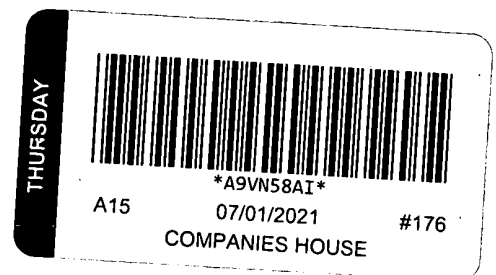


Company Registration No. 07907463 (England and Wales)

THE LAURUS TRUST
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT AND AUDITED ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2020



THE LAURUS TRUST

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THE LAURUS TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Members

A Graham
C Nevin
J Singleton
M Turnpenney
Law Family Educational Trust

Trustees

L Elias
P Benton
D Brown
C Fisher
A Little (Chair of Trustees)
C Nevin
L Woolley
W Mason
D Kershaw
J Singleton (Resigned 13 November 2019)
R Kumar
V Horsfield (Appointed 1 September 2019)
J Crombleholme (Appointed 7 February 2020)

Senior management team

L Magrath	CEO & Executive Head Teacher, Secondary
W Mason	Chief Financial Officer
M Vevers	Executive Headteacher Secondary, Head of School, Laurus Ryecroft
L Woolley	Executive Head Primary
D Brown	Head of School, Cheadle Hulme High School
G Theobald	Head of School, Laurus Cheadle Hulme
D Woolley	Head of School, Didsbury High School
M Stewart	Head of School, Hazel Grove High School
J Maguire	Head of School, Gorsey Bank Primary School
E Drake	Head of School, Cheadle Hulme Primary School

Principal and registered office

Cheadle Hulme High School
Woods Lane
Stockport
Cheshire
SK8 7JY

Company secretary

N Burgess

Company registration number

07907463 (England and Wales)

THE LAURUS TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Academies operated

Gorsey Bank Primary School
Cheadle Hulme High School
Cheadle Hulme Primary School
Laurus Cheadle Hulme
Laurus Ryecroft
Hazel Grove High School
Didsbury High School

Location

Cheshire East
Stockport
Stockport
Stockport
Tameside
Stockport
Manchester

Head

J Maguire
L Magrath
E Drake
G Theobald
M Vevers
M Stewart
D Woolley

Independent auditor

UHY Hacker Young Manchester LLP
St James Building
79 Oxford Street
Manchester
M1 6HT

Bankers

Lloyds Banking Group
2 Great Underbank
Stockport
SK1 1LW

Solicitors

Eversheds Sutherland
Eversheds House
70 Great Bridgewater Street
Manchester
M1 5ES

THE LAURUS TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2020

The trustees present their annual report together with the financial statements and auditor's report of The Laurus Trust ('the company', 'charitable company' or 'the academy trust') for the year ended 31 August 2020. The annual report serves the purpose of both a trustees' report, and a directors' report under company law.

The academy trust operated the following schools during the year:

School (age range)	Local Authority	Pupil capacity	Number on roll at October 2019 census
Cheadle Hulme High School (11-18)	Stockport	1,650	1,653
Hazel Grove High School (11-18)	Stockport	1,550	1,498
Laurus Cheadle Hulme* (11-16)	Stockport	420	428
Laurus Ryecroft* (11-18)	Tameside	300	311
Didsbury High School~ (11-18)	Manchester	210	211
Gorseley Bank Primary School (4-11)	Cheshire East	420	417
Cheadle Hulme Primary School*^ (3-11)	Stockport	120	120

*Free school opened September 2018

~Free school opened September 2019

^Excludes nursery places

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 Laurus Trust are also the directors of the charitable company for the purposes of company law. The charitable company operates as Cheadle Hulme High School, Hazel Grove High School, Gorseley Bank Primary School, Laurus Cheadle Hulme, Laurus Ryecroft, Cheadle Hulme Primary School and Didsbury High School.

All schools have a local academy committee which is comprised of parent governors, staff governors, other appointed governors and some of the trustees listed above.

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

Members' liability

Every 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 debt and liabilities contracted before they ceased to be a member.

Trustees' indemnities

The academy trust is a member of the Department for Education's Risk Protection Arrangement to cover trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. Details of the costs can be found in note 12 of the accounts.

THE LAURUS TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Method of recruitment and appointment or election of trustees

The members of the academy trust are responsible for the appointment of trustees. The number of trustees shall not be less than three but shall not be subject to any maximum. The academy trust will have up to 4 trustees appointed by the members by ordinary resolution. The Law Family Education Trust may appoint up to 6 trustees.

Policies and procedures adopted for the induction and training of trustees

Trustees and governors are appointed based on the skills and competencies that they will bring to the Board of Trustees or Local Academy Committee. Some are appointed primarily to represent a stakeholder group such as parents/carers.

Prior to appointment each potential trustee or governor is asked to complete an application form, to undertake a skills audit and to meet with a group of executive and non-executive trustees or governors. On appointment, trustees and governors undergo an induction process which includes meeting key people within the organisation and going through key information relating to their role and responsibilities. All trustees and governors are expected to engage with a comprehensive programme of internal and external training and development.

Organisational structure

The governance of the Trust is defined in the Memorandum and Articles of Association together with the funding agreement with the Department for Education. The Scheme of Delegation document details what decisions are reserved for the board of trustees, and those that are delegated to sub committees, local academy committees or management. There are three trustee sub-committees:

1. Audit, Finance and Resources Committee which reports to the Board on finance, audit, risk, HR, property and IT related issues.
2. The Pay & Remuneration Committee reports to the Board on the setting of pay and remuneration for all Senior Management and teaching staff.
3. The Governance Oversight and Standards Committee reports to the Board on monitoring of the individual local academy committees and policy approvals.

The Trust Board met on seven occasions during the year.

Terms of reference exist for each committee and are reviewed annually.

The day to day running of the trust is delegated by the trustees to management under the leadership of the Chief Executive Officer, who is the Accounting Officer.

Arrangements for setting pay and remuneration of key management personnel

The Pay and Remuneration Committee for the trust meets annually to review and approve pay for key management personnel in the Trust including staff trustees. The committee is comprised of trustees and sets pay based on available benchmarks in the sector and local area.

THE LAURUS TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Trade union facility time

Relevant union officials

	Number of employees
Number of employees who were relevant union officials during the relevant period	6
Full-time equivalent employee number	5.42

Percentage of time spent on facility time

	Number of employees
Percentage of time	
0%	-
1%-50%	6
51%-99%	-
100%	-

<i>Percentage of pay bill spent on facility time</i>	£'000
Total cost of facility time	9
Total pay bill	24,233
Percentage of the total pay bill spent on facility time	-

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	20%
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Related parties and other connected charities and organisations

The trust works closely with Alder Community School, Ashdene Primary School, Aquinas College, Beaver Road Primary School, Castle Hill High School, Cheadle & Marple College, Co-op Academy North Manchester, Didsbury C of E Primary School, Hursthead Junior School, Manchester Health Academy, Manchester Metropolitan University, Marple Hall High School, The Pendlebury Centre, Priestnall School, Reddish Vale High School, St James' Catholic High School, St Patrick's RC High School, Stockport School, Styal Primary School and West Didsbury Primary School. None of these organisations are considered to constitute formal related parties.

The Law Family Educational Trust (LFET), a charitable trust, is considered a related party as it is a member of the academy trust. LFET's aim is to help raise all-round educational attainment levels in state schools. Its approach is rooted in a belief that personal development and aspiration are promoted by participation in a whole range of activities, not just academic ones. During the course of the year, LFET has made charitable donations to the Laurus Trust in support of capital projects, facilitating growth and the Cornerstones and Electives programmes. LFET is not considered to have attached any clauses or conditions to their funding that has materially changed the operations of Laurus Trust and as such, the details of the donations have not been disclosed.

See note 24 for further details of related party transactions that have occurred during the year.

THE LAURUS TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Engagement with employees

The trustees continue to support the achievement of excellence in teaching and learning via the recruitment, retention, reward, recognition and development activities undertaken with and for Laurus Trust staff. Their aim is to support the trust to meet its vision by ensuring that we have competent, committed and engaged staff. This means working with managers and staff to create and develop an inclusive and healthy working environment and by ensuring our information, policies, procedures and practices are clear, communicated and understood by all.

The trust welcomes applications from all prospective employees regardless of disabilities and is committed to inclusive and accessible recruitment practices, providing reasonable adjustments for any interview process. Our commitment to this aim is evident in our Disability Confident Scheme status. Pre-employment medicals assist us in gathering the information needed to provide relevant support to all employees joining the Trust. Where an existing employee disclosed that they have a disability, we worked with them to determine what they required to be successful in their role and, with support from our occupational health provider, we committed to making reasonable adjustments to facilitate this.

Over the last year the trust has streamlined and digitised many of its systems, information sources and methods of communication and will continue to do this. Employees were kept up to date with relevant information and support throughout their full employment lifecycle, commencing with their induction which includes bringing to life the vision, values and history of the trust. Steering groups and workstreams were established in key areas and collaborative working was encouraged.

The trustees place great importance on ensuring that employees were regularly updated and had appropriate opportunities to engage. The CEO held 'fireside' discussions with all Senior Leaders to understand important issues in each School/department. Weekly meetings of the Secondary and Primary Heads provide an effective mechanism for ensuring alignment between schools whilst developing empathy and understanding about the opportunities and challenges relating to local contexts. This type of purposeful collaboration and communication cascades to all staff via weekly briefings led by each Head of School during which topical issues, current and future plans are shared and both individual and professional achievements are celebrated. INSET and induction days were used to highlight examination results, to welcome new staff and welcome back current staff and to explore key areas such as safeguarding and student destinations and looking to the future.

Last year's Staff Survey and Health and Wellbeing survey resulted in staff engagement lunches, following which action plans were put in place and a Health and Wellbeing Strategy was implemented which included monthly newsletters and wellbeing sessions.

The trust values the role of trade unions and have continued to build upon and maintain effective industrial relations with recognised Trade Union bodies during regular joint consultative and negotiation committees, working in partnership with trade union colleagues to develop good people management practices.

The trust's guiding principle of 'whatever it takes' gives a commitment to provide all staff with the best possible resources, professional learning and support which in turn encouraged a committed staff base that were and continue to be, flexible, resilient, loyal, courageous and caring, driving forward the performance of the Laurus Trust.

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

The trustees recognise that we need to develop and maintain strong relationships with the local communities that our schools serve. During the year we have consulted with our stakeholders on major decisions such as changes to uniform, admission policies and the timings of the school day. A decision was made to supply supermarket vouchers to families normally in receipt of free school meals ahead of the government introducing a national scheme. Our schools also remained open during holiday periods to support the children of key workers and vulnerable students within the local community. We value all our suppliers and have multi-year multi-school contracts with our key suppliers to achieve value for money. During the pandemic, the trust has supported many of its suppliers by making payments to them under pre-existing contract terms despite the delivery of services being disrupted.

THE LAURUS TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Objectives and activities

Objects and aims

The Laurus Trust's vision is for everyone regardless of background or circumstance to be inspired, to thrive in all environments, to recognise what it takes to succeed, to set aspirational goals and work hard to achieve them. The vision is embodied in the Laurus Trust's four cornerstones: Academic Aspiration, Leadership & Service, Culture, Creativity & Rhetoric, Competition & Physical Endeavour.

The trust benefits from support provided by The Law Family Education Trust (LFET) to effectively enable all students within the Laurus Trust to have the same access to high quality enrichment as those students who attend private schools. The trust and LFET believe that the all-round educational attainment of individual students is substantially promoted by their participation in a whole range of activities, not just classroom based academic ones. Inspiring students through these activities will enable them to become better motivated, as well as being more respected by their peers.

Training in the use of voice, and performing arts generally, will inspire confidence and enhance the presentation skills of the pupils. Other extra-curricular activities, together with regular sport and exercise, and a sense of competitive spirit, will increase personal well-being, health and concentration levels. The trust will also promote team building skills, leadership, and a passion to perform to the best of one's ability in all disciplines. These higher levels of individual betterment will be achieved across all ability levels through a wide scope of activities. Leadership is a skill to be learned and cultivated. Students will learn about the importance of success, and how to cope with setbacks, not as failure but as a springboard to better achievement. There will be a focus on developing presentation skills and self-confidence in general. Inspiring students to broaden their horizons and believe that 'anything is possible', is absolutely key to post-education success. From nursery through to sixth form we will strive to provide the best all-round educational experience.

Objectives, strategies and activities

The main objectives of the trust during the year ended 31 August 2020 are summarised below:

- Academic focus: Headline performance and curriculum development, accountability and quality assurance.
- Management of growth: Transfer and rebranding of an established school into the Trust, management of capital projects, investment in back office systems to support Central Services function
- Workforce development: Growth in the number of SCITT Associate Teachers and a continued high recruitment rate for graduates from the programme, professional development of our employees, retention and recruitment, succession planning

Public benefit

The trustees have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers or duties.

The catchment areas of Cheadle Hulme High School, Hazel Grove High School and Gorsey Bank Primary School are designated by the Local Authority and have not changed since academy status. The four new free schools do not have a catchment area and those living nearest to the schools have priority. The trustees have reviewed the pupil admission policies and consider there to be no barriers to entry on the grounds of gender, ethnicity or family circumstances.

THE LAURUS TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Strategic report

Achievements and performance

In September 2019 we celebrated the successful opening of our fourth oversubscribed free school, Didsbury High School and welcomed Hazel Grove High School into the Laurus Trust family. Hazel Grove High School has benefitted from significant investment during the year: strengthening the leadership team, a new IT network and infrastructure, refurbishment of the hall, music, drama and indoor sports facilities, a new library and improvement of the external walkways particularly to facilitate wheelchair access around the school site. We have also refurbished the library at Cheadle Hulme High School, putting books up front and centre whilst ensuring that there are plenty of computers and digital resources for independent academic study. All secondary schools now have modern library facilities that reflect the ethos of reading for learning and for pleasure.

This year all secondary school subjects and departments continued rewriting their Key Stage 3 schemes of work to reflect their individual curriculum statements. The curriculum statement clarifies both the powerful knowledge content and rationale for each subject. Most departments were able to spend their time in lockdown very profitably and rewrote all 3 years to ensure that the intended curriculum outlined is reflected in the implemented curriculum within their subject within each school.

The majority of Laurus secondary schools run longer days and teach more hours than is typical in the state sector. This allows our students to engage in the Electives programme, to enrich their curriculum and to extend their academic abilities. During the year, 163 Year 7 musicians begin to play a brass, string or woodwind instrument through fully funded lessons and 30 specialist coaches have given students an opportunity to experience a wide variety of sports and creative activities. We have welcomed a new post, the Trust Director of Voice to provide workshops as part of the Cicero programme: focusing on presence, dialogue and rhetoric and enabling students to speak with clarity and impact. The programme operates across all secondary year groups but is particularly assisting in the preparation of our sixth form students for interviews at prestigious universities and future employment. After Easter we recruited for the Apertura programme, a bespoke programme for high achieving students in Year 10 and above based on the Cambridge Tripos system mirroring the three years of a traditional undergraduate Oxbridge college community. This programme will develop students' academic engagement beyond the curriculum and allow for successful progression to the top universities.

Standards remain high at both Laurus Primaries and this can be attributed, at least in part, to the ever-increasing collaboration between the two schools. Professional Learning is at the heart of this collaboration with pupils and staff benefitting from sharing best practice.

Underpinning much of this collaboration is the shared curriculum driver of 'respect' and the teaching and learning that is centred around being a UNICEF Rights Respecting School. Indeed, during Gorsey Bank's inspection in September 2019, Ofsted noted that, "Pupils develop positive attitudes that enable them to make an effective contribution to school life...they enjoy their role as e-cadets or 'Rights Respecting' councillors. Pupils are proud of their school, especially the way in which they celebrate diversity." Encouragingly, Ofsted found enough evidence to suggest that Gorsey Bank could be judged outstanding if they were to carry out a section 5 inspection and leaders are rightly focused on achieving this outcome.

At Cheadle Hulme Primary School, pupils are benefitting from investment in the outdoor space including the creation of a Forest School base camp and mini allotment for gardening; the installation of a canopy to enable outdoor learning to happen whatever the weather; an extension to the Trim Trail play equipment; and the provision of trikes and bikes for Nursery. The children are actively learning through outdoor play and exploration in addition to their more formal Physical Education Curriculum which continues to include Manchester City's award winning 'City in the Community' programme.

The Altius Alliance continued to produce accomplished qualified teachers during the year, with 27 secondary trainees successfully gaining qualified teacher status and 11 employed by the trust. The year was the first for our primary programme and we were delighted that 12 trainees successfully completed the course and entered employment, 2 within Laurus schools. The year was also a strong year for recruitment to the programme and in September 2020, 51 new associate teachers started.

Club Didsbury, the community sports facilities at Didsbury High School, opened in January 2020 to continue the trust's commitment to providing affordable activities to the local community that improves physical and mental wellbeing.

THE LAURUS TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Our success in any year is down to the quality and commitment of our colleagues and we are incredibly proud of the calibre of staff we have in each of our schools and within the central services team. We continue to have a strong focus on Professional Learning: 8 members of staff are working towards Chartered Teaching Status, 3 on Doctorates and 13 teachers have completed their Masters in Education, all funded by the Trust. The Support Staff Managers Programme had to be suspended due to the pandemic but we have over 30 managers embarking on this programme as well as a number of employees undertaking apprenticeships, one of which completed a degree apprenticeship with Manchester Metropolitan University during 2019-20. We have also commenced a pilot programme for the Early Careers Framework with all our 2020 NQTs having registered.

COVID-19 pandemic

On 18th March 2020 it was announced that all UK schools were to close, apart from children of key workers and vulnerable children, to prevent the further spread of COVID-19. Prior to this date, Senior Leaders at the Trust had already been planning to ensure that the children's education did not suffer due to the disruption, particularly for our most disadvantaged students. The pedagogical challenges of school closure have been significant but the Trust was able to quickly roll out online interactive provision for all our pupils and students across primary, secondary and sixth form. It also facilitated safeguarding work by creating daily contact with students and allowing us to bring communities together.

Due to the pandemic the statutory assessments at Reception, Key Stage 1 and 2 were all cancelled. It must be noted prior to school shutdown all associated cohorts were on track to achieve the Trust set targets. Similarly, GCSE, BTEC and A-level examinations were also cancelled. Students that were due to sit examinations received centre assessment grades: the grade that the schools believed they would most likely achieve had exams gone ahead, taken into account a range of evidence including, for example, non-exam assessment and mock results. The Department for Education, Ofqual and Ofsted have all set out that the use of performance tables to benchmark results this year would be inappropriate. The Trustees believe it would be disingenuous to report performance measures for these figures. However, as with the primary schools, both of the secondary schools with examination age students were on track to achieve the Trust set targets. Moreover, the results which students left with were in line with Trust expectations and the overwhelming majority of students left with the results they deserved. As there are no performance tables the use of destinations data provides the only reasonable benchmarking over time.

Cheadle Hulme High School

Year	Percentage going to university	Of those going to university, Percentage to Russell Group	Of those going to university, percentage to leading (top 30/1994)	Number of students going to Oxbridge	Number studying Medicine/ Dentistry/ Veterinary
2020	86%	60%	71%	4	11
2019	90%	55%	64%	3	4
2018	91%	60%	72%	2	3

Hazel Grove High School

Year	Percentage going to university	Of those going to university, Percentage to Russell Group	Of those going to university, percentage to leading (top 30/1994)	Percentage undertaking an Apprenticeship
2020	76%	24%	8%	24%

The trustees would like to recognise the enormous amount of hard work put in by all of the students and the resilience they showed during this very difficult time.

THE LAURUS TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Due to the lockdown, and the resulting closure of our operations that generate revenue from non-government sources, 41 employees were put on furlough and the trust claimed under the government's Coronavirus Job Retention Scheme. For most of the lockdown period, the Trust was able to top up the furlough scheme to 100% pay. More details are provided in note 4.

Despite all the challenges of the pandemic, every Laurus school remained open, all the back office functions continued to support the schools and in May 2020, Laurus Ryecroft was able to move from the temporary accommodation into the brand new building.

The trustees would like to thank every member of staff and the leadership teams for their unwavering commitment to our pupils and students in such challenging circumstances.

Key performance indicators

The trustees consider the following key performance indicators when assessing performance:

- Basic measures 9-5 Maths and English GCSE – no figures available due to pandemic
- Key Stage 2 SATs Expected Standard – no figures available due to pandemic
- Student Attendance*
 - Cheadle Hulme Primary School: 97.1% (2019: 98.2%)
 - Gorseley Bank Primary School: 96.8% (2019: 97%)
 - Cheadle Hulme High School: 95.8% (2019: 96.3%)
 - Laurus Cheadle Hulme: 96.3% (2019: 96.8%)
 - Laurus Ryecroft: 96.1% (2019: 97.7%)
 - Didsbury High School: 97.2%
 - Hazel Grove High School: 95.1%
- *Due to the pandemic, attendance figures are only up to February half term for 2019/20.
- Income (percentage derived from GAG) 68% (2019: 65%)
- Staff costs as a percentage of income 73% (2019: 66%)

Going concern

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

THE LAURUS TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Promoting the success of the academy trust

Promoting the success of the company

The trustees have acted in accordance with their duties codified in law, which include their duty to act in the way in which they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members, stakeholders and the matters set out in section 172(1) of the Companies Act 2006. The Charities Commission has issued guidance which explains that charitable companies should take "promoting the success of the company" to mean "promoting the success of the charity to achieve its charitable purposes."

The Laurus Trust is governed by its charitable objects. These charitable objects set out the purpose of the charity. The consequences of all decisions and activities of the charity are assessed by how they drive us towards achieving that long-term purpose, including by reference to the charity's strategy, vision and values. As an educational charity, we are accountable not only to our funders and direct beneficiaries (our pupils and students) but also our parents/carers and wider community. These stakeholders support us, engage with us, and challenge us. They ensure that the decisions we make as a charity, from the ground level through to the Trust Board, are for their benefit.

We are a values-driven organisation and our values mean that we are informed, shaped and powered by our determination to uphold our vision. Well-established involvement and consultation mechanisms, both direct (through pupil/student, parent/carer and staff surveys) and indirect (through the involvement of parents/carers and local people on our Local Academy Committees and Trust Board) ensure that decisions made by the trustees are informed by the needs of the organisation's stakeholders.

Long-term consequences of any decision

Trustees consider the consequences of any strategic decision in the long-term as part of their assessment. We aim to ensure that as an organisation we balance our income and expenditure to ensure that our organisation remains sustainable in the long term. This is balanced against the needs of our pupils and students, staff and other stakeholders, and the community, to ensure we are spending the funding we receive from the government in the most effective way to support our aims, and with integrity. This has included, for example, a decision relating to the long-term impact of changes to the school day at Cheadle Hulme High School to support them in achieving better outcomes at GCSE.

The interests of the company's employees

Details of how the trustees give consideration to the interests of the organisation's employees can be found in the section "Engagement with employees" found on page 6.

The need to foster the company's business relationships with suppliers, customers and others

Details of how the trustees give consideration to the interests of the organisation's other stakeholders can be found in the section "Engagement with suppliers, customers and others in a business relationship with the trust" found on page 6.

The impact of the company's operations on the community and the environment

Details of how the trustees give consideration to the impact on the community can be found in the section "Engagement with suppliers, customers and others in a business relationship with the trust" found on page 6. Further information is also given in the section on Public Benefit.

The desirability of the company maintaining a reputation for high standards of business conduct

The trust aims to conduct all its relationships with integrity and courtesy, and scrupulously to honour every business agreement. The trustees have approved a number of policies that help to ensure the charity maintains high standards of business conduct; these include the Anti Bribery, Fraud & Corruption Policy and Whistleblowing Policy.

THE LAURUS TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

The need to act fairly as between members of the company.

All members of the trust are treated fairly and equally, with the same access to information, the ability to directly contact Trustees or the Executive, and being invited to participate in training.

All matters reserved for decision by the trustees are presented at Board or Committee meetings as appropriate. Trustees are briefed on any identified potential impacts and risks for our stakeholders and how they are to be managed. The trustees take these factors into account before making a final decision which together they believe is in the best interests of the trust and its stakeholders.

Financial review

The trust's financial position demonstrates total income of £52,636k (2019: £58,406k) with net incoming resources at the 31 August 2020 of £17,790k (2019: £38,907k).

The primary income stream for the trust is the funding received from the ESFA through the General Annual Grant (the 'GAG'). The total income recognised in the year from GAG was £22,820k (2019: £11,771k). The significant increase was due to the growth in the free schools and Hazel Grove High School joining the trust.

The principal financial management policies adopted in the year are:

- conducting regular financial reviews of income and expenditure versus planned budgets through the management accounts and at the Audit, Finance & Resources Committee meetings; and
- consideration as to whether the financial income demonstrates a robust and stable position enabling the provision of sufficient quality resources to fulfil the academy trust's educational obligations.

Reserves policy

The level of reserves held at 31 August 2020 total £76,554k (2019: £58,664k). Total reserves excluding pension liability were £87,300k (2019: £62,998k). Total reserves excluding pension liability and restricted fixed asset reserves were £1,438k (2019: £566k).

Trustees approved the Reserves Policy in July 2020. Individual schools must maintain a minimum reserves balance. The policy assists in strategic planning by considering how new projects or activities will be funded. The reserves carried forward will be utilised for continuous improvements and for projects for the repair and replacement of school buildings, plant equipment, IT and educational equipment and materials. A strategic capital plan is prepared and reviewed each year by the Audit, Finance & Resources Committee in order that reserves can be prioritised and spent according to the needs of each school in the academy trust.

The deficit on the Local Government Pension Schemes of £10,746k at 31 August 2020 (£4,334k at 31 August 2019) does not mean that an immediate liability crystallises. The deficit results in a cash flow effect for the academy trust in the form of possible future increases in pension contributions, which, if required, will be met from the budgeted annual income.

Investment policy

A formal investment policy was adopted by the trustees in December 2012.

The aim of the policy is to ensure funds that the trust does not immediately need to cover anticipated expenditure are invested in such a way as to maximise the trust's income but with minimal risk. The aim is to research where funds may be deposited applying prudence in ensuring there is minimum risk. The trust does not consider the investment of surplus funds as a primary activity, rather as a result of good stewardship and as and when circumstances allow.

The trust will, after constructing and reporting forecasts versus budgets, consider whether it is prudent to deposit funds into an account where improved terms are offered. As improved terms are generally only offered where funds are invested for a fixed term, it may be prudent for the trust not to invest funds in this manner.

THE LAURUS TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Principal risks and uncertainties

The trustees maintain and regularly monitor risks via a Risk Register. The objectives are to identify risk, assess each risk in terms of its inherent risk, and then its residual risk after the effect of controls in place have been taken into consideration. The trustees then assess if the controls in place are effective to mitigate each risk and set actions for the Senior Management Team to progress. This methodology is replicated at a local level with each school holding its own Risk Register and undertaking the same approach to managing risk.

The principal risks are the loss of reputation through falling standards, falling student rolls, failure to safeguard the students of our schools and failure to recruit and retain the required calibre of staff and teachers to meet the strategic objectives.

Key controls in place are:

- an organisational structure with defined roles, responsibilities and authorisation levels;
- terms of reference for the sub-committees of the Trust board and the Local Academy Committees;
- Professional Learning programme in place for all staff
- financial planning, budgeting and regular management reporting highlighting areas of financial risk;
- annual Health & Safety audits and a full compliance programme of inspections and maintenance of the trust estate;
- formal induction programme and written and published policies for employees; and
- vetting procedures as required by law for the protection of the vulnerable.

The trust's employees are members of three defined benefit pension schemes, the Teachers' Pension Scheme (TPS) and the Local Government Pension Schemes for Greater Manchester and Cheshire (LGPS). The Trust has recognised its share of the LGPS assets and liabilities in accordance with Financial Reporting Standard 102, Section 28. A deficit of £10,746k (2019: £4,334k) has been recognised at 31 August 2020. The TPS has been accounted for as a defined contribution scheme. Further details of the accounting policy adopted for each scheme are included in note 1 to the financial statements.

Due to the nature of the pension schemes there is an underlying risk to the trust, which relates primarily to the uncertainty of the future funding requirements of each scheme, the results of which impact on the contribution rates for future employer contributions to each scheme. The trustees have given due consideration to these risks.

Fundraising

The academy trust carried out a limited amount of fundraising events during the year including non-uniform days, fairs, cake sales and activities linked to national events. The academy trust does not work with professional fundraisers or companies who carry out fundraising on its behalf. In the circumstances when fundraising is undertaken, systems and controls are in place to separate and protect funds. The trust is mindful of its responsibilities under the Charities (Protection and Social Investment) Act 2016 and legal rules, and ensures all activities are agreed and monitored at Senior Leadership Team level in compliance with relevant legal rules. Recognised standards are applied to ensure that fundraising is open, honest and respectful, protecting the public from undue pressure to donate. Any complaints are handled and monitored through the trust's complaints procedure.

Streamlined energy and carbon reporting

Energy consumption

Aggregate of energy consumption in the year

kWh
8,668,125

THE LAURUS TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

<i>Emissions of CO2 equivalent</i>	metric tonnes	metric tonnes
Scope 1 - direct emissions		
- Gas consumption	1,248.46	
- Fuel consumed for owned transport	1.42	
		1,249.88
Scope 2 - indirect emissions		
- Electricity purchased		434.69
Scope 3 - other indirect emissions		
- Fuel consumed for transport not owned by the academy trust		1.36
Total gross emissions		1,685.93
<i>Intensity ratio</i>		
Tonnes CO2e per pupil		0.36

Quantification and reporting methodology

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

Intensity measurement

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

Measures taken to improve energy efficiency

The Laurus Trust is keen to ensure that whatever work we undertake has some form of energy efficiency benefits and contributes to achieving the UK's commitment to reducing its greenhouse gas emissions by at least 80% by 2050, relative to 1990 levels. Four of the seven schools in the Trust are in brand new buildings, all of which have energy efficiencies with the use of solar wind catchers, LED lighting, lighting sensor controls, energy efficient heating and ventilation systems. Our older schools have benefited from replacement double glazed windows, roof refurbishments with increased insulation, breathable buildings technology and solar panel installations. As part of the trust's building development and refurbishment plan we have commenced upgrading lighting within our older school buildings to LED with sensor controls wherever refurbishment takes place. All schools now operate heating and cooling services via a BMS system which enables accurate control, more so in the new schools, of the amount of energy being used and when. The trust has leased a totally electric, therefore, zero emissions vehicle for staff to use to travel between its school sites. In addition the trust uses video conferencing technology for many meetings to reduce the need to travel between schools. We have recently applied for a grant under the Decarbonisation Scheme to enable us to complete surveys to establish how we can further improve efficiencies and reduce our carbon foot print.

THE LAURUS TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Plans for future periods

The aim is to provide a structure for continuous improvement and achievement at all key stages and for the results at Key Stages 2, 3 and 4 to demonstrate year on year improvements. The trust also aims to have successful Ofsted inspection outcomes.

The trust opened three free schools in September 2018 in Stockport and Tameside and one in Manchester in September 2019 and the aim is to ensure all these schools fulfil their remit of providing high quality school places in the communities they serve. Two of these schools offer future sixth form provision and the Trust has approval to open an alternative provision free school in Stockport.

There is a school improvement plan in place for Hazel Grove High School, which transferred to the trust on 1 September 2019, with core aims of investing in the school environment and improving the outcomes for students.

A capital works programme is regularly updated to ensure the schools are maintained and updated to the highest of standards within funding constraints. The newly opened schools are in brand new purpose built accommodation but the established schools occupy much older buildings. The trust now is of the size to qualify for School Condition Allocation funding and trustees have adopted a methodology to ensure this allocation is prioritised according to need.

The trust continues to look at strategic opportunities for further growth assessing their potential impact on the trust's vision and the opportunity to deliver economies of scale.

Funds held as custodian trustee on behalf of others

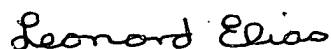
No funds are held on behalf of other organisations.

Auditor

In so far as the trustees are aware:

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

The trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 11 December 2020 and signed on its behalf by:



L Elias
Trustee

THE LAURUS 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 Laurus 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 only provide reasonable and not absolute assurance against material misstatement or loss.

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

Governance

The information on governance included here supplements that described in the Trustees' report and in the Statement of Trustees' responsibilities. The board of trustees have formally met seven times during the year. Attendance during the year at meetings of the Trust board was as follows:

Trustees	Meetings attended	Out of possible
L Elias	6	7
P Benton	7	7
D Brown	6	7
C Fisher	7	7
A Little (Chair of Trustees)	7	7
C Nevin	7	7
L Woolley	7	7
W Mason	7	7
D Kershaw	6	7
J Singleton (Resigned 13 November 2019)	0	1
R Kumar	6	7
V Horsfield (Appointed 1 September 2019)	6	7
J Crombleholme (Appointed 7 February 2020)	5	5

The board assesses the effectiveness of the trust's governance model on an annual basis particularly in light of the continued growth of the trust. During the year to 31 August 2020 the board maintained effective oversight of funds via the three board meetings and the delegation of certain authorities to the sub-committees according to the Scheme of Delegation.

The Audit, Finance & Resources Committee is a sub-committee of the Trust Board. Its purpose is to advise the board on all strategic financial management related issues. Attendance at meetings in the year was as follows:

Attendance at meetings in the year was as follows:

Trustees	Meetings attended	Out of possible
L Elias	2	2
P Benton	2	2
D Kershaw	1	2
R Kumar	1	2

THE LAURUS TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Attendance at meetings in the year for the pay and remuneration committee was as follows:

Trustees	Meetings attended	Out of possible
P Benton	1	1
C Fisher	1	1
A Little (Chair of Trustees)	1	1
C Nevin	1	1

Review of value for money

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

The accounting officer considers how the 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 in the year by:

- Using the trust's purchasing power to negotiate some favourable rates for supplies and services.
- Use of integrated curriculum and financial planning tools to maximise use of resources. KPIs are monitored as part of the monthly management accounts process.
- A dedicated centrally employed team to proactively identify efficiencies and focus on individual school requirements.
- Sharing of staffing resources across all schools.

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 ongoing process designed to identify and prioritise the risks to the achievement of the academy trust's 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 academy trust for the year ended 31 August 2020 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The board of trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the year ended 31 August 2020 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Audit, Finance & Resources Committee with any recommendations for changes being made to the board of trustees.

THE LAURUS TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

The risk and control framework

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

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

The board of trustees has considered the need for a specific internal audit function and has decided to appoint Haines Watts as internal auditor.

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

- Expenditures system and controls
- Bank systems and controls
- Payroll systems and controls

On a termly basis, Haines Watts the internal auditor reports to the board of trustees, through the Audit, Finance & Resources Committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

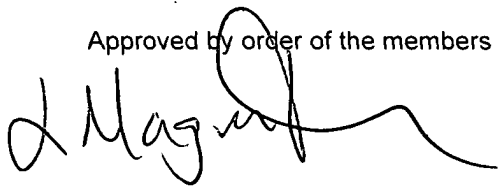
Review of effectiveness

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 internal auditor
- work of the external auditor
- financial management and governance self-assessment process or the school resource management self-assessment tool
- 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 considered of the implications of the result of their review of the system of internal control by the Audit, Finance & Resources Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members board of trustees on 11 December 2020 and signed on its behalf by:



L Magrath
Accounting Officer



L Elias
Trustee

THE LAURUS TRUST

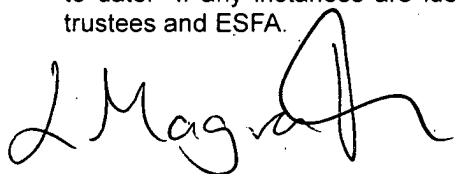
STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

FOR THE YEAR ENDED 31 AUGUST 2020

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

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

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



L Magrath
Accounting Officer

11 December 2020

THE LAURUS TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2020

The trustees (who are also the directors of The Laurus 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 members of the board of trustees on 11 December 2020 and signed on its behalf by:



L Elias
Trustee

THE LAURUS TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE LAURUS TRUST FOR THE YEAR ENDED 31 AUGUST 2020

Opinion

We have audited the accounts of The Laurus 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 LAURUS TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE LAURUS 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 LAURUS TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE LAURUS 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.



Stephen Grayson FCCA (Senior Statutory Auditor)
for and on behalf of UHY Hacker Young Manchester LLP

11 December 2020

Chartered Accountants
Statutory Auditor

St James Building
79 Oxford Street
Manchester
M1 6HT

THE LAURUS TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2020

In accordance with the terms of our engagement letter 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 Laurus 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 Laurus 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 Laurus 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 Laurus Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

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

The accounting officer is responsible, under the requirements of The Laurus Trust's funding agreement with the Secretary of State for Education 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 LAURUS TRUST

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE LAURUS 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.



Reporting Accountant

UHY Hacker Young Manchester LLP
St James Building
79 Oxford Street
Manchester
M1 6HT

Dated: 11 December 2020

THE LAURUS TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2020

	Notes	Unrestricted Funds £'000	Restricted funds: General £'000 Fixed asset £'000	Total 2020 £'000	Total 2019 £'000
Income and endowments from:					
Donations and capital grants	3	-	1,276	21,715	22,991
Donations - transfer of existing academy into the trust	27	-	(2,810)	4,044	1,234
Charitable activities:					
- Funding for educational operations	4	24	26,174	-	26,198
- Funding for teaching school	27	-	1,053	-	1,053
Other trading activities	5	701	455	-	1,156
Investments	6	4	-	-	4
Total		<u>729</u>	<u>26,148</u>	<u>25,759</u>	<u>52,636</u>
Expenditure on:					
Charitable activities:					
- Educational operations	9	729	28,391	2,697	31,817
- Teaching school	27	-	998	-	998
Total	7	<u>729</u>	<u>29,389</u>	<u>2,697</u>	<u>32,815</u>
Net income/(expenditure)		-	(3,241)	23,062	19,821
Transfers between funds	18	-	(368)	368	-
Other recognised gains/(losses)					
Actuarial losses on defined benefit pension schemes	20	-	(1,931)	-	(1,931)
Net movement in funds		-	(5,540)	23,430	17,890
Reconciliation of funds					
Total funds brought forward		-	(3,768)	62,432	58,664
Total funds carried forward		-	(9,308)	85,862	76,554

THE LAURUS TRUST

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

Comparative year information Year ended 31 August 2019	Notes	Restated Unrestricted Funds	Restated Restricted funds:		Restated Total
		£'000	General	Fixed asset	2019 £'000
		£'000	£'000	£'000	£'000
Income and endowments from:					
Donations and capital grants	3	-	1,198	42,146	43,344
Charitable activities:					
- Funding for educational operations	4	-	13,113	-	13,113
- Funding for teaching school	27	-	1,051	-	1,051
Other trading activities	5	523	372	-	895
Investments	6	3	-	-	3
Total		<u>526</u>	<u>15,734</u>	<u>42,146</u>	<u>58,406</u>
Expenditure on:					
Charitable activities:					
- Educational operations	9	526	15,265	1,094	16,885
- Teaching school	27	-	1,012	-	1,012
Total	7	<u>526</u>	<u>16,277</u>	<u>1,094</u>	<u>17,897</u>
Net income/(expenditure)		-	(543)	41,052	40,509
Transfers between funds	18	-	(94)	94	-
Other recognised gains/(losses)					
Actuarial losses on defined benefit pension schemes	20	-	(1,602)	-	(1,602)
Net movement in funds		-	(2,239)	41,146	38,907
Reconciliation of funds					
Total funds brought forward		-	(1,529)	21,286	19,757
Total funds carried forward		-	(3,768)	62,432	58,664

THE LAURUS TRUST

BALANCE SHEET

AS AT 31 AUGUST 2020

		2020	2019
	Notes	£'000	£'000
Fixed assets			
Tangible assets	13	85,862	62,432
Current assets			
Debtors	14	1,569	825
Cash at bank and in hand		3,045	1,222
		<u>4,614</u>	<u>2,047</u>
Current liabilities			
Creditors: amounts falling due within one year	15	<u>(3,013)</u>	<u>(1,481)</u>
Net current assets		1,601	566
Total assets less current liabilities		87,463	62,998
Creditors: amounts falling due after more than one year	16	<u>(163)</u>	-
Net assets before defined benefit pension scheme liability		87,300	62,998
Defined benefit pension scheme liability	20	<u>(10,746)</u>	<u>(4,334)</u>
Total net assets		<u>76,554</u>	<u>58,664</u>
Funds of the academy trust:			
Restricted funds	18		
- Fixed asset funds		85,862	62,432
- Restricted income funds		1,438	566
- Pension reserve		<u>(10,746)</u>	<u>(4,334)</u>
Total restricted funds		76,554	58,664
Unrestricted income funds	18	-	-
Total funds		<u>76,554</u>	<u>58,664</u>

The accounts on pages 26 to 54 were approved by the trustees and authorised for issue on 11 December 2020 and are signed on their behalf by:

Leonard Elias

L Elias
Trustee

Company Number 07907463

THE LAURUS TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2020

		2020	2019
	Notes	£'000	£'000
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	21	1,762	(110)
Cash funds transferred on conversion		246	-
		<u>2,008</u>	<u>(110)</u>
Cash flows from investing activities			
Dividends, interest and rents from investments	4	3	
Capital grants from DfE Group	1,683	41,449	
Capital funding received from sponsors and others	832	697	
Purchase of tangible fixed assets	(2,908)	(42,240)	
Net cash used in investing activities		<u>(389)</u>	<u>(91)</u>
Cash flows from financing activities			
New long term bank loan	204	-	
Net cash provided by/(used in) financing activities		<u>204</u>	<u>-</u>
Net increase/(decrease) in cash and cash equivalents in the reporting period		<u>1,823</u>	<u>(201)</u>
Cash and cash equivalents at beginning of the year		<u>1,222</u>	<u>1,423</u>
Cash and cash equivalents at end of the year		<u><u>3,045</u></u>	<u><u>1,222</u></u>

THE LAURUS TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

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

1.1 Basis of preparation

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

1.2 Going concern

The 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 Transfer of existing academies into the academy trust

Where assets and liabilities are received on the transfer of an existing academy into the academy trust, the transferred net assets are measured at fair value and recognised in the balance sheet at the point when the risks and rewards of ownership pass to the academy trust. An equal amount of income is recognised for the transfer of an existing academy into the academy trust within Donations and capital grant income to the net assets acquired.

1.4 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.

THE LAURUS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

(Continued)

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.

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 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.

1.5 Expenditure

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

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

All resources expended are inclusive of irrecoverable VAT.

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.

1.6 Tangible fixed assets and depreciation

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

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

THE LAURUS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

(Continued)

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

Buildings	6 - 50 years
Computer equipment	3 years
Fixtures, fittings & equipment	3 - 10 years

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.

1.7 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.

1.8 Provisions

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

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

1.9 Leased assets

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

1.10 Financial instruments

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

Financial assets

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

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

Financial liabilities

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

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

THE LAURUS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

(Continued)

1.11 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.

1.12 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 so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a projected unit 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 operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the statement of financial activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

1.13 Fund accounting

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

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

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

THE LAURUS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

2 Critical accounting estimates and areas of judgement

(Continued)

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 20, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement

The academy trust has assessed the financial statements for areas which may be considered critical areas of judgement, of which none have been identified.

3 Donations and capital grants

	Unrestricted funds £'000	Restricted funds £'000	Total 2020 £'000	Total 2019 £'000
Capital grants	-	21,715	21,715	42,146
Other donations	-	1,276	1,276	1,198
	<u>-</u>	<u>22,991</u>	<u>22,991</u>	<u>43,344</u>

Included in Capital grants is £19,200k of donations from DFE in relation to the free school programme.

THE LAURUS 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 £'000	Restricted funds £'000	Total 2020 £'000	Total 2019 £'000
DfE / ESFA grants				
General annual grant (GAG)	-	22,820	22,820	11,771
Start up grants	-	5	5	272
Other DfE group grants	-	2,475	2,475	733
	-	25,300	25,300	12,776
Other government grants				
Local authority grants	-	699	699	277
Other funding				
Other incoming resources	24	57	81	60
Exceptional government funding				
Coronavirus Job Retention Scheme	-	118	118	-
Total funding	24	26,174	26,198	13,113

5 Other trading activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2020 £'000	Total 2019 £'000
Hire of facilities	299	-	299	179
Catering income	48	271	319	96
Trip income	-	184	184	306
Parental contributions	354	-	354	314
	701	455	1,156	895

6 Investment income

	Unrestricted funds £'000	Restricted funds £'000	Total 2020 £'000	Total 2019 £'000
Short term deposits	4	-	4	3

THE LAURUS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

7 Expenditure

	Staff costs £'000	Non Pay Expenditure Premises £'000	Other £'000	Total 2020 £'000	Total 2019 £'000
Academy's educational operations					
- Direct costs	18,002	-	1,693	19,695	11,748
- Allocated support costs	5,714	4,910	1,498	12,122	5,137
Teaching school					
- Direct costs	536	-	363	899	903
- Allocated support costs	72	-	27	99	109
	<u>24,324</u>	<u>4,910</u>	<u>3,581</u>	<u>32,815</u>	<u>17,897</u>

Net income/(expenditure) for the year includes:

	2020 £'000	2019 £'000
Fees payable to auditor for:		
- Audit	21	18
- Other services	5	2
Operating lease rentals	99	34
Depreciation of tangible fixed assets	2,697	1,094
Net interest on defined benefit pension liability	144	64

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;
- estates and IT support services;
- marketing and communication services.

The academy trust charges for these services on a flat 5% of GAG income.

The amounts charged during the year were as follows:

	2020 £'000	2019 £'000
Gorsey Bank Primary School	72	70
Cheadle Hulme High School	389	376
Cheadle Hulme Primary School	26	21
Laurus Cheadle Hulme	104	65
Laurus Ryecroft	88	55
Hazel Grove High School	361	-
Didsbury High School	77	-
	<u>1,117</u>	<u>587</u>

THE LAURUS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

9 Charitable activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2020 £'000	Total 2019 £'000
Direct costs				
Educational operations	729	18,966	19,695	11,748
Teaching school	-	899	899	903
Support costs				
Educational operations	-	12,122	12,122	5,137
Teaching school	-	99	99	109
	<u>729</u>	<u>32,086</u>	<u>32,815</u>	<u>17,897</u>

	Teaching School £'000	Educational operations £'000	Total 2020 £'000	Total 2019 £'000
Analysis of support costs				
Support staff costs	72	5,714	5,786	3,026
Depreciation	-	2,697	2,697	1,094
Technology costs	-	189	189	135
Premises costs	-	2,213	2,213	1,199
Other support costs	27	1,163	1,190	823
Governance costs	-	146	146	63
	<u>99</u>	<u>12,122</u>	<u>12,221</u>	<u>6,340</u>

THE LAURUS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

10 Staff

Staff costs

Staff costs during the year were:

	2020 £'000	2019 £'000
Wages and salaries	17,300	9,618
Social security costs	1,669	940
Pension costs	5,187	2,182
Staff costs	24,156	12,740
Staff restructuring costs	77	-
Staff development and other staff costs	91	38
Total staff expenditure	24,324	12,778

Staff restructuring costs comprise:

Severance payments	77	-
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Non statutory/non-contractual staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £41k (2019: £Nil). Individually, the payments were: £8.5k, £8k, £10k, £7.5k and £7k.

Staff numbers

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

	2020 Number	2019 Number
Teachers	310	180
Administration and support	308	156
Management	10	9
	628	345

THE LAURUS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

10 Staff

(Continued)

Higher paid staff

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

	2020 Number	2019 Number
£60,001 - £70,000	7	4
£70,001 - £80,000	5	3
£80,001 - £90,000	1	3
£90,001 - £100,000	3	1
£100,001 - £110,000	1	-
£160,001 - £170,000	1	1

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 £1,023,495 (2019: £1,009,572).

11 Trustees' remuneration and expenses

One or more of the trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The CEO and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of CEO and staff members under their contracts of employment, and not in respect of their services as trustees.

The value of trustees' remuneration and other benefits was as follows:

D Brown (Staff Trustee):

- Remuneration £100,000 - £110,000 (2019: £90,000 - £100,000)
- Employer's pension contributions £15,000 - £20,000 (2019: £15,000 - £20,000)

L Woolley (Staff Trustee):

- Remuneration £70,000 - £80,000 (2019: £70,000 - £80,000)
- Employer's pension contributions £15,000 - £20,000 (2019: £10,000 - £15,000)

W Mason (CFO and Trustee):

- Remuneration £90,000 - £100,000 (2019: £80,000 - £90,000)
- Employer's pension contributions £15,000 - £20,000 (2019: £10,000 - £15,000)

L Magrath (CEO and Former Trustee):

- Remuneration £Nil (2019: £80,000 - £90,000)
- Employer's pension contributions £Nil (2019: £10,000 - £15,000)

L Magrath resigned as trustee 27 February 2019, the amounts disclosed above for 2019 is for the period 1 September 2018 to their date of resignation.

During the year ended 31 August 2020, travel and subsistence payments totalling £628 were reimbursed or paid directly to five trustees (2019: £826 to four trustees).

THE LAURUS 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 the trustees and officers indemnity element from the overall cost of the RPA scheme membership.

13 Tangible fixed assets

	Land and buildings	Assets Under Construction	Computer equipment	Fixtures, fittings & equipment	Total
	£'000	£'000	£'000	£'000	£'000
Cost					
At 1 September 2019	61,821	-	2,292	3,592	67,705
Transfer of school joining	5,659	-	67	317	6,043
Additions	18,652	147	1,391	1,918	22,108
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 August 2020	86,132	147	3,750	5,827	95,856
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Depreciation					
At 1 September 2019	3,913	-	996	364	5,273
Transfer of school joining	1,801	-	56	167	2,024
Charge for the year	1,517	-	761	419	2,697
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 August 2020	7,231	-	1,813	950	9,994
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Net book value					
At 31 August 2020	78,901	147	1,937	4,877	85,862
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 August 2019	57,908	-	1,296	3,228	62,432
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

The academy trusts transactions relating to land and buildings included:

- the granting of a lease on Laurus Ryecroft at a value of £17,850k over 125 years.
- the transfer into the trust of Hazel Grove High School at a value of £3,858k.

14 Debtors

	2020 £'000	2019 £'000
Trade debtors	428	119
VAT recoverable	269	148
Other debtors	2	8
Prepayments and accrued income	870	550
	<u> </u>	<u> </u>
	1,569	825
	<u> </u>	<u> </u>

THE LAURUS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

15 Creditors: amounts falling due within one year	2020	2019
	£'000	£'000
Government loans	41	-
Trade creditors	650	483
Other taxation and social security	420	245
Other creditors	74	-
Accruals and deferred income	1,828	753
	<u>3,013</u>	<u>1,481</u>
	<u><u>3,013</u></u>	<u><u>1,481</u></u>
16 Creditors: amounts falling due after more than one year	2020	2019
	£'000	£'000
Government loans	163	-
	<u>163</u>	<u>-</u>
	<u><u>163</u></u>	<u><u>-</u></u>
Analysis of loans	2020	2019
	£'000	£'000
Not wholly repayable within five years by instalments	204	-
Less: included in current liabilities	(41)	-
	<u>163</u>	<u>-</u>
Amounts included above	<u>163</u>	<u>-</u>
	<u><u>163</u></u>	<u><u>-</u></u>
Loan maturity		
Debt due in one year or less	41	-
Due in more than one year but not more than two years	31	-
Due in more than two years but not more than five years	83	-
Due in more than five years	49	-
	<u>204</u>	<u>-</u>
	<u><u>204</u></u>	<u><u>-</u></u>

Loans of £192k from Salix which are interest free loans to be deducted biannually from the GAG for Hazel Grove High School.

Also included within other loans is £12k from Stockport MBC for the purchase of solar panels at Hazel Grove High School. The loan is secured against the asset to which it relates.

THE LAURUS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

17	Deferred income	2020	2019
		£'000	£'000
	Deferred income is included within:		
	Creditors due within one year	1,184	522
	Deferred income at 1 September 2019	522	647
	Released from previous years	(522)	(647)
	Resources deferred in the year	1,184	522
	Deferred income at 31 August 2020	1,184	522

At the balance sheet date the academy trust was holding the following funds

- £389k was received in relation to School Condition Allocation;
- £310k was received in advance from the Law Family Educational Trust;
- £76k was received in advance for school trips booked for 2020/21;
- £75k was received in relation to UIFSM;
- £73k was received in relation to discretionary bursary;
- £52k was received in advance in relation to DFC;
- £60k Was received in relation to rates relief
- The remaining £149k consists of other small balances.

THE LAURUS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

18 Funds

	Balance at 1 September 2019 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2020 £'000
Restricted general funds					
General Annual Grant (GAG)	464	22,793	(21,624)	(368)	1,265
Start up grants	-	5	(5)	-	-
Other DfE / ESFA grants	-	2,475	(2,475)	-	-
Other government grants	-	817	(817)	-	-
Teaching school	102	1,053	(998)	-	157
Astroturf sinking fund	-	16	-	-	16
Other restricted funds	-	1,818	(1,818)	-	-
Pension reserve	(4,334)	(2,829)	(1,652)	(1,931)	(10,746)
	<u>(3,768)</u>	<u>26,148</u>	<u>(29,389)</u>	<u>(2,299)</u>	<u>(9,308)</u>
Restricted fixed asset funds					
Inherited on conversion	9,975	4,019	-	-	13,994
DfE group capital grants	45,566	20,908	(2,697)	-	63,777
Capital expenditure from GAG	834	-	-	368	1,202
Private sector capital sponsorship	6,057	832	-	-	6,889
	<u>62,432</u>	<u>25,759</u>	<u>(2,697)</u>	<u>368</u>	<u>85,862</u>
Total restricted funds	<u>58,664</u>	<u>51,907</u>	<u>(32,086)</u>	<u>(1,931)</u>	<u>76,554</u>
Unrestricted funds					
General funds	-	729	(729)	-	-
Total funds	<u>58,664</u>	<u>52,636</u>	<u>(32,815)</u>	<u>(1,931)</u>	<u>76,554</u>

THE LAURUS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

18 Funds

(Continued)

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

Restricted general funds

Restricted general funds comprise all other restricted funds received and include grants received from the Education Skills Funding Agency and the Department for Education. Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG that could be carried forward at 31 August 2020.

Astroturf sinking fund

The Astroturf sinking fund is in relation to the partnership agreement between Hazel Grove High School and Stockport Metropolitan Borough Council, as detailed in the contingent liability note. A further term of the agreement is that the Academy will invest up to £17,000 annually into a 'sinking fund' out of surplus generated from the Sports Centre (after payments as detailed in the contingent liabilities note), to be used to replace the facility after approximately 10 years of use.

Restricted fixed asset funds

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

THE LAURUS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

18 Funds

(Continued)

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

	Balance at 1 September 2018 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2019 £'000
Restricted general funds					
General Annual Grant (GAG)	444	11,771	(11,657)	(94)	464
Start up grants	-	272	(272)	-	-
Other DfE / ESFA grants	-	733	(733)	-	-
Other government grants	-	277	(277)	-	-
Teaching school	63	1,051	(1,012)	-	102
Other restricted funds	-	1,630	(1,630)	-	-
Pension reserve	(2,036)	-	(696)	(1,602)	(4,334)
	<u>(1,529)</u>	<u>15,734</u>	<u>(16,277)</u>	<u>(1,696)</u>	<u>(3,768)</u>
Restricted fixed asset funds					
Transfer on conversion	9,975	-	-	-	9,975
DfE group capital grants	5,117	41,449	(1,000)	-	45,566
Capital expenditure from GAG	834	-	(94)	94	834
Private sector capital sponsorship	5,360	697	-	-	6,057
	<u>21,286</u>	<u>42,146</u>	<u>(1,094)</u>	<u>94</u>	<u>62,432</u>
Total restricted funds	<u>19,757</u>	<u>57,880</u>	<u>(17,371)</u>	<u>(1,602)</u>	<u>58,664</u>
Unrestricted funds					
General funds	-	526	(526)	-	-
Total funds	<u>19,757</u>	<u>58,406</u>	<u>(17,897)</u>	<u>(1,602)</u>	<u>58,664</u>

THE LAURUS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

18 Funds

(Continued)

Total funds analysis by academy

	2020 £'000	2019 £'000
Fund balances at 31 August 2020 were allocated as follows:		
Gorsey Bank Primary School	210	233
Cheadle Hulme High School	514	246
Cheadle Hulme Primary School	117	55
Laurus Cheadle Hulme	338	84
Laurus Ryecroft	302	57
Hazel Grove High School	47	-
Didsbury High School	66	-
Central services	(156)	(109)
Total before fixed assets fund and pension reserve	1,438	566
Restricted fixed asset fund	85,862	62,432
Pension reserve	(10,746)	(4,334)
Total funds	76,554	58,664

Total cost analysis by academy

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

	Teaching and educational support staff £'000	Other support staff costs £'000	Educational supplies £'000	Other costs excluding depreciation £'000	Total 2020 £'000	Total 2019 £'000
Gorsey Bank Primary School	1,347	219	83	300	1,949	1,843
Cheadle Hulme High School	6,520	1,211	1,163	1,006	9,900	9,902
Cheadle Hulme Primary School	602	139	46	154	941	618
Laurus Cheadle Hulme	1,535	325	108	340	2,308	1,371
Laurus Ryecroft	1,278	258	108	340	1,984	1,157
Hazel Grove High School	5,909	1,431	339	1,077	8,756	-
Didsbury High School	1,034	252	136	375	1,797	-
Central services	765	1,497	58	162	2,482	2,006
	18,990	5,332	2,041	3,754	30,117	16,897

THE LAURUS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

19 Analysis of net assets between funds

	Unrestricted Funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total Funds £'000
Fund balances at 31 August 2020 are represented by:				
Tangible fixed assets	-	-	85,862	85,862
Current assets	-	4,614	-	4,614
Creditors falling due within one year	-	(3,013)	-	(3,013)
Creditors falling due after one year	-	(163)	-	(163)
Defined benefit pension liability	-	(10,746)	-	(10,746)
Total net assets	-	(9,308)	85,862	76,554

	Unrestricted Funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total Funds £'000
Fund balances at 31 August 2019 are represented by:				
Tangible fixed assets	-	-	62,432	62,432
Current assets	-	2,047	-	2,047
Creditors falling due within one year	-	(1,481)	-	(1,481)
Defined benefit pension liability	-	(4,334)	-	(4,334)
Total net assets	-	(3,768)	62,432	58,664

20 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 the Greater Manchester Pension Fund and the Cheshire 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 2016.

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.

THE LAURUS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

20 Pension and similar obligations

(Continued)

Valuation of the Teachers' Pension Scheme

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

The key elements of the valuation and subsequent consultation are:

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

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

The employer's pension costs paid to the TPS in the period amounted to £2,753k (2019: £1,027k).

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

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

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contributions made for the year ended 31 August 2020 are as noted below. The agreed contribution rates for future years are 16.7 - 31.3% for employers and 5.5 - 12.5% for employees.

As described in note the LGPS obligation relates to the employees of the academy trust, being the employees transferred as part of the conversion from the maintained school and new employees who joined the scheme in the period. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the academy trust at the balance sheet date.

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

THE LAURUS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

20 Pension and similar obligations (Continued)

Total contributions made	2020 £'000	2019 £'000
Employer's contributions	944	513
Employees' contributions	314	181
Total contributions	1,258	694

Principal actuarial assumptions	2020 %	2019 %
Rate of increase in salaries	2.95	2.9
Rate of increase for pensions in payment/inflation	2.2	2.3
Discount rate for scheme liabilities	1.7	1.9

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	20.9	21.5
- Females	23.4	23.8
Retiring in 20 years		
- Males	22.0	23.0
- Females	25.0	25.7

Combined sensitivity analysis	Approximate % increase to Employer Liability	Approximate monetary amount £,000
Change in assumptions at 31 August 2020		
0.5% decrease in real discount rate	13-14%	2,961
0.5% increase in the salary increase rate	1%	228
0.5% increase in the pension increase rate	12-13%	2,684

THE LAURUS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

20 Pension and similar obligations

(Continued)

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

	2020 Fair value £'000	2019 Fair value £'000
Equities	7,089	4,044
Bonds	1,886	1,028
Property	769	491
Cash	924	498
Total market value of assets	10,668	6,061

Actual return on scheme assets - gain/(loss)	(813,000)	277,000
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Amount recognised in the Statement of Financial Activities

	2020 £'000	2019 £'000
Current service cost	2,452	1,055
Past service cost	-	90
Interest income	(197)	(153)
Interest cost	341	217
Total operating charge	2,596	1,209

Changes in the present value of defined benefit obligations

	2020 £'000
At 1 September 2019	10,395
Obligations acquired on conversion	7,066
Current service cost	2,452
Interest cost	341
Employee contributions	314
Actuarial loss	921
Benefits paid	(75)
At 31 August 2020	21,414

THE LAURUS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

20	Pension and similar obligations	(Continued)			
Changes in the fair value of the academy trust's share of scheme assets					
				2020 £'000	
	At 1 September 2019			6,061	
	Assets acquired on conversion			4,237	
	Interest income			197	
	Actuarial (loss)/gain			(1,010)	
	Employer contributions			944	
	Employee contributions			314	
	Benefits paid			(75)	
	At 31 August 2020			10,668	
21	Reconciliation of net income to net cash flow from operating activities				
		2020 £'000	2019 £'000		
	Net income for the reporting period (as per the statement of financial activities)	19,821	40,509		
	Adjusted for:				
	Net surplus on transfer of academy in the trust	(1,234)	-		
	Capital grants from DfE and other capital income	(21,715)	(42,146)		
	Investment income receivable	(4)	(3)		
	Defined benefit pension costs less contributions payable	1,508	632		
	Defined benefit pension scheme finance cost	144	64		
	Depreciation of tangible fixed assets	2,697	1,094		
	(Increase) in debtors	(744)	(418)		
	Increase in creditors	1,491	158		
	Stocks, debtors and creditors transferred on conversion	(202)	-		
	Net cash provided by/(used in) operating activities	1,762	(110)		
22	Analysis of changes in net funds				
		1 September 2019 £'000	Cash flows £'000	Acquisition / disposal of subsidiaries £'000	31 August 2020 £'000
	Cash	1,222	1,577	246	3,045
	Loans falling due within one year	-	(41)	-	(41)
	Loans falling due after more than one year	-	(163)	-	(163)
		1,222	1,373	246	2,841

THE LAURUS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

23 Contingent liabilities

On 1 April 2016 Hazel Grove High School entered into a partnership agreement with Stockport Metropolitan Borough Council. The Academy has taken over the management and operation of the Sports Centre situated at the school. As per the terms of the agreement, the Academy will pay the Council 33% of any surplus generated from the Sports Centre, capped at £193,000 cumulatively. An amount of £6,511 has previously crystallised prior to 31 August 2019 with no further liability recognised during the current financial year. The timing of any additional future payments will depend upon the level of surpluses made. As any additional obligation in relation to the Sports Centre cannot be measured reliably, this has been disclosed as a contingent liability.

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 £'000	2019 £'000
Amounts due within one year	77	50
Amounts due in two and five years	142	112
	<u>219</u>	<u>162</u>

25 Related party transactions

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

The trustees have agreed that no purchases of goods or services may take place from organisations in which trustees have an interest.

During the year The Law Family Educational Trust (a trust member) donated £1,964k (2019: £1,695k) to the academy trust.

No other related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 11.

26 Members' liability

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

THE LAURUS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

27 Teaching school trading account

	2020		2019	
	£'000	£'000	£'000	£'000
Direct income				
Other income		489		490
Government grants		564		561
Total income		1,053		1,051
Direct costs				
ITT bursaries	524		564	
Direct staff costs	264		264	
Staff development	12		-	
Other direct costs	99		75	
	899		903	
Other costs				
Support staff costs	72		73	
Recruitment and support	2		3	
Other support costs	25		33	
	99		109	
Total operating costs		(998)		(1,012)
Surplus from teaching school		55		39
Teaching school balances at 1 September 2019		102		63
Teaching school balances at 31 August 2020		157		102

Included within teaching schools is the Altius Alliance SCITT which was approved for accreditation as a provider of Initial Teacher Training by the National College of Teaching and Leadership (now DFE) in July 2014 in order to start in September 2015 under the name of the Atticus Alliance SCITT.

The Altius Alliance SCITT offers Qualified Teacher Status for trainees of primary and secondary education.

THE LAURUS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

28 Transfer of existing academies into the academy trust

Hazel Grove High School Academy

On the 1st September, Hazel Grove High School was transferred into the academy trust.

	Transfer in recognised £'000
Net assets acquired	
Leasehold land and buildings	3,858
Other tangible fixed assets	161
Debtors	526
Creditors	(728)
Cash and cash equivalents	246
Pension scheme	(2,829)
Total net assets	1,234

There were no fair value adjustments required to the values reported by the transferring trust.