE STATEMENT (CONTINUED)

Approved by order of the members of the board of Directors on 17 December 2019 and signed on their behalf by:


C Wells MBE
Chair of Directors


A Berry
Accounting Officer

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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

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

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

I confirm that the following instance of material irregularity, impropriety or funding non-compliance discovered to date has been notified to the MAT board of Directors and the ESFA. If any instances are identified after the date of this statement, these will be notified to the MAT board of Directors and the ESFA:

Other Weaknesses - management accounts: The Academies Financial Handbook 2018 requires that management accounts are prepared every month. The first management accounts of the year, to October 2018, were prepared in January 2019. Management accounts were not prepared for September 2018, November 2018 and December 2018. Management accounts were prepared monthly from January 2019 to August 2019.

The reason for the management accounts not being completed for the first few months of the year was due to the changes in structure that were being implemented by the Trust to secure improved financial controls. Until November 2018 the Trust had a Trust Business Manager responsible for finance, HR and premises. In November 2018 the Trust created a new central structure by

- Creating a separate CFO role supported by a Trust Finance Officer
- Creating a HR Officer
- Creating a Premises Officer

The new CFO was able to organise the finances so that from January 2019, monthly management accounts could be produced. Monthly management accounts have been produced since then in compliance with the Academies Financial Handbook.



A Berry
Accounting Officer
Date: 17/12/19.

THE TILIAN PARTNERSHIP
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STATEMENT OF DIRECTORS' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2019

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

Company law requires the Directors to prepare financial statements for each financial year. Under company law the Directors 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 Directors are required to:

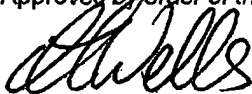
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting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

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the 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 Directors are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from ESFA/DfE have been applied for the purposes intended.

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

Approved by order of the members of the board of Directors on 17 December 2019 and signed on its behalf by:



C Wells MBE
Chair of Directors

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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE
TILIAN PARTNERSHIP**

Opinion

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

In our opinion the financial statements:

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the MAT 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 Directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the MAT'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.

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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE
TILIAN PARTNERSHIP (CONTINUED)**

Other information

The Directors 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 Directors' 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 Directors' report including the Strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Directors' 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 MAT and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' 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 Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE
TILIAN PARTNERSHIP (CONTINUED)**

Responsibilities of trustees

As explained more fully in the Directors' responsibilities statement, the Directors (who are also the directors of the MAT 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 Directors 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 Directors are responsible for assessing the MAT's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the MAT 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 charitable MAT's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable MAT'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 charitable MAT and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

MHA Larking Gowen

Christopher Yeates FCA DChA (Senior statutory auditor)
for and on behalf of
Larking Gowen LLP
Chartered Accountants
Statutory Auditors
Norwich

18 December 2019

THE TILIAN PARTNERSHIP
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE TILIAN
PARTNERSHIP AND THE EDUCATION & SKILLS FUNDING AGENCY**

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

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

Respective responsibilities of The Tilian Partnership's accounting officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of The Tilian Partnership's funding agreement with the Secretary of State for Education dated 29 July 2016 and the Academies Financial Handbook, extant from 1 September 2018, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

THE TILIAN PARTNERSHIP
(A company limited by guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE TILIAN PARTNERSHIP AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)

Approach

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

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

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

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

In planning and conducting our work we had due regard to professional guidance, including the Academies Accounts Direction 2018 to 2019. The work undertaken to draw our conclusion, includes, but is not limited to:

- Enquiry of senior management, the Accounting Officer and the MAT's trustees;
- Review of the results of the MAT's process of independent checking of financial controls, systems, transactions and risks.
- Inspection and review of the accounting records, meeting minutes, internal control procedures; management representations and declarations of interest;
- Testing the application of the financial controls; and
- Review of governance arrangements.

Conclusion

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

Management accounts: The Academies Financial Handbook 2018 requires that management accounts are prepared every month. The first management accounts of the year, to October 2018, were prepared in January 2019. Management accounts were not prepared for September 2018, November 2018 and December 2018. Management accounts were prepared monthly from January 2019 to August 2019.

MHA Larking Gowen

Larking Gowen LLP

King Street House
15 Upper King Street
Norwich
NR3 1RB

Date: 18 December 2019

THE TILIAN PARTNERSHIP
(A company limited by guarantee)

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

	Note	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £	Total funds 2018 £
Income from:						
Donations and capital grants:	3					
Transfer from local authority on conversion		9,871	(27,000)	6,214	(10,915)	45,974
Other donations and capital grants		39,608	12,000	261,088	312,696	238,525
Charitable activities	4	131,566	3,869,402	-	4,000,968	3,067,808
Teaching schools	30	18,680	43,311	-	61,991	56,844
Other trading activities	5	78,952	-	-	78,952	89,682
Investments	6	1,089	-	-	1,089	399
Other income	7	15,808	-	-	15,808	6,313
Total income		295,574	3,897,713	267,302	4,460,589	3,505,545
Expenditure on:						
Raising funds	8	64,314	6,430	-	70,744	33,973
Charitable activities	9	103,160	3,882,224	320,345	4,305,729	3,313,057
Teaching schools	30	1,325	64,701	-	66,026	64,124
Total expenditure		168,799	3,953,355	320,345	4,442,499	3,411,154
Net Income/(expenditure)		126,775	(55,642)	(53,043)	18,090	94,391
Transfers between funds	20	-	(6,140)	6,140	-	-
Net movement in funds before other recognised gains/(losses)		126,775	(61,782)	(46,903)	18,090	94,391
Other recognised gains/(losses):						
Actuarial (losses)/gains on defined benefit pension schemes	27	-	(337,000)	-	(337,000)	188,000
Net movement in funds		126,775	(398,782)	(46,903)	(318,910)	282,391

THE TILIAN PARTNERSHIP
(A company limited by guarantee)

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

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £	Total funds 2018 £
Note					
Reconciliation of funds:					
Total funds brought forward	453,140	(261,456)	1,312,030	1,503,714	1,221,323
Net movement in funds	126,775	(398,782)	(46,903)	(318,910)	282,391
Total funds carried forward	579,915	(660,238)	1,265,127	1,184,804	1,503,714

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

The notes on pages 26 to 60 form part of these financial statements.

THE TILIAN PARTNERSHIP
(A company limited by guarantee)
REGISTERED NUMBER: 10259334

BALANCE SHEET
AS AT 31 AUGUST 2019

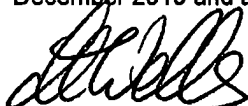
	Note	2019 £	2018 £
Fixed assets			
Intangible assets	15	7,242	11,020
Tangible assets	16	1,128,374	1,134,578
		<u>1,135,616</u>	<u>1,145,598</u>
Current assets			
Stocks	17	1,359	3,846
Debtors	18	165,590	237,392
Cash at bank and in hand		1,045,215	887,934
		<u>1,212,164</u>	<u>1,129,172</u>
Creditors: amounts falling due within one year	19	(311,976)	(341,056)
Net current assets		<u>900,188</u>	<u>788,116</u>
Total assets less current liabilities		<u>2,035,804</u>	<u>1,933,714</u>
Net assets excluding pension liability		<u>2,035,804</u>	<u>1,933,714</u>
Defined benefit pension scheme liability	27	(851,000)	(430,000)
Total net assets		<u><u>1,184,804</u></u>	<u><u>1,503,714</u></u>
Funds of the MAT			
Restricted funds:			
Fixed asset funds	20	1,265,127	1,312,030
Restricted income funds	20	190,762	168,544
		<u>1,455,889</u>	<u>1,480,574</u>
Restricted funds excluding pension asset	20	1,455,889	1,480,574
Pension reserve	20	(851,000)	(430,000)
Total restricted funds	20	<u>604,889</u>	<u>1,050,574</u>
Unrestricted income funds	20	<u>579,915</u>	<u>453,140</u>
Total funds		<u><u>1,184,804</u></u>	<u><u>1,503,714</u></u>

THE TILIAN PARTNERSHIP
(A company limited by guarantee)

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2019

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements on pages 21 to 60 were approved by the Directors, and authorised for issue on 17 December 2019 and are signed on their behalf, by:



C Wells MBE
Chair of Trustees

THE TILIAN PARTNERSHIP
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2019

	Note	2019 £	2018 £
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	22	(79,262)	24,211
Cash flows from Investing activities	23	236,543	190,288
		<hr/>	<hr/>
Change in cash and cash equivalents in the year		157,281	214,499
Cash and cash equivalents at the beginning of the year		887,934	673,435
Cash and cash equivalents at the end of the year	24	<hr/> <u>1,045,215</u>	<hr/> <u>887,934</u>

The notes on pages 26 to 60 form part of these financial statements

THE TILIAN PARTNERSHIP
(A company limited by guarantee)

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

1. Accounting policies

The Tilian Partnership is a company incorporated in England and Wales, registered number 10259334. The registered office is The Tilian Partnership, Tilian House, Skinners Lane Off School Lane, Bardwell, Bury St Edmunds, Suffolk, IP31 1AD.

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

1.1 Basis of preparation of financial statements

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

The Tilian Partnership meets the definition of a public benefit entity under FRS 102.

The financial statements are prepared in Sterling (£).

1.2 Going concern

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

THE TILIAN PARTNERSHIP
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.3 Income

All incoming resources are recognised when the MAT 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.

Capital grants are recognised as voluntary income on a receivable basis to the extent that there is an entitlement.

- **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 MAT has provided the goods or services.

- **Transfer on conversion**

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

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

THE TILIAN PARTNERSHIP
(A company limited by guarantee)

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

1. Accounting policies (continued)

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 as part of a 5.25% top slice charge to each school.

- **Expenditure on raising funds**

This includes all expenditure incurred by the MAT 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 MAT's educational operations, including support costs and costs relating to the governance of the MAT 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 MAT; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

1.6 Taxation

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

1.7 Intangible assets

Intangible assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment.

Amortisation is provided on intangible assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life.

THE TILIAN PARTNERSHIP
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.7 Intangible assets (continued)

The estimated useful lives are as follows:

Amortisation is provided on the following basis:

Computer software	- 5 years straight line
-------------------	-------------------------

1.8 Tangible fixed assets

Assets costing £500 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.

The MAT occupies playing fields under 125 year leases from the local authority at £nil rental. The playing fields are capitalised within tangible fixed assets as leasehold property reflecting the MAT's right to use the playing fields over the long term.

The MAT occupies further land and buildings, which are owned by independent religious bodies, under license arrangements that include a clause allowing the owners to give a two year notice to terminate the license. The St Edmundsbury and Ipswich Diocesan Board of Finance is also party to the licenses.

No rental is payable under the license arrangements. The licenses delegate aspects of the management and buildings to the academy trust but do not vest any legal rights over the land and buildings of the MAT.

Having considered the arrangements under which the MAT is occupying these land and buildings, the directors have concluded that, whilst the schools have occupied the sites for a number of years and none of the independent religious bodies have indicated that they intend to exercise the two year termination clause, due to the lack of influence over the independent religious bodies, or the St Edmundsbury and Ipswich Diocesan Board of Finance, the MAT does not have sufficient control over the land and buildings to recognise these as assets of the MAT. As such no amount is recognised in the financial statements in relation to these. The cost of improvements to these properties are expensed and not capitalised.

Additionally, no amount is reflected in income and expense to reflect the below-market rent because the MAT does not believe the amount can be reliably quantified or measured.

Further details of the occupation arrangements can be found in note 16 of the financial statements.

THE TILIAN PARTNERSHIP
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.8 Tangible fixed assets (continued)

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:

Long-term leasehold property	- 125 years straight line
Fixtures and fittings	- 10 years straight line
Computer equipment	- 3 years straight line
Motor vehicles	- 5 years straight line

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

1.9 Stocks

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

1.10 Debtors

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

1.11 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.

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

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

1. Accounting policies (continued)

1.13 Financial instruments

The MAT only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the MAT 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 18. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 19. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to the MAT's wholly owned subsidiary are held at face value less any impairment.

1.14 Pensions

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

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

THE TILIAN PARTNERSHIP
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.15 Conversion to an academy trust

The conversion from a state maintained school to a MAT involved the transfer of identifiable assets and liabilities and the operation of the school for £NIL consideration. The substance of the transfer is that of a gift and it has been accounted for on that basis as set out below.

The assets and liabilities transferred on conversion from Crawford's Church of England Primary School Haughley to the MAT have been valued at their fair value. The fair value has been derived based on that of equivalent items. The amounts have been recognised under the appropriate Balance sheet categories, with a corresponding amount recognised in Donations - transfer from local authority on conversion in the Statement of financial activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds.

Further details of the transaction are set out in note 25.

1.16 Fund accounting

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

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

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

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

THE TILIAN PARTNERSHIP
(A company limited by guarantee)

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

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

The MAT 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 27, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2019. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgment:

As described in note 1.8, the directors have judged that a reliable estimate of the amount the trust would otherwise have to pay to occupy its rent free school buildings can not be made.

3. Income from donations and capital grants

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £	Total funds 2018 £
Donations	39,608	12,000	-	51,608	28,303
Capital grants	-	-	261,088	261,088	210,222
Transfer from local authority on conversion	9,871	(27,000)	6,214	(10,915)	45,974
	<u>49,479</u>	<u>(15,000)</u>	<u>267,302</u>	<u>301,781</u>	<u>284,499</u>
Total 2018	<u>77,267</u>	<u>(259,990)</u>	<u>467,222</u>	<u>284,499</u>	

THE TILIAN PARTNERSHIP
(A company limited by guarantee)

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

4. Funding for MAT's educational operations

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Educational operations				
General Annual Grant (GAG)	-	3,211,806	3,211,806	2,412,782
Rates relief	-	30,703	30,703	4,667
Pupil Premium	-	158,499	158,499	97,255
Other DfE/ESFA grants	-	274,789	274,789	278,631
Conversion grants	-	-	-	75,000
	-	3,675,797	3,675,797	2,868,335
Other government grants				
Other local authority grants	-	193,605	193,605	116,140
	-	193,605	193,605	116,140
Other funding				
Catering	72,898	-	72,898	56,552
Trips	58,668	-	58,668	26,781
	131,566	-	131,566	83,333
	131,566	3,869,402	4,000,968	3,067,808
Total 2018	83,333	2,984,475	3,067,808	

THE TILIAN PARTNERSHIP
(A company limited by guarantee)

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

5. Other trading activities

	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Letting income	2,043	2,043	1,165
Self generated income	70,167	70,167	85,620
Uniform sales	1,432	1,432	226
Sale of other goods and services	982	982	75
Music services income	3,347	3,347	2,116
Utilities from playgroup	981	981	480
	<u>78,952</u>	<u>78,952</u>	<u>89,682</u>

6. Investment income

	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Bank interest	<u>1,089</u>	<u>1,089</u>	<u>399</u>

7. Other Incoming resources

	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Insurance income	<u>15,808</u>	<u>15,808</u>	<u>6,313</u>

THE TILIAN PARTNERSHIP
(A company limited by guarantee)

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

8. Expenditure

	Staff Costs 2019 £	Premises 2019 £	Other 2019 £	Total 2019 £	Total 2018 £
Expenditure on fundraising trading activities:					
Direct costs	-	-	70,744	70,744	33,973
Activities:					
Direct costs	2,710,506	-	22,034	2,732,540	2,174,777
Support costs	318,512	614,559	640,118	1,573,189	1,138,280
Teaching school	41,539	-	24,487	66,026	64,124
	<u>3,070,557</u>	<u>614,559</u>	<u>757,383</u>	<u>4,442,499</u>	<u>3,411,154</u>
<i>Total 2018</i>	<u>2,511,265</u>	<u>273,605</u>	<u>626,284</u>	<u>3,411,154</u>	

9. Analysis of expenditure by activities

	Activities undertaken directly 2019 £	Support costs 2019 £	Total funds 2019 £	Total funds 2018 £
Provision of education	<u>2,732,540</u>	<u>1,573,189</u>	<u>4,305,729</u>	<u>3,313,057</u>
<i>Total 2018</i>	<u>2,174,777</u>	<u>1,138,280</u>	<u>3,313,057</u>	

THE TILIAN PARTNERSHIP
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

9. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2019 £	Total funds 2018 £
Staff costs	318,512	312,949
Depreciation	41,830	42,856
Other costs	143,298	93,214
Property costs	614,559	359,982
Governance costs	67,893	68,928
Educational supplies and services	147,787	100,980
Catering costs	239,310	159,371
	<u>1,573,189</u>	<u>1,138,280</u>

10. Net Income/(expenditure)

This is stated after charging:

	2019 £	2018 £
Depreciation of tangible fixed assets	38,052	39,078
Amortisation of intangible assets	3,778	3,778
Fees paid to auditors for:		
- audit	14,375	12,500
- other services	2,800	2,700
	<u>19,925</u>	<u>54,056</u>

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

11. Staff costs

a. Staff costs

Staff costs during the year were as follows:

	2019 £	2018 £
Wages and salaries	2,295,962	1,811,598
Social security costs	175,347	135,074
Operating costs of defined benefit pension schemes	483,515	411,385
	<u>2,954,824</u>	<u>2,358,057</u>
Agency staff costs	115,733	136,900
Staff restructuring costs	-	16,308
	<u>3,070,557</u>	<u>2,511,265</u>

Staff restructuring costs comprise:

	2019 £	2018 £
Redundancy payments	-	13,808
Severance payments	-	2,500
	<u>-</u>	<u>16,308</u>

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

Included with staff costs are non-statutory/non contractual severance payment totaling £Nil (2018 - £2,500).

c. Staff numbers

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

	2019 No.	2018 No.
Teachers	46	31
Administration and support	90	76
Management	11	10
	<u>147</u>	<u>117</u>

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

11. Staff costs (continued)

d. Higher paid staff

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

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

The above employee participates in the Teachers' Pension Scheme.

e. Key management personnel

The key management personnel of the MAT comprise the trustees and senior management team as listed on page 1. The total amount of employee benefits (including employer pension and national insurance contributions) received by key management personnel for their services to the MAT was £581,044 (2018 - £440,378) for the period.

THE TILIAN PARTNERSHIP
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

12. Central services

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

- Minibus
- Accounting software license
- Audit and actuarial fees
- Other professional services
- MAT admin staff costs
- Principal staff costs

The MAT charges for these services on the following basis:

The principal's staff costs and other MAT admin staff costs are included in a 5.25% top slice. Professional services are charged pro rata based on staff number or pupil numbers. Minibus costs are charged between Bardwell, Crawford's, Old Newton, Gislingham and Palgrave.

The actual amounts charged during the year were as follows:

	2019 £	2018 £
Gislingham CE Primary	37,587	21,620
Bardwell CE Primary	23,407	24,748
Old Newton CE Primary	37,554	21,452
Palgrave CE Primary	24,735	22,135
Rougham CE Primary	35,648	17,410
Ixworth CE Primary	34,041	21,091
Crawford's CE Primary	18,143	-
Teaching School Alliance	1,325	5,423
Total	212,440	133,879

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

13. Directors' remuneration and expenses

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

		2019	2018
		£	£
A Berry	Remuneration	N/A	55,000 - 60,000
	Pension contributions paid	N/A	5,000 - 10,000
J Welham	Remuneration	N/A	40,000 - 45,000
	Pension contributions paid	N/A	5,000 - 10,000

A Berry and J Welham resigned as trustees on 17 July 2018.

During the year ended 31 August 2019, no Director expenses have been reimbursed (2018 - *ENIL*).

14. Directors' and Officers' Insurance

In accordance with normal commercial practice, the MAT has purchased insurance to protect Directors and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £10,000,000 on any one claim.

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

15. Intangible assets

	Computer software £
Cost	
At 1 September 2018	18,891
At 31 August 2019	<u>18,891</u>
Amortisation	
At 1 September 2018	7,871
Charge for the year	3,778
At 31 August 2019	<u>11,649</u>
Net book value	
At 31 August 2019	<u><u>7,242</u></u>
At 31 August 2018	<u><u>11,020</u></u>

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

16. Tangible fixed assets

	Long-term leasehold property £	Furniture and equipment £	Computer equipment £	Motor vehicles £	Total £
Cost or valuation					
At 1 September 2018	1,094,612	3,937	53,896	37,551	1,189,996
Additions	-	6,335	19,299	-	25,634
Transfer on conversion	-	-	6,214	-	6,214
At 31 August 2019	1,094,612	10,272	79,409	37,551	1,221,844
Depreciation					
At 1 September 2018	16,016	1,837	25,841	11,724	55,418
Charge for the year	8,757	1,284	20,500	7,511	38,052
At 31 August 2019	24,773	3,121	46,341	19,235	93,470
Net book value					
At 31 August 2019	1,069,839	7,151	33,068	18,316	1,128,374
At 31 August 2018	1,078,596	2,100	28,055	25,827	1,134,578

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

16. Tangible fixed assets (continued)

Terms of occupation:

Academy name	Land and Buildings	Playing Fields
Gislingham CE Primary	licence, 2 year notice GUC/DBF	125 year lease SCC
Bardwell CE Primary	licence, 2 year notice BPC/DBF	125 year lease SCC
Old Newton CE Primary	licence, 2 year notice DBF (1)	125 year lease SCC
Palgrave CE Primary	licence, 2 year notice DBF (2)	N/A
Rougham CE Primary	licence, 2 year notice DBF (3)	125 year lease SCC
Ixworth CE Primary	licence, 2 year notice IPC&IT/DBF	N/A
Crawford's CE Primary	licence, 2 year notice DBF (4)	N/A

DBF = St Edmundsbury and Ipswich Diocesan Board of Finance

(1) The DBF acts as trustee of the Old Newton Church of England School Charity

(2) The DBF acts as trustee of the Palgrave Church of England School Charity

(3) The DBF acts as trustee of Rougham Church of England School Charity

(4) The DBF acts as trustee of Crawford's Church of England School Charity

SCC = Suffolk County Council

GUC = Gislingham United Charities, owner of the School buildings

BPC = Bardwell Parish Council as Trustees of the Bardwell Church of England School Foundation, owner of the school buildings.

IPC & IT = Ixworth Parish Council and Ixworth Thorpe, owner of the school building.

Included in support costs are improvements to the Ixworth school buildings of £273,915 (2018 - £44,099), improvements to the Gislingham school buildings of £Nil (2018 - £91,324) and Tilian central services of £Nil (2018 - £59,178).

17. Stocks

	2019 £	2018 £
Stock	1,359	3,846

18. Debtors

	2019 £	2018 £
Trade debtors	5,321	83,047
Other debtors	6,794	38,039
Prepayments and accrued income	119,795	73,133
Tax recoverable	33,680	43,173
	165,590	237,392

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

19. Creditors: Amounts falling due within one year

	2019 £	2018 £
Trade creditors	97,262	94,556
Other taxation and social security	36,762	38,211
Other creditors	50,791	42,498
Accruals and deferred income	127,161	165,791
	<u>311,976</u>	<u>341,056</u>
	2019 £	2018 £
Deferred Income		
Deferred income at 1 September 2018	84,021	36,365
Resources deferred during the year	81,114	84,021
Amounts released from previous years	(84,021)	(36,365)
	<u>81,114</u>	<u>84,021</u>

Deferred income held at 31 August 2019 comprised academy trip income advance receipts and Universal Infant Free School Meals receipts.

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

20. Statement of funds

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers In/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
Unrestricted funds						
General Funds - all funds	437,123	276,894	(150,204)	-	-	563,813
Teaching school alliance	16,017	18,680	(18,595)	-	-	16,102
	<u>453,140</u>	<u>295,574</u>	<u>(168,799)</u>	<u>-</u>	<u>-</u>	<u>579,915</u>
Restricted general funds						
General Annual Grant (GAG)	-	3,211,806	(3,190,556)	11,302	-	32,552
Other DFE/ESFA grants	99,063	463,991	(440,373)	(17,442)	-	105,239
Start up grants	30,302	-	(8,002)	-	-	22,300
Teaching school alliance	18,723	43,311	(47,431)	-	-	14,603
Other local authority grants	-	193,605	(193,605)	-	-	-
Other restricted funds	4,388	12,000	(16,388)	-	-	-
Conversion grant	16,068	-	-	-	-	16,068
Pension reserve	(430,000)	(27,000)	(57,000)	-	(337,000)	(851,000)
	<u>(261,456)</u>	<u>3,897,713</u>	<u>(3,953,355)</u>	<u>(6,140)</u>	<u>(337,000)</u>	<u>(660,238)</u>

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

20. Statement of funds (continued)

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
Restricted fixed asset funds						
Capital expenditure from GAG	4,099	-	(177)	-	-	3,922
Transfer on conversion	1,111,472	6,214	(30,438)	-	-	1,087,248
Capital funds	44,680	83,380	(4,600)	-	-	123,460
Other restricted funds	18,169	-	(11,215)	6,140	-	13,094
CIF funding	133,610	177,708	(273,915)	-	-	37,403
	<u>1,312,030</u>	<u>267,302</u>	<u>(320,345)</u>	<u>6,140</u>	<u>-</u>	<u>1,265,127</u>
Total Restricted funds	<u>1,050,574</u>	<u>4,165,015</u>	<u>(4,273,700)</u>	<u>-</u>	<u>(337,000)</u>	<u>604,889</u>
Total funds	<u>1,503,714</u>	<u>4,460,589</u>	<u>(4,442,499)</u>	<u>-</u>	<u>(337,000)</u>	<u>1,184,804</u>

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

Restricted Fixed Asset Funds: These funds relate to capital funding to carry out works of a capital nature. It also incorporates the value of fixed assets recognised on conversion.

Pension Reserve: The pension reserve relates to the MAT's share of the deficit in the Suffolk County Council Local Government Pension Scheme.

The other restricted funds represent grants relating to the MAT's development and operational activities.

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

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

20. Statement of funds (continued)

Analysis of academies by fund balance

Fund balances at 31 August 2019 were allocated as follows:

	2019 £	2018 £
Gislingham CE Primary	175,190	218,850
Bardwell CE Primary	92,174	77,768
Old Newton CE Primary	47,389	29,059
Palgrave CE Primary	114,095	81,777
Ixworth CE Primary	22,596	(29,611)
Rougham CE Primary	35,146	20,797
Crawford's CE Primary	36,850	-
Tilian Partnership	216,532	188,304
Teaching School Alliance	30,705	34,740
	<hr/>	<hr/>
Total before fixed asset funds and pension reserve	770,677	621,684
Restricted fixed asset fund	1,265,127	1,312,030
Pension reserve	(851,000)	(430,000)
	<hr/>	<hr/>
Total	1,184,804	1,503,714
	<hr/>	<hr/>

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

20. Statement of funds (continued)

Analysis of academies by cost

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2019 £	Total 2018 £
Gislingham CE Primary	420,113	26,540	38,897	142,303	627,853	620,535
Bardwell CE Primary	232,963	36,176	18,806	75,443	363,388	338,075
Old Newton CE Primary	251,858	28,228	42,359	88,809	411,254	415,470
Palgrave CE Primary	248,618	25,323	23,668	78,772	376,381	372,104
Ixworth CE Primary	602,671	42,163	41,066	421,078	1,106,978	693,784
Rougham CE Primary	535,075	69,579	52,774	142,920	800,348	611,112
Crawford's CE Primary	260,243	24,549	3,791	77,233	365,816	-
Tilian Partnership	166,778	63,386	18,611	30,143	278,918	259,048
Teaching School Alliance	32,282	10,021	22,578	4,852	69,733	58,170
MAT	2,750,601	325,965	282,550	1,061,553	4,400,669	3,368,298

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

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

	<i>Balance at 1 September 2017 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2018 £</i>
Unrestricted funds						
General Funds - all funds	385,931	256,994	(205,802)	-	-	437,123
Teaching school alliance	13,816	16,036	(13,835)	-	-	16,017
	<u>399,747</u>	<u>273,030</u>	<u>(219,637)</u>	<u>-</u>	<u>-</u>	<u>453,140</u>
Restricted general funds						
General Annual Grant (GAG)	-	2,412,782	(2,412,782)	-	-	-
Other DFE/ESFA grants	15,597	380,553	(297,087)	-	-	99,063
Start up grants	122,190	-	(84,710)	(7,178)	-	30,302
Teaching school alliance	28,204	40,808	(50,289)	-	-	18,723
Other local authority grants	-	116,140	(116,140)	-	-	-
Other restricted funds	-	12,010	(7,622)	-	-	4,388
Conversion grant	-	75,000	(58,932)	-	-	16,068
Pension reserve	(269,000)	(272,000)	(77,000)	-	188,000	(430,000)
	<u>(103,009)</u>	<u>2,765,293</u>	<u>(3,104,562)</u>	<u>(7,178)</u>	<u>188,000</u>	<u>(261,456)</u>

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

20. Statement of funds (continued)

	Balance at 1 September 2017 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2018 £
Restricted fixed asset funds						
Capital expenditure from GAG	4,276	-	(177)	-	-	4,099
Transfer on conversion	886,637	257,000	(32,165)	-	-	1,111,472
Capital funds	12,167	32,513	-	-	-	44,680
Other restricted funds	21,505	-	(10,514)	7,178	-	18,169
CIF funding	-	177,709	(44,099)	-	-	133,610
	<u>924,585</u>	<u>467,222</u>	<u>(86,955)</u>	<u>7,178</u>	<u>-</u>	<u>1,312,030</u>
Total Restricted funds	<u>821,576</u>	<u>3,232,515</u>	<u>(3,191,517)</u>	<u>-</u>	<u>188,000</u>	<u>1,050,574</u>
Total funds	<u>1,221,323</u>	<u>3,505,545</u>	<u>(3,411,154)</u>	<u>-</u>	<u>188,000</u>	<u>1,503,714</u>

21. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £
Tangible fixed assets	-	-	1,128,374	1,128,374
Intangible fixed assets	-	-	7,242	7,242
Current assets	591,341	491,312	129,511	1,212,164
Creditors due within one year	(11,426)	(300,550)	-	(311,976)
Provisions for liabilities and charges	-	(851,000)	-	(851,000)
Total	<u>579,915</u>	<u>(660,238)</u>	<u>1,265,127</u>	<u>1,184,804</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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21. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2018 £</i>	<i>Restricted funds 2018 £</i>	<i>Restricted fixed asset funds 2018 £</i>	<i>Total funds 2018 £</i>
Tangible fixed assets	-	-	1,134,578	1,134,578
Intangible fixed assets	-	-	11,020	11,020
Current assets	458,904	503,836	166,432	1,129,172
Creditors due within one year	(5,764)	(335,292)	-	(341,056)
Provisions for liabilities and charges	-	(430,000)	-	(430,000)
Total	453,140	(261,456)	1,312,030	1,503,714

22. Reconciliation of net income to net cash flow from operating activities

	2019 £	2018 £
Net income for the year (as per Statement of financial activities)	18,090	94,391
Adjustments for:		
Depreciation and amortisation charges	41,830	42,856
Capital grants from DfE and other capital income	(261,088)	(210,222)
Dividends, interest and rent from investments	(1,089)	(399)
LGPS deficit transferred to trust on conversion	27,000	272,000
Defined benefit pension scheme cost less contributions payable	44,000	65,000
Defined benefit pension scheme finance cost	13,000	12,000
Decrease/(increase) in stocks	2,487	(2,165)
Decrease/(increase) in debtors	71,802	(191,426)
(Decrease)/increase in creditors	(29,080)	199,176
Fixed assets transferred to trust on conversion	(6,214)	(257,000)
Net cash (used in)/provided by operating activities	(79,262)	24,211

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23. Cash flows from investing activities

	2019	2018
	£	£
Dividends, interest and rents from investments	1,089	399
Purchase of tangible fixed assets	(25,634)	(20,333)
Capital grants from DfE/ESFA	261,088	210,222
Net cash provided by Investing activities	236,543	190,288

24. Analysis of cash and cash equivalents

	2019	2018
	£	£
Cash in hand	1,045,215	887,934
Total cash and cash equivalents	1,045,215	887,934

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25. Conversion to an academy trust

On 1 September 2018 Crawford's Church of England Primary School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to The Tilian Partnership from Suffolk County Council for £NIL consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the Balance sheet under the appropriate heading with a corresponding net amount recognised as a net gain in the Statement of financial activities as Income from Donations and Capital Grants - transfer from local authority on conversion.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the Statement of financial activities.

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets				
Other tangible fixed assets	-	-	6,214	6,214
Current assets				
Cash - representing budget surplus on LA funds	9,871	-	-	9,871
Non-current liabilities				
LGPS pension surplus/(deficit)	-	(27,000)	-	(27,000)
Net assets/(liabilities)	<u>9,871</u>	<u>(27,000)</u>	<u>6,214</u>	<u>(10,915)</u>

26. Capital commitments

	2019 £	2018 £
Contracted for but not provided in these financial statements		
Acquisition of tangible fixed assets	-	215,604

27. Pension commitments

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

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

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 £47,967 were payable to the schemes at 31 August 2019 (2018 - £41,368) 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 and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

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

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors.

The previous actuarial valuation was carried out as at 31 March 2012 and determined the contributions for the period, which were paid at a rate of 16.48%. This rate has been paid since September 2015.

The latest valuation of the Teachers' Pension Scheme has now taken place, in line with directions issued by HM Treasury and using membership data as at 31 March 2016. As a result of this valuation TPS employers will pay an increased contribution rate of 23.68% from September 2019 (this includes the administration levy of 0.8%).

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27. Pension commitments (continued)

The employer's pension costs paid to TPS in the year amounted to £249,515 (2018 - £194,385).

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

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

Scheme changes

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

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2019 was £225,000 (2018 - £181,000), of which employer's contributions totalled £190,000 (2018 - £152,000) and employees' contributions totalled £ 35,000 (2018 - £29,000). The agreed contribution rates for future years are 33.2 per cent for employers and tiered contribution per cent for employees.

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

Principal actuarial assumptions

	2019	2018
	%	%
Rate of increase in salaries	2.6	2.6
Rate of increase for pensions in payment/inflation	2.3	2.3
Discount rate for scheme liabilities	1.9	2.8

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FOR THE YEAR ENDED 31 AUGUST 2019**

27. Pension commitments (continued)

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

	2019 Years	2018 Years
<i>Retiring today</i>		
Males	21.3	21.9
Females	23.5	24.4
<i>Retiring in 20 years</i>		
Males	22.3	23.9
Females	24.9	26.4

Sensitivity analysis

	2019 £	2018 £
Discount rate +0.1%	(62,000)	(40,000)
Discount rate -0.1%	62,000	40,000
Mortality assumption - 1 year increase	89,000	57,000
Mortality assumption - 1 year decrease	(89,000)	(57,000)
CPI rate +0.1%	12,000	31,000
CPI rate -0.1%	(12,000)	(31,000)

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

	At 31 August 2019 £	At 31 August 2018 £
Equities	681,000	622,000
Property	300,000	100,000
Cash and other liquid assets	14,000	10,000
Debt instruments	367,000	271,000
Total market value of assets	1,362,000	1,003,000

The actual return on scheme assets was £71,000 (2018 - £50,000).

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27. Pension commitments (continued)

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

	2019 £	2018 £
Current service cost	(225,000)	(217,000)
Past service cost	(9,000)	-
Interest income	33,000	19,000
Interest cost	(46,000)	(31,000)
Total amount recognised in the Statement of financial activities	(247,000)	(229,000)

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

	2019 £	2018 £
At 1 September	1,433,000	573,000
Upon conversion	100,000	743,000
Current service cost	225,000	217,000
Interest cost	46,000	31,000
Employee contributions	35,000	29,000
Actuarial losses/(gains)	365,000	(160,000)
Past service costs	9,000	-
At 31 August	2,213,000	1,433,000

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

	2019 £	2018 £
At 1 September	1,003,000	304,000
Upon conversion	73,000	471,000
Interest income	33,000	19,000
Actuarial gains	28,000	28,000
Employer contributions	190,000	152,000
Employee contributions	35,000	29,000
At 31 August	1,362,000	1,003,000

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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. 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 AFH, 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. The following related party transactions took place in the financial period.

Mrs G Butcher is the wife of Mr N Butcher, a director. Miss J Wells is the daughter of Mr C Wells, a director and member. Mrs M Berry is the wife of Mr A Berry the MAT's principal and former director. All three were employed as a teaching or learning support assistants on standard contracts. The remuneration packages provided are in line with the standard payscale for this role and their employment contracts are subject to normal terms and conditions. Their employment is authorised by the articles.

No other transactions have taken place in the year.

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**NOTES TO THE FINANCIAL STATEMENTS
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30. Teaching school trading account

	2019 £	2019 £	2018 £	2018 £
Income				
Direct income				
Grant income	43,311		40,808	
Other income				
Services provided	18,680		16,036	
Total income		61,991		56,844
Expenditure				
Direct expenditure				
Direct costs (including staff costs)	56,006		53,570	
Other expenditure				
Other costs (including staff costs)	10,020		10,554	
Total expenditure		66,026		64,124
Deficit from all sources		(4,035)		(7,280)
Teaching school balances at 1 September 2018		34,740		42,020
Teaching school balances at 31 August 2019		30,705		34,740