

Company Registration No. 07733196 (England and Wales)

**THE FAMILY OF LEARNING TRUST
(PREVIOUSLY BEECH HILL SCHOOL)
(A COMPANY LIMITED BY GUARANTEE)**

**ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2020**



THE FAMILY OF LEARNING TRUST

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THE FAMILY OF LEARNING TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Members

Appointed 22 October 2019	Mr N Najib
Appointed 22 October 2019	Mrs S Handsley
Appointed 25 September 2019	Mr A Helliwell
Appointed 22 October 2019	Mr D Mellalieu
	Mr Z Khalil

Trustees

Mrs S Hussain (CEO)
Mrs S Loreen
Mr N Najib
Mr C Swallow (Chair of Trustees) (Appointed 25 September 2020)
Mr A Hillyard
Mr M Malik (Appointed 25 June 2020)
Mr D Mellalieu (Appointed 25 June 2020)

Senior Leadership Team

Headteacher Beech Hill/CEO	Mrs S Hussain
Headteacher Deanfield	Mrs F Pether
Deputy Headteacher	Ms S Bowling
Deputy Headteacher	Mrs S Cockcroft
Deputy Headteacher	Miss K Fudge
HR Director	Mrs J Lawless
Finance Director	Mr D Senior

Company registration number 07733196 (England and Wales)

Registered office Mount Pleasant Avenue
Halifax
HX1 5TN

Academies operated

Beech Hill School
Dean Field Community Primary School

Location

Halifax
Halifax

Headteacher

Shameem Hussain
Fiona Pether

Independent auditor

Simpson Wood Limited
Bank Chambers
Market Street
Huddersfield
HD1 2EW

THE FAMILY OF LEARNING TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Bankers

Yorkshire Bank
7 Waterhouse Street
Halifax
HX1 1XZ

Lloyds Bank plc
Commercial Street
Halifax
HX1 1BB

Solicitors

Schofield Sweeney
Church Bank House
Church Bank
Bradford
West Yorkshire
BD1 4DY

THE FAMILY OF LEARNING TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2020

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

The academy was renamed The Family Learning Trust on 21 March 2017 (formerly Beech Hill School).

The academy trust is made up of Beech Hill and Dean Field and has pupils ranging from 2 to 11 serving in the catchment area of Central Halifax. The Trust has a pupil capacity of 840, Beech Hill 630 and Dean Field 210.

Structure, governance and management

Constitution

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust.

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

Members' liability

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

Trustees' indemnities

The Trust utilises the Education and Skills Funding Agency's Risk Protection Assurance (RPA) scheme. The RPA provides for unlimited indemnity cover. The total cost of RPA for the Trust within the period was £14,166; the cost of indemnity cover is not separately identifiable.

Method of recruitment and appointment or election of Trustees

The Members may appoint by ordinary resolution, up to 12 Trustees. The total number of Trustees including the Chief Executive Officer who are employees shall not exceed one third of the total number of Trustees.

The Trustees may appoint Co-opted Trustees; in co-opting, the Trustees will be mindful of the skills and experience required to ensure the Trust has sufficient experience and skills to manage the Trust.

Parent Local Governors are elected by parents of registered pupils in the Academies. Where there is a vacancy for a parent governor, the school makes sure that all parents have the potential to apply to become a governor. The school ensures that if there is a vote it is undertaken fairly and managed properly with the results made public to all concerned.

Policies and procedures adopted for the induction and training of Trustees

The training and induction provided for new Trustees will depend on their previous experience. All new trustees are given a tour of both Academies and the chance to meet staff and pupils. All Trustees are provided with copies of policies, procedure, minutes, accounts, plans and other documents that they will need to undertake their role. All trustees have access to a full programme of courses and online resources which they can choose to attend based on their role.

THE FAMILY OF LEARNING TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Organisational structure

The management structure of The Family of Learning Trust consists of the Trustees, the Executive Team, Senior Leadership Team and the Extended Management Team. The Trust operates 2 primary academies in Halifax and has a combined numbers on roll of 791 on 11th October 2020 (568 at Beech Hill and 223 at Dean Field School) including Nursery.

The Executive Team consists of the Chief Executive Officer who is also the Head Teacher at Beech Hill School, Finance Director, HR Director and the Head Teacher at Dean Field School.

The Senior Leadership Team consists of the Head Teachers of both schools and the Deputy and Assistant Head Teachers of both schools. They are responsible for the School Improvement Plan, Self-Evaluation, Data and Performance, Safeguarding and Attendance.

The Extended Management Team includes the Team leaders in each year group, SENDCO, ICT Management and the Management Accountant. They work with the Senior Leadership Team to ensure the smooth running of the day to day operations in ensuring the curriculum delivery and teaching and learning are consistent across the school.

To this end we have:

- Reviewed all statutory schools policies
- Continued to build capacity into the Senior Leadership team at both schools and plan future succession- Head teacher, 3 deputy Head teachers, 2 Assistant Head teachers, 8 TLR post holders and a SENDCO. The TLR post holders are also Team Leaders and are responsible for overseeing each year group and ensuring consistency is maintained throughout the school.
- Continued to improve teaching and raise standards across the Trust
- Appointed a PA to support the trust's executive team and to oversee the Health and Safety, Maintenance and Buildings of the sites
- Appointed a Management Accountant to support the Finance team with internal controls and prepare for future expansion
- Continued to offer School Direct places with Teamworks Teaching Alliance
- Continued to develop MAT policies and processes and strengthen the teaching and Leadership Team capacity at Dean Field School
- Continued to support other schools through our 2 SLEs, Lead Practitioners for phonics, EYFS and computing and our LA KS2 Writing moderators
- Continued to promote parental engagement through a digital platform (SEESAW)
- Contributed to the wider community through our work with local care homes, Verd-de-gris, Dementia café
- Improved links we had local football clubs to ensure our 3G Pitch facilities booking is being utilised as much as possible
- Made available the premises after school to generate additional income
- Continue to develop our staff through cross trust mentoring and completing qualifications: 2 achieved NPQSL, 1 achieved Leading Teachers Mastery. 1 is currently completing SENCO award and a further 2 completing the Leading Teachers Mastery and a counselling qualification
- Continue to promote staff wellbeing through a range of initiatives including the implementation of an Employee Assistance Programme
- Refine cross trust HR through implementing a cross trust HR online system
- Enhanced the governance of the FOLT Board and LGB through training and support of an NLG and recruiting additional trustees with a financial and legal background
- Purchased an online portal that governors and trustees can access key documents and minutes of meetings and up to date information for boards

THE FAMILY OF LEARNING TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Arrangements for setting pay and remuneration of key management personnel

Decisions regarding pay and remuneration take account of the Department of Education's School teachers' pay and conditions document and guidance on school teachers' pay and conditions.

The day to day running of the remuneration policy of each Academy is delegated to the Head teacher and monitored by the Executive Team who report to, and are accountable to the Trustees. All details for setting pay and remuneration of key management personnel are set out in the Pay and Grading policy which is reviewed annually by the Board of Trustees.

Remuneration of key management personnel is set at an individual level, and where possible the Trustees have taken external professional advice which includes benchmarking, market trends and advice on structuring of incentives. Senior management salaries are linked to pay spines, helping trustees conclude that each individual is remunerated at an appropriate level. As such, salaries are linked to factors such as ability, experience and performance. Total remuneration packages include employer pension contribution rates at approved rates.

The performance of senior management personnel is reviewed on a regular basis to ensure continuing value for money. The board always bears in mind the charitable status of the Academy Trust and recognises that the Trust receives funding under an agreement with the Secretary of State for Education, and therefore ensures the remuneration paid to senior management personnel never exceeds an amount that provides value for money to the trust.

Trade Union Facility Time

Under the Trade Union (Facility Time Publication Requirements) Regulations 2017, the Trust is required to calculate and publish information on Facility Time: the paid time off that we provide to our employees to undertake Trade Union duties and activities. As a Trust, we value the close working relationships we have with regional and local Trade Union representatives, as well as our internal workplace representatives. The Trust understands and appreciates the benefit of good trade union relations in the workplace.

The purpose of the regulations is to promote transparency and public scrutiny of Facility Time, to ensure that taxpayers' money is spent appropriately and represents value for money. Although the trust does not contribute to facilities time, we are currently investigating joining the Calderdale Council's Facility Time arrangements.

Relevant Union Officials - None

Percentage of time spent on facility time – None

Percentage of pay bill spent on facility time – Nil

Paid trade union activities - None

Related parties and other connected charities and organisations

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

THE FAMILY OF LEARNING TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Objectives and activities

Objects and aims

To provide education for pupils of different abilities between the ages of 2 and 11

We aim:

- To have a committed staff who inspire and motivate individual children to achieve their highest standards.
- To broaden pupils' horizons through an exciting and engaging creative curriculum
- To make good progress especially in English and Maths.
- To provide a stimulating, challenging and creative learning environment
- To develop a healthy lifestyle.
- To be proud of our school and promote an ethos and environment in which children enjoy learning
- To develop enthusiastic, independent and confident learners.
- To develop pupils who feel valued as an individual and as a member of the school community.
- To understand the need to treat others as equals regardless of sex, race or religion.
- To develop our children's sporting and artistic talent.
- To promote children's rights and empower them to become global citizens in line with Unicef's Rights Respecting Award
- To improve Parental engagement

Objectives, strategies and activities

At the Family of Learning Trust we believe children have just one childhood; our intention is to provide them with inspirational and unforgettable learning experiences. Our ethos is a simple one '**Learning without Limits**'. We place a high value on establishing close links between home and school so that we can work effectively together enabling each child to achieve their full potential.

Our core purpose is to:

- Enable academy leaders and staff to raise standards of achievement and attainment
- Ensure our learners receive a broad, balanced engaging curriculum for children aged between 2 and 11, adapted for the different abilities with strong links to the community and wider experiences to impact on their 'Culture Capital'
- Ensure all academies are achieving value for money
- Building capacity across all aspects of education, business and operational activity
- Minimise bureaucracy for leaders so they are able to focus on achieving the best outcomes for learners
- Recruiting and retaining excellent staff within the Trust
- Provide excellent CPD opportunities
- Ensure staff wellbeing and a good work life balance
- Provide HR/Finance and payroll support

Public benefit

In setting our objectives and planning our activities, the Trustees have carefully considered the Charity Commission's general guidance on public benefit.

THE FAMILY OF LEARNING TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Strategic report

Achievements and performance

School Closure due to Covid 19

Due to the Covid 19 pandemic, both schools were closed between March and 8th June for the majority of pupils. The trust continued to provide in-school provision for our most vulnerable pupils and key worker children throughout this closure. Both schools worked very closely to manage this effectively through sharing staff and pupils from both schools attended one site. Parents on benefits-related free school meals received food packs and the schools worked with a number of other agencies to provide food for our most vulnerable families.

Key policies were amended to reflect the situation. The transition to remote learning was smooth as both schools had been using Seesaw for a number of years and the majority of parents were able to access it easily. Pupil engagement through the pandemic was promoted through home learning activities across the curriculum and weekly celebrations of pupils' learning through the school newsletter. Where there has been difficulty with remote learning, school sent out work packs through the post for pupils to work on or organised for pupils to be given school laptops and iPads. The school websites were updated with resources to support families, particularly those for whom mental health was a concern, in order to signpost them to relevant agencies. Team Leaders and SLT monitored work through regular checks on Seesaw and some older pupils were engaged through face to face lessons via Zoom. Parental feedback regarding remote learning has been really positive.

Key performance indicators

Tests did not take place due to the pandemic. However teachers in EYFS, KS1 and KS2 did still record teacher assessments for pupils in the key year groups. The data below is internal data and has not been externally moderated.

Beech Hill School

Ofsted Inspection in June 2019 graded Good with Outstanding features (Outstanding areas are Early Years and Personal Development, Behaviour and Welfare)

Attendance Prior to closure (March 2020): 96.5%

Predicted Data Performance (Based on Internal Data)

EYFS data remains broadly in line with the national average for 2019.

The end of KS1 results were similar to last year at 62% reading, writing and mathematics combined.

Predicted End of KS2 Outcomes 2020

Reading: 80%

Writing: 75%

Mathematics: 86%

The combined attainment for reading, writing and maths was 73% which would be above the national average of 65% for 2019.

Predicted Value Added Progress scores for 2020 KS2 cohort are as follows:

Reading	+1.83
Writing (Teacher Assessment)	+2.05
Maths	+3.23

THE FAMILY OF LEARNING TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Dean Field Community Primary School

Ofsted Inadequate (January 2017)

Attendance (March 2020): 96.1%

Predicted Data Performance in comparison to the national average for 2019 (there is no national average for 2020).

EYFS data is above the national average

The end of KS1 results are 69% for Reading, Writing and Maths combined which is above the national average.

Predicted End of KS2 Outcomes 2020

Reading: 80%

Writing: 77%

Mathematics: 73%

The combined attainment for reading, writing and maths was 63% which would be slightly below the national average of 65% for 2019.

Predicted Value Added Progress scores for 2020 KS2 cohort are as follows:

Maths	-0.25
Reading	+1.65
Writing (Teacher Assessment)	+0.77

This data shows great improvement in comparison to the previous year and reflects the impact of all the measures and support put in place since January 2018 when the school joined the Trust.

Going concern

After making appropriate enquiries, the board of trustees has a reasonable expectation that the academy trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, the board of trustees continues to adopt the going concern basis in preparing the accounts. Further details regarding the adoption of the going concern and the impact of Covid-19 can be found in the Governance Statement.

Financial review

Most of the Academy Trust's income is obtained from the EFA in the form of recurrent grants, the use of which is restricted to particular purposes. The main other income elements are an external catering service and school improvement partner service. The grants received from the EFA during the period ended 31 August 2020 and the associated expenditure are shown as restricted funds in the statement of financial activities.

The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

During the period ended 31 August 2020, the total expenditure (excluding fixed asset funds) of £5,024,676 (2019: £4,970,309) was covered by the recurrent grant funding and associated income streams. The excess of income over expenditure for the period (excluding restricted fixed asset funds and pension deficit) was £82,455 (2019 £83,982)

THE FAMILY OF LEARNING TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Reserves policy

The trustees review reserve levels of the Trust annually. This review encompasses the nature of income and expenditure streams, this to match income with commitment and the nature of reserves. The trustees take into consideration the future plans of the Academy Trust, the uncertainty over future income streams and other key risks identified during the risk review.

The Academy Trust's current level of reserves (total funds less the amount held in fixed assets and restricted funds) is £344,074 all of which are free reserves.

The trustees require a reserve to be created to fund future expenditure relating to the Academy Development Plan's strategic long term aim and developments. Plans are in place to make necessary improvements to existing buildings. A Capital Grant is being used for a replacement roof at Dean Field School and we intend to explore match funding to for a new sports hall at the Beech Hill site maybe pushed back a couple of years as the expansion is a priority over the next twelve months, all this expenditure will be funded mainly by the GAG carried forward and using future GAG.

Investment policy

The Family of Learning Trust has an investment policy that is reviewed annually, this gives the Academy Trust the authority to invest in appropriate investments should the need arise. During the year two of these investments were redeemed.

Principal risks and uncertainties

The Trustees continue to assess the major risks within the trust, which are detailed in the Risk Register. This document covers all areas of risk specifically teaching, provisions of facilities and other operational areas of the school and its finances. The Trustees continue to review various policies to help implement the ongoing development of the areas of risk and have suitable insurance cover where significant risk remains. A main area for development is the internal controls and over the next twelve months plan has been agreed to develop and test many areas of finance. The Trust Board have appointed a qualified accountant to help the Financial Director with this and to help report back to Members and Trustees. The school Trust has a manual with a lot of system controls that will be subject to testing over the next twelve months.

The main risk to the Academy Trust is that the schools are funded according to pupils on roll, so a drop in student numbers or a change in the funding formulae used could affect the financial stability of the Trust. Other than this there is no other potential risk that could affect the financial stability of the Trust.

Financial and risk management objectives and policies

The Academy Trust's income is obtained from the ESFA in line with the funding agreement of the Academy. As such, the Academy Trust's exposure to financial risks is limited to cash flow and liquidity risks.

The Family of Learning Trust has a pension deficit of £3,855,000 relating to the LGPS defined benefit scheme.

Fundraising

Under the provision of the Charities (Protection and Social Investment) Act 2016, The Family of Learning Trust School provides the following information on their fundraising practices.

Both Academies in the Trust raise funds for the benefit of the Trust and a small number of charities. All funds are raised through voluntary contributions. Each individual Academy will limit the number of fund-raising activities to ensure that the school is not intrusive or persistent in their fundraising approach.

THE FAMILY OF LEARNING TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Plans for future periods

Future Priorities 2020-21

- Continue to enhance the governance across the Trust through working with an NGA consultant on the DFE funded Board Development Programme
- To ensure pupils' attainment in Reading, Writing and Mathematics is at least in line with the national averages by addressing the gaps in learning due to Covid 19 school closures and ensure pupils are making
- To Continue improving the quality of provision in our academies
- To maintain high standards of learning behaviour as reflected in the Rights Respecting ethos
- To continue to develop the expertise and skills of our senior and middle leaders to secure effective succession planning as the trust expands
- To ensure a financially viable and sustainable MAT and develop a strong business infrastructure
- To explore opportunities to expand the MAT to 3 or 4 schools

Auditor

In so far as the Trustees are aware:

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

A resolution proposing that Simpson Wood Limited be reappointed as auditor of the charitable company will be put to the members.

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees as the company directors, on 14 January 2021 and signed on its behalf by:



Mr C Swallow
Chair of Trustees

THE FAMILY OF LEARNING TRUST

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2020

Scope of responsibility

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

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

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Trust Board has formally met 6 times during the year. Attendance during the year at meetings of the Trust Board was as follows:

Trustees	Meetings attended	Out of possible
Mrs S Hussain (CEO)	6	6
Mrs S Loreen	6	6
Mr N Najib	6	6
Mr C Swallow (Chair of Trustees) (Appointed 25 September 2020)	4	6
Mr A Hillyard	6	6
Mr M Malik (Appointed 25 June 2020)	1	2
Mr D Mellalieu (Appointed 25 June 2020)	2	2

Review of value for money

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

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

- An annual review of all contracts, these are checked for price and relevance, as a result three contracts were dropped and better prices found on two others
- The school has a large catering operation. During the last twelve months the school has negotiated substantial discounts from suppliers, the school also uses preference for price and quality
- The school always gets at least three quotes for any item over £10,000
- The school reviews all expenditure with suppliers over £10,000 per annum at the school and looks for better prices or a better service.

The purpose of the system of internal control

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

THE FAMILY OF LEARNING TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Capacity to handle risk

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

The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees;
- regular reviews by the audit and risk 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;
- identification and management of risks.

The Trust Board is aware of the need for internal controls and set a timetable for these to be completed during 2019-20, however due to COVID it has meant the timetable has not been followed.

However a number of areas have been covered and reported on these areas are; purchases, wages, fixed assets, credit card, petty cash, school trips and income review. Plus a new timetable has been agreed to 2020-21.

The trust will work on these areas and expand its internal controls over the trust over the next twelve months. The COVID pandemic has meant that there is more financial risk particularly over external sources of income generated, as a result more reporting and internal controls will be developed for catering and the 3G pitch.

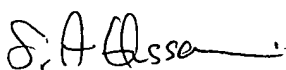
Review of effectiveness

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

- the work of the external auditor;
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the board of trustees on 14 January 2021 and signed on its behalf by:



Mrs S Hussain
CEO



Mr C Swallow
Chair of Trustees

THE FAMILY OF LEARNING TRUST

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE FOR THE YEAR ENDED 31 AUGUST 2020

As accounting officer of The Family of Learning Trust, I have considered my responsibility to notify the Trust Board and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2020.

I confirm that I and the Board of Trustees are able to identify any material irregular or improper use of funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2020.

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



Mrs S Hussain
Accounting Officer

14 January 2021

THE FAMILY OF LEARNING TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2020

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

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

In preparing these accounts, the Trustees are required to:

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

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

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

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

Approved by order of the Board of Trustees on 14 January 2021 and signed on its behalf by:



Mr C Swallow
Chair of Trustees

THE FAMILY OF LEARNING TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2020

Opinion

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

In our opinion the accounts:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

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

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

We have nothing to report in this regard.

THE FAMILY OF LEARNING TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2020

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of Trustees

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

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

Auditor's responsibilities for the audit of the accounts

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

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

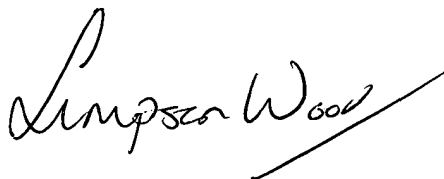
THE FAMILY OF LEARNING TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2020

Use of our report

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

A handwritten signature in black ink, appearing to read 'Daniel McAllister', with a long horizontal stroke extending to the right.

Daniel McAllister FCA (Senior Statutory Auditor)
for and on behalf of Simpson Wood Limited

14 January 2021

Chartered Accountants
Statutory Auditor

Bank Chambers
Market Street
Huddersfield
HD1 2EW

THE FAMILY OF LEARNING TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2020

In accordance with the terms of our engagement letter dated 11 October 2016 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Family of Learning Trust during the period 1 September 2019 to 31 August 2020 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

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

The accounting officer is responsible, under the requirements of The Family of Learning Trust's funding agreement with the Secretary of State for Education dated 1 September 2011 and the Academies Financial Handbook, extant from 1 September 2019, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

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

The work undertaken to draw to our conclusion includes:

- Consideration of the evidence supporting the Accounting Officers statement on regularity, propriety and compliance which may include review and corroboration of the most recent Financial Management and Governance Evaluation or equivalent.
- Evaluation of the general control environment of the Academy Trust, extending the procedures required for financial statements to include regularity.
- Assessment and testing of a sample of the specific control activities over regularity of a particular activity.
- When performing sample testing of expenditure, consider whether the activity is permissible within the Academy Trust's framework of authorities.

THE FAMILY OF LEARNING TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2020

Conclusion

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

A handwritten signature in black ink, appearing to read 'Simpson Wood', with a long horizontal stroke extending to the right.

Reporting Accountant
Simpson Wood Limited
Bank Chambers
Market Street
Huddersfield
HD1 2EW

Dated: 14 January 2021

THE FAMILY OF LEARNING TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2020

		Unrestricted funds	Restricted funds: General Fixed asset		Total 2020	Total 2019
	Notes	£	£	£	£	£
Income and endowments from:						
Donations and capital grants	3	20,702	-	16,844	37,546	67,940
Charitable activities:						
- Funding for educational operations	4	-	4,558,510	-	4,558,510	4,110,480
Other trading activities	5	522,843	-	-	522,843	928,871
Investments	6	5,076	-	-	5,076	1,728
Total		<u>548,621</u>	<u>4,558,510</u>	<u>16,844</u>	<u>5,123,975</u>	<u>5,109,019</u>
Expenditure on:						
Raising funds	7	453,083	97,781	-	550,864	1,003,109
Charitable activities:						
- Educational operations	9	545	4,473,267	261,129	4,734,941	4,227,374
Total	7	<u>453,628</u>	<u>4,571,048</u>	<u>261,129</u>	<u>5,285,805</u>	<u>5,230,483</u>
Net income/(expenditure)		94,993	(12,538)	(244,285)	(161,830)	(121,464)
Transfers between funds	19	-	(269,256)	269,256	-	-
Other recognised gains/(losses)						
Actuarial losses on defined benefit pension schemes	21	-	(679,000)	-	(679,000)	(1,203,000)
Net movement in funds		94,993	(960,794)	24,971	(840,830)	(1,324,464)
Reconciliation of funds						
Total funds brought forward		249,081	(1,425,535)	10,306,500	9,130,046	10,454,514
Total funds carried forward		<u>344,074</u>	<u>(2,386,329)</u>	<u>10,331,471</u>	<u>8,289,216</u>	<u>9,130,050</u>

THE FAMILY OF LEARNING TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2020

Comparative year information Year ended 31 August 2019		Unrestricted funds	Restricted funds: General Fixed asset		Total 2019
	Notes	£	£	£	£
Income and endowments from:					
Donations and capital grants	3	13,213	-	54,727	67,940
Charitable activities:					
- Funding for educational operations	4	-	4,110,480	-	4,110,480
Other trading activities	5	928,871	-	-	928,871
Investments	6	1,728	-	-	1,728
Total		<u>943,812</u>	<u>4,110,480</u>	<u>54,727</u>	<u>5,109,019</u>
Expenditure on:					
Raising funds	7	922,793	80,316	-	1,003,109
Charitable activities:					
- Educational operations	9	7,093	3,960,107	260,174	4,227,374
Total	7	<u>929,886</u>	<u>4,040,423</u>	<u>260,174</u>	<u>5,230,483</u>
Net income/(expenditure)		13,926	70,057	(205,447)	(121,464)
Transfers between funds	19	-	(27,881)	27,881	-
Other recognised gains/(losses)					
Actuarial losses on defined benefit pension schemes	21	-	(1,203,000)	-	(1,203,000)
Net movement in funds		13,926	(1,160,824)	(177,566)	(1,324,464)
Reconciliation of funds					
Total funds brought forward		235,155	(264,709)	10,484,068	10,454,514
Total funds carried forward		<u>249,081</u>	<u>(1,425,533)</u>	<u>10,306,502</u>	<u>9,130,050</u>

THE FAMILY OF LEARNING TRUST

BALANCE SHEET

AS AT 31 AUGUST 2020

	Notes	2020 £	2019 £
Fixed assets			
Tangible assets	13	10,329,965	10,289,316
Current assets			
Stocks	14	3,099	6,517
Debtors	15	265,953	313,016
Cash at bank and in hand		1,981,718	1,728,308
		<u>2,250,770</u>	<u>2,047,841</u>
Current liabilities			
Creditors: amounts falling due within one year	16	(430,897)	(426,463)
Net current assets		<u>1,819,873</u>	<u>1,621,378</u>
Total assets less current liabilities		<u>12,149,838</u>	<u>11,910,694</u>
Creditors: amounts falling due after more than one year	17	(5,622)	(6,644)
Net assets before defined benefit pension scheme liability		<u>12,144,216</u>	<u>11,904,050</u>
Defined benefit pension scheme liability	21	(3,855,000)	(2,774,000)
Total net assets		<u><u>8,289,216</u></u>	<u><u>9,130,050</u></u>
Funds of the academy trust:			
Restricted funds	19		
- Fixed asset funds		10,331,471	10,306,502
- Restricted income funds		1,468,671	1,348,467
- Pension reserve		(3,855,000)	(2,774,000)
Total restricted funds		<u>7,945,142</u>	<u>8,880,969</u>
Unrestricted income funds	19	<u>344,074</u>	<u>249,081</u>
Total funds		<u><u>8,289,216</u></u>	<u><u>9,130,050</u></u>

The accounts set out on pages 20 to 43 were approved by the board of trustees and authorised for issue on 14 January 2021 and are signed on its behalf by:



Mr C Swallow
Chair of Trustees

Company Number 07733196

THE FAMILY OF LEARNING TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2020

	Notes	2020 £	£	2019 £	£
Cash flows from operating activities					
Net cash provided by operating activities	22		534,290		529,297
Cash flows from investing activities					
Dividends, interest and rents from investments		5,076		1,728	
Capital grants from DfE Group		16,844		54,727	
Purchase of tangible fixed assets		(301,778)		(81,101)	
Net cash used in investing activities			(279,858)		(24,646)
Cash flows from financing activities					
Repayment of other loan		(1,022)		(509)	
Net cash used in financing activities			(1,022)		(509)
Net increase in cash and cash equivalents in the reporting period			253,410		504,142
Cash and cash equivalents at beginning of the year			1,728,308		1,224,166
Cash and cash equivalents at end of the year			1,981,718		1,728,308

THE FAMILY OF LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

The Family of Learning Trust is a charitable company incorporated in England and Wales. The address of its principal place of business is given on page 1 and the nature of its operations are set out in the Trustees' report.

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

1.1 Basis of preparation

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

1.2 Going concern

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

1.3 Income

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

Grants

Grants are included in the statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of meeting any performance-related conditions there is not unconditional entitlement to the income and its recognition is deferred and included in creditors as deferred income until the performance-related conditions are met. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the statement of financial activities in the period for which it is receivable, and any abatement in respect of the period is deducted from income and recognised as a liability.

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

Sponsorship income

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

THE FAMILY OF LEARNING TRUST

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

1 Accounting policies

(Continued)

Donations

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

Other income

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

Donated goods, facilities and services

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

Donated fixed assets

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

1.4 Expenditure

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

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

Where applicable, resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Charitable activities

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

THE FAMILY OF LEARNING TRUST

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

1 Accounting policies

(Continued)

1.5 Tangible fixed assets and depreciation

Assets costing £5,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the balance sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund in the statement of financial activities and carried forward in the balance sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the statement of financial activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the academy trust's depreciation policy.

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

Land and buildings	2% straight line
Computer equipment	20% straight line
Fixtures, fittings & equipment	15% straight line
Motor vehicles	25% straight line

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

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

1.6 Liabilities

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

1.7 Leased assets

Rentals under operating leases are charged on a straight-line basis over the lease term.

1.8 Financial instruments

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

Financial assets

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

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

THE FAMILY OF LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

(Continued)

Financial liabilities

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

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

1.9 Stock

Stock is valued at the lower of cost and net realisable value. Net realisable value is based on estimated selling price less further costs to completion and disposal. Provision is made for obsolete and slow moving stock.

1.10 Taxation

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

1.11 Pensions benefits

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

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

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

THE FAMILY OF LEARNING TRUST

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

1 Accounting policies

(Continued)

1.12 Fund accounting

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

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

Restricted general funds comprise all other restricted funds received and include grants from the Education Funding Agency.

2 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 19, 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 2013 has been used by the actuary in valuing the pensions liability at 31 August 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement

No critical areas of judgement have been identified which would have a significant impact on the valuation of assets and liabilities within the accounts.

3 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
Capital grants	-	16,844	16,844	54,727
Other donations	20,702	-	20,702	13,213
	<u>20,702</u>	<u>16,844</u>	<u>37,546</u>	<u>67,940</u>

THE FAMILY OF LEARNING TRUST

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

4 Funding for the academy trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
DfE / ESFA grants				
General annual grant (GAG)	-	3,575,968	3,575,968	3,227,178
Other DfE group grants	-	486,499	486,499	527,643
	-	4,062,467	4,062,467	3,754,821
Other government grants				
Local authority grants	-	464,793	464,793	355,659
Exceptional government funding				
Coronavirus job retention scheme grant	-	31,250	31,250	-
Total funding	-	4,558,510	4,558,510	4,110,480

5 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
Hire of facilities	49,487	-	49,487	28,926
Catering income	346,532	-	346,532	724,287
Consultancy services	42,506	-	42,506	46,008
Educational visits	18,991	-	18,991	26,092
Student fee income	1,260	-	1,260	2,770
Other income	64,067	-	64,067	100,788
	522,843	-	522,843	928,871

6 Investment income

	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
Short term deposits	5,076	-	5,076	1,728

THE FAMILY OF LEARNING TRUST

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

7 Expenditure

	Staff costs £	Non-pay expenditure Premises £	Other £	Total 2020 £	Total 2019 £
Expenditure on raising funds					
- Direct costs	264,076	-	286,788	550,864	1,003,109
Academy's educational operations					
- Direct costs	2,571,425	261,129	174,886	3,007,440	2,852,321
- Allocated support costs	1,157,599	258,024	311,878	1,727,501	1,375,054
	<u>3,993,100</u>	<u>519,153</u>	<u>773,552</u>	<u>5,285,805</u>	<u>5,230,484</u>

Net income/(expenditure) for the year includes:

	2020 £	2019 £
Fees payable to auditor for:		
- Audit	10,950	6,550
- Other services	1,000	1,900
Operating lease rentals	24,469	11,980
Depreciation of tangible fixed assets	261,129	260,175
Net interest on defined benefit pension liability	51,000	31,000

8 Central services

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

- human resources;
- financial services;
- legal services;
- educational support services.

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

- for the period central services have been capped at £46,000 as agreed.

The amounts charged during the year were as follows:

	2020 £	2019 £
Beech Hill School	-	-
Dean Field Community Primary School	46,000	46,000
	<u>46,000</u>	<u>46,000</u>

THE FAMILY OF LEARNING TRUST

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

9 Charitable activities

	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
Direct costs				
Educational operations	-	3,007,440	3,007,440	2,852,321
Support costs				
Educational operations	545	1,726,956	1,727,501	1,375,054
	<u>545</u>	<u>4,734,396</u>	<u>4,734,941</u>	<u>4,227,375</u>
			2020 £	2019 £
Analysis of support costs				
Support staff costs			1,212,446	910,362
Technology costs			99,266	65,938
Premises costs			258,024	255,773
Other support costs			141,544	127,096
Governance costs			16,221	15,885
			<u>1,727,501</u>	<u>1,375,054</u>

10 Staff

Staff costs

Staff costs during the year were:

	2020 £	2019 £
Wages and salaries	2,957,014	2,906,023
Social security costs	227,872	222,327
Pension costs	781,495	672,159
Staff costs - employees	<u>3,966,381</u>	<u>3,800,509</u>
Agency staff costs	26,719	19,565
	<u>3,993,100</u>	<u>3,820,074</u>
Staff development and other staff costs	80,841	72,727
Total staff expenditure	<u>4,073,941</u>	<u>3,892,801</u>

THE FAMILY OF LEARNING TRUST

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

10 Staff

(Continued)

Staff numbers

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

	2020 Number	2019 Number
Teachers	31	35
Administration and support	134	135
Management	5	5
	<u>170</u>	<u>175</u>

Higher paid staff

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

	2020 Number	2019 Number
£60,001 - £70,000	1	1
£80,001 - £90,000	-	1
£90,001 - £100,000	1	-
	<u>2</u>	<u>2</u>

Key management personnel

The key management personnel of the academy trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £412,492 (2019: £440,201)

11 Trustees' remuneration and expenses

The headteacher and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of headteacher and staff, and not in respect of their services as Trustees. Other Trustees did not receive any payments, other than expenses, from the academy trust in respect of their role as Trustees. During the year, travel and subsistence payments totalling £Nil (2019: £Nil) were reimbursed to Trustees.

The value of Trustees' remuneration was as follows:

Mrs S A Hussain (Headteacher)

Remuneration	£90,000 - £95,000 (2019: £85,000 - £90,000)
Pension	£10,000 - £15,000 (2019: £10,000 - £15,000)

Mrs F Pether (Headteacher)

Remuneration	£60,000 - £65,000 (2019: £60,000 - £65,000)
Pension	£5,000 - £10,000 (2019: £5,000 - £10,000)

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

THE FAMILY OF LEARNING TRUST

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

12 Insurance for Trustees and officers

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

13 Tangible fixed assets

	Land and buildings	Computer equipment	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 September 2019	11,257,647	188,243	135,120	42,712	11,623,722
Additions	261,197	3,732	36,849	-	301,778
At 31 August 2020	11,518,844	191,975	171,969	42,712	11,925,500
Depreciation					
At 1 September 2019	1,087,792	138,195	65,707	42,712	1,334,406
Charge for the year	225,865	18,811	16,453	-	261,129
At 31 August 2020	1,313,657	157,006	82,160	42,712	1,595,535
Net book value					
At 31 August 2020	10,205,187	34,969	89,809	-	10,329,965
At 31 August 2019	10,169,855	50,048	69,413	-	10,289,316

14 Stocks

	2020 £	2019 £
Catering stock	3,099	6,517

15 Debtors

	2020 £	2019 £
Trade debtors	31,805	80,661
VAT recoverable	44,870	23,571
Other debtors	76,164	32,876
Prepayments and accrued income	113,114	175,908
	265,953	313,016

THE FAMILY OF LEARNING TRUST

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

16 Creditors: amounts falling due within one year

	2020 £	2019 £
Other loans	1,022	1,022
Trade creditors	32,951	138,213
Other creditors	105,412	102,601
Accruals and deferred income	291,512	184,627
	<u>430,897</u>	<u>426,463</u>

17 Creditors: amounts falling due after more than one year

	2020 £	2019 £
Other loans	5,622	6,644
	<u>5,622</u>	<u>6,644</u>

Analysis of loans

	2020 £	2019 £
Not wholly repayable within five years by instalments	1,534	2,556
Wholly repayable within five years	5,110	5,110
	<u>6,644</u>	<u>7,666</u>
Less: included in current liabilities	(1,022)	(1,022)
Amounts included above	<u>5,622</u>	<u>6,644</u>
Instalments not due within five years	<u>1,534</u>	<u>2,556</u>

Loan maturity

Debt due in one year or less	1,022	1,022
Due in more than one year but not more than two years	1,022	1,022
Due in more than two years but not more than five years	3,066	3,066
Due in more than five years	1,534	2,556
	<u>6,644</u>	<u>7,666</u>

18 Deferred income

	2020 £	2019 £
Deferred income is included within:		
Creditors due within one year	<u>123,877</u>	<u>160,382</u>

THE FAMILY OF LEARNING TRUST

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

18 Deferred income

(Continued)

Deferred income at 1 September 2019	160,382	81,215
Released from previous years	(160,382)	(81,215)
Resources deferred in the year	123,877	160,382
Deferred income at 31 August 2020	123,877	160,382

Deferred income relates to Universal Free School Meals funding and Early Education Funding. All amounts were received in advance of the 2020/21 academic year which they relate to from the Education Funding Agency.

19 Funds

	Balance at 1 September 2019 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2020 £
Restricted general funds					
General Annual Grant (GAG)	1,114,114	3,575,968	(3,225,656)	(284,934)	1,179,492
Other DfE / ESFA grants	206,288	486,499	(478,599)	15,678	229,866
Other government grants	28,063	496,043	(464,793)	-	59,313
Pension reserve	(2,774,000)	-	(402,000)	(679,000)	(3,855,000)
	<u>(1,425,535)</u>	<u>4,558,510</u>	<u>(4,571,048)</u>	<u>(948,256)</u>	<u>(2,386,329)</u>
Restricted fixed asset funds					
Inherited on conversion	8,447,933	-	(153,083)	(1,653,549)	6,641,301
DfE group capital grants	114,793	16,844	(17,919)	176,816	290,534
Capital expenditure from GAG	1,151,359	-	(78,315)	1,749,571	2,822,615
Private sector capital sponsorship	592,415	-	(11,812)	(3,582)	577,021
	<u>10,306,500</u>	<u>16,844</u>	<u>(261,129)</u>	<u>269,256</u>	<u>10,331,471</u>
Total restricted funds	<u>8,880,965</u>	<u>4,575,354</u>	<u>(4,832,177)</u>	<u>(679,000)</u>	<u>7,945,142</u>
Unrestricted funds					
General funds	<u>249,081</u>	<u>548,621</u>	<u>(453,628)</u>	<u>-</u>	<u>344,074</u>
Total funds	<u>9,130,046</u>	<u>5,123,975</u>	<u>(5,285,805)</u>	<u>(679,000)</u>	<u>8,289,216</u>

THE FAMILY OF LEARNING TRUST

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

19 Funds

(Continued)

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

General Annual Grant (GAG) must be used for the normal running costs of the academy. Under the funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2020.

Other DfE / ESFA grants related to PE and Sports grants, Pupil Premium funding and Universal Free School Meals funding.

Restricted fixed assets were funded by government grants.

Beech Hill had a project in the summer of 2020, the reception area has been expanded and due to the steady contraction of the catering business part of the building has been converted into a Nursery, and both of these projects were identified in last year's accounts.

At Dean Field the school applied under the CIF bid for a new roof for the second time and was successful, this project will start in October. The grant is for £440,000 with the school contributing another 15% from the reserves.

Beech Hill is still hopeful of a bid for the new hall and is to apply for match funding two main possible areas of funded are Lottery and Sport England and the school looking at match funding as it greatly increases the chance of a successful bid.

Beech Hill also are putting in a CIF bid for a new roof on the old part of the building which is over 50 years old and is starting to leak in a number of areas. The outcome will be known by April.

The Trust continues to work on a 5 year plan for premises as part of a MAT expansion plan, progress has been slower due to the COVID pandemic.

In addition the school has a 3G Pitch which has to be replaced in 5 years, currently the amount set aside after 5 years is £125,000 as the expected replacement cost will be £250,000 this is in accordance with the Football Foundation agreement made when the pitch was installed.

THE FAMILY OF LEARNING TRUST

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

19 Funds

(Continued)

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

	Balance at 1 September 2018 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2019 £
Restricted general funds					
General Annual Grant (GAG)	944,999	3,227,178	(3,030,180)	(27,881)	1,114,116
Other DfE / ESFA grants	6,398	527,643	(327,754)	-	206,287
Other government grants	7,894	355,659	(335,489)	-	28,064
Pension reserve	(1,224,000)	-	(347,000)	(1,203,000)	(2,774,000)
	<u>(264,709)</u>	<u>4,110,480</u>	<u>(4,040,423)</u>	<u>(1,230,881)</u>	<u>(1,425,533)</u>
Restricted fixed asset funds					
Transfer on conversion	8,600,526	-	(152,593)	-	8,447,933
DfE group capital grants	75,111	54,727	(15,044)	-	114,794
Capital expenditure from GAG	1,204,204	-	(80,725)	27,881	1,151,360
Private sector capital sponsorship	604,227	-	(11,812)	-	592,415
	<u>10,484,068</u>	<u>54,727</u>	<u>(260,174)</u>	<u>27,881</u>	<u>10,306,502</u>
Total restricted funds	<u>10,219,359</u>	<u>4,165,207</u>	<u>(4,300,597)</u>	<u>(1,203,000)</u>	<u>8,880,969</u>
Unrestricted funds					
General funds	<u>235,155</u>	<u>943,812</u>	<u>(929,886)</u>	<u>-</u>	<u>249,081</u>
Total funds	<u>10,454,514</u>	<u>5,109,019</u>	<u>(5,230,483)</u>	<u>(1,203,000)</u>	<u>9,130,050</u>

Total funds analysis by academy

	2020 £	2019 £
Fund balances at 31 August 2020 were allocated as follows:		
Beech Hill School	1,498,016	1,376,350
Dean Field Community Primary School	299,048	221,198
Total before fixed assets fund and pension reserve	<u>1,797,064</u>	<u>1,597,548</u>
Restricted fixed asset fund	10,331,471	10,306,502
Pension reserve	(3,855,000)	(2,774,000)
Total funds	<u>8,273,535</u>	<u>9,130,050</u>

THE FAMILY OF LEARNING TRUST

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

19 Funds

(Continued)

Total cost analysis by academy

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

	Teaching and educational support staff £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2020 £	Total 2019 £
Beech Hill School	1,955,573	789,556	127,617	535,039	3,407,785	3,487,053
Dean Field Community Primary School	716,322	188,935	31,160	304,161	1,240,578	1,171,563
	<u>2,671,895</u>	<u>978,491</u>	<u>158,777</u>	<u>839,200</u>	<u>4,648,363</u>	<u>4,658,616</u>

20 Analysis of net assets between funds

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
Fund balances at 31 August 2020 are represented by:				
Tangible fixed assets	-	-	10,329,965	10,329,965
Current assets	344,074	1,898,546	8,150	2,250,770
Creditors falling due within one year	-	(429,875)	(1,022)	(430,897)
Creditors falling due after one year	-	-	(5,622)	(5,622)
Defined benefit pension liability	-	(3,855,000)	-	(3,855,000)
Total net assets	<u>344,074</u>	<u>(2,386,329)</u>	<u>10,331,471</u>	<u>8,289,216</u>

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
Fund balances at 31 August 2019 are represented by:				
Tangible fixed assets	-	-	10,289,316	10,289,316
Current assets	249,081	1,773,908	24,852	2,047,841
Creditors falling due within one year	-	(425,441)	(1,022)	(426,463)
Creditors falling due after one year	-	-	(6,644)	(6,644)
Defined benefit pension liability	-	(2,774,000)	-	(2,774,000)
Total net assets	<u>249,081</u>	<u>(1,425,533)</u>	<u>10,306,502</u>	<u>9,130,050</u>

THE FAMILY OF LEARNING TRUST

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

21 Pension and similar obligations

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

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

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

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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

The key elements of the valuation and subsequent consultation are:

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

During the year the employer contribution was 23.68%. The next valuation result is due to be implemented from 1 April 2023.

The pension costs paid to the TPS in the period amounted to £278,858 (2019: £185,865).

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

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

THE FAMILY OF LEARNING TRUST

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

21 Pension and similar obligations

(Continued)

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 18% for employers and 5.5% - 12.5% for employees. The estimated value of employer contributions for the forthcoming year is £205,000.

As the scheme is currently in deficit, the academy is required to pay additional contributions above the normal funding levels. The length of the agreement is likely to last 2 - 3 years but is currently uncertain. The additional contributions paid in the year amounted to £nil (2019 - £Nil).

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

Total contributions made	2020 £	2019 £
Employer's contributions	208,000	200,000
Employees' contributions	77,000	74,000
Total contributions	285,000	274,000
Principal actuarial assumptions	2020 %	2019 %
Rate of increase in salaries	3.55	3.25
Rate of increase for pensions in payment/inflation	2.3	2.0
Discount rate for scheme liabilities	1.7	1.90
Inflation assumption (CPI)	2.3	2.0
Rate of increase to deferred pensions	2.3	2.0
Rate of revaluation of pension accounts	2.3	2.0

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

	2020 Years	2019 Years
Retiring today		
- Males	21.8	22.2
- Females	24.6	25.4
Retiring in 20 years		
- Males	22.5	23.2
- Females	25.7	27.2

THE FAMILY OF LEARNING TRUST

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

21 Pension and similar obligations

(Continued)

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

	2020	2019
	£'000	£'000
Discount rate + 0.1%	(204)	(173)
Discount rate - 0.1%	204	177
Mortality assumption + 1 year	(294)	(234)
Mortality assumption - 1 year	302	237
Salary Increases+0.1%	180	114
Salary Increases -0.1%	(180)	(112)

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

	2020	2019
	Fair value	Fair value
	£	£
Equities	3,358,000	3,429,144
Government bonds	419,000	463,995
Corporate bonds	216,000	198,855
Cash	73,000	83,961
Property	186,000	194,436
Other assets	65,000	48,609
Total market value of assets	4,317,000	4,419,000

The actual return on scheme assets was £(220,000) (2019: £272,000).

Amount recognised in the Statement of Financial Activities

	2020	2019
	£	£
Current service cost	559,000	374,000
Past service cost	-	142,000
Interest income	(85,000)	(113,000)
Interest cost	136,000	144,000
Total operating charge	610,000	547,000

THE FAMILY OF LEARNING TRUST

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

21	Pension and similar obligations	(Continued)	
	Changes in the present value of defined benefit obligations	2020	
		£	
	At 1 September 2019	7,193,000	
	Current service cost	559,000	
	Interest cost	136,000	
	Employee contributions	77,000	
	Actuarial loss	374,000	
	Benefits paid	(167,000)	
	At 31 August 2020	8,172,000	
	Changes in the fair value of the academy trust's share of scheme assets	2020	
		£	
	At 1 September 2019	4,419,000	
	Interest income	85,000	
	Actuarial loss/(gain)	(305,000)	
	Employer contributions	208,000	
	Employee contributions	77,000	
	Benefits paid	(167,000)	
	At 31 August 2020	4,317,000	
22	Reconciliation of net expenditure to net cash flow from operating activities	2020	2019
		£	£
	Net expenditure for the reporting period (as per the statement of financial activities)	(161,830)	(121,464)
	Adjusted for:		
	Capital grants from DfE and other capital income	(16,844)	(54,727)
	Investment income receivable	(5,076)	(1,728)
	Defined benefit pension costs less contributions payable	351,000	316,000
	Defined benefit pension scheme finance cost	51,000	31,000
	Depreciation of tangible fixed assets	261,129	260,176
	Decrease/(increase) in stocks	3,418	(2,288)
	Decrease/(increase) in debtors	47,059	(92,428)
	Increase in creditors	4,434	194,756
	Net cash provided by operating activities	534,290	529,297

THE FAMILY OF LEARNING TRUST

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

23 Analysis of changes in net funds

	1 September 2019 £	Cash flows £	31 August 2020 £
Cash	1,728,308	253,410	1,981,718
Loans falling due within one year	(1,022)	-	(1,022)
Loans falling due after more than one year	(6,644)	1,022	(5,622)
	<u>1,720,642</u>	<u>254,432</u>	<u>1,975,074</u>

24 Commitments under operating leases

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

	2020 £	2019 £
Amounts due within one year	17,721	9,436
Amounts due in two and five years	10,342	1,428
	<u>28,063</u>	<u>10,864</u>

25 Related party transactions

Mrs Bi was first employed by the school as a midday supervisor in February 2011, this is before her husband Mr Najib was a governor or trustee at the school converted to an Academy until August 2011. At a later date she was interviewed by a member of the Senior Leadership Team as a Support Assistant. The Trustees have delegated powers to the SLT for any appointment below a Deputy Head Teacher position. Mrs Bi is paid in line with normal pay scale rates that are used at the school this is in accordance with NJC rates, total remuneration including employer pension contributions for the period were £14,652 (2019: £14,096)

26 Post balance sheet events

During the summer Beech Hill's catering operating has lost two more schools and as a result, they have shrunk the size of the kitchen by turning part of one of the areas into a nursery. Beech Hill also invested in three ovens and a few other bits of equipment which mean a number of items could be sold or scrapped as a result of the upgrade. This sadly has meant that three people will be made redundant from Beech Hill's catering operation. This process is expected to be complete by December.

27 Members' liability

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