

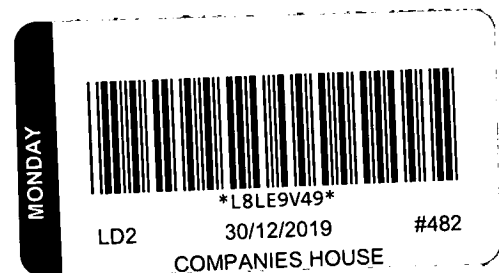
Company Registration No. 09081030 (England and Wales)

PARTNERS IN LEARNING ACADEMY TRUST

(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2019



PARTNERS IN LEARNING ACADEMY TRUST

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PARTNERS IN LEARNING ACADEMY TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Members

Mr J A Faulkes
Mr T Baulch
Mr I Fridge (Appointed 9 November 2018)
Mrs S Wallis
Mr N Rose

Trustees

Mr J A Faulkes (Chair of Governors)
Mr G Livingstone (Director, Executive Principal and Accounting Officer)
Mrs M T Osivwemu
Mr P Brooks
Mr N C Heslop
Mrs R Thorne
Mr B Woollard

Senior management team

- Executive Principal	Mr G Livingstone
- Headteacher - Baldwins Hill	Mrs S Martin
- Assistant Headteacher - Halsford Park	Miss J Dabell
- Assistant Headteacher - Baldwins Hill	Mrs T Scanlan (maternity leave to April 2019)
- Assistant Headteacher - Baldwins Hill	Miss Morton (maternity cover to April 2019)
- Trust Business Manager	Mrs J Abbott
- Assistant Headteacher - Inclusion	Mrs N Robinson (to January 2019)
- Assistant Headteacher - Inclusion	Mrs E Webster (from April 2019)
- Headteacher - Halsford Park	Mrs Spencer
- Lead Practitioner - Halsford Park	Mrs L Navarro (maternity leave from November 2019)

Company secretary

Mrs R J Gatton

Company registration number

09081030 (England and Wales)

Registered office

Halsford Park Primary School
Manor Road
East Grinstead
West Sussex
RH19 1LR

Academies operated

Baldwins Hill Primary School
Partners In Learning Academy Trust
Halsford Park Primary School

Location

East Grinstead
East Grinstead
East Grinstead

Principal

Mrs S Martin
Mr G Livingstone
Mrs C Spencer

Independent auditor

MHA Carpenter Box
Amelia House
Crescent Road
Worthing
West Sussex
BN11 1QR

PARTNERS IN LEARNING ACADEMY TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Bankers

Lloyds Bank
PO Box 1000
Andover
BX1 1LT

Solicitors

Browne Jacobson
Mowbray House
Castle Meadow Road
Nottingham
NG2 1BJ

PARTNERS IN LEARNING ACADEMY TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2019

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

The academy trust operates two Primary School Academies – Baldwins Hill Primary and Halsford Park Primary for pupils aged 4-11 serving two catchment areas in East Grinstead. Baldwins Hill is a one form entry school and has a pupil capacity of 210 and had a roll of 187 in the school census in May 2019. Halsford Park has a pupil capacity of 420 and had a roll of 417 in the school census in May 2019.

Structure, governance and management

Constitution

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's Memorandum and Articles of Association are the primary governing documents of the academy trust. The trustees of Partners In Learning Academy Trust Limited are also the directors of the charitable company for the purposes of company law. The charitable company is known as Partners In Learning Academy Trust.

Details of the trustees who served during the year and to the date that the accounts are approved are included in the Reference and Administrative Details on page 1.

Members' liability

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

*As required in the academy trust's funding agreement/memorandum and articles of association.

Trustees' indemnities

The academy trust maintains trustees' and officers' liability insurance which gives appropriate cover for legal action brought against the trustees. The academy trust has also granted indemnities to each of its trustees and other officers as permitted by law. Qualifying third party indemnity provisions (as defined by section 234 of the Companies Act 2006) were in force during the period and remain in force, in relation to certain losses and liabilities which the trustees or other officers may incur to third parties in the course of acting as trustees or officers of the academy trust.

Trustees' third party indemnity is covered by a policy of insurance with RPA, procured under a Government approved framework.

Method of recruitment and appointment or election of trustees

The numbers of directors shall not be less than 3, but shall not be subject to any maximum. Subject to Articles 48-49 the company shall have up to 4 directors, appointed under Article 50, a Chief Executive Officer and minimum of either 2 parent directors, or 2 parent local governors. The Trust may also have a co-opted director under Article 58. The total number of directors who are employed by the trust including Chief Executive Officer, shall not exceed one third of the total number of directors.

The number of Parent Directors and Parent members of the Local Governing Bodies or Advisory Bodies required shall be made up by Parent Directors and Parent members appointed by the Directors if the number of parents standing for election is less than the number of vacancies.

Trustees are recruited through either Academy Ambassadors programme or by individual skills or expertise being identified and recommended. Trustee recruitment has most recently been via the Academy Ambassadors programme. Potential Trustees are then invited to meet with both the Chair of the Trust Board and the Executive Principal to highlight compatibility and alignment. Should all parties wish to proceed, the potential Trustee is discussed at the next Trust Board meeting and then elected via a Trustee vote.

PARTNERS IN LEARNING ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Policies and procedures adopted for the induction and training of trustees

The new Trustee undertakes an induction period with the Chair, they are provided with a new Multi Academy Trust Handbook (published by the National Governance Association) and undertake all relevant training as required.

All Trustees and Governors are DBS checked and undertake Safeguarding Training, Prevent training and receive the NGA's Trustee Guide (Trustees only) as compulsory. Further training to support GDPR compliance is available via Judicium e-learning portal. More specific training to support expertise coverage across the Trust and the LGB is via the National Governance Association Learning Links. Additional training for governors is provided by West Sussex County Council (WSCC).

Organisational structure

The Academy Trust has a leadership structure which consists of the Academy Trust Board, The Local Governing Body and the Senior Leadership Team. The Academy Trust Board of the Partners In Learning Academy Trust devolves the responsibility of the day to day running of the school to the Executive Headteacher and the Senior Leadership Team. Their activities and decisions are monitored through a number of governors' committees. The committees are:

Academy Trust Board	Mr J Faulkes – Chair of Board – meets once per half term
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Local Governing Body	Mr J Sachon – Chair of LGB – meets once per half term
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The Executive Leadership Team consists of the Executive Principal who is also the Accounting Officer for the Multi Academy Trust, the Headteachers of the schools within the Trust and the Trust Business Manager.

The Academy Trust Board are responsible for setting general policy, adopting an annual school improvement plan, approving the statutory accounts, monitoring the Academy Trusts by the use of budgets and other data and making major decisions about the direction of the Academy Trust, capital expenditure and senior staff appointments. The Local Governing Body are responsible for all areas of the curriculum and ensure that targets and achievements are in line with the school improvement plan.

PARTNERS IN LEARNING ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Arrangements for setting pay and remuneration of key management personnel

Key leadership pay is set with reference to the most up to date teachers' pay and conditions document, whilst considering the local recruitment challenges. Since moving HR and payroll provider from Capita to Schools Personnel Service in April 2019, salary ranges are established looking in comparison to other schools locally, whilst having regard to the fact that Partners In Learning Academy Trust leaders often have a role beyond their base school within the multi academy trust. The Trust now recognises scales set nationally, not as per local Council directives.

The Executive Principal's pay range is set within the guidance under the section "Determination of the school's Headteacher group". Other senior leadership posts are set within the guidance under the section "determination of leadership pay ranges".

Remuneration of key leadership posts also have due regard to the processes set out in the teachers' pay and conditions document under the section "Pay progression for leadership group members". For non-teaching leadership posts the pay is determined following the Local Government Pay Scales.

Appraisal Team Leaders make the annual recommendation for pay progression of their team members using the guidance set out in the Partners In Learning Teachers' Appraisal Booklet. In line with the Trust's Scheme of Delegation, pay progression is awarded through the following process:

Executive Principal pay award:

Responsible: Trust Board

Accountable: Trust Board

Trust Business Manager pay award:

Responsible: Trust Board

Accountable: Trust Board

Headteacher and Senior Leadership Team pay award:

Responsible: Executive Principal and Local Governing Body

Accountable: Trust Finance Committee

Staff pay award:

Responsible: Headteachers

Accountable: Executive Principal

Consulted: Local Governing Body

Related parties and other connected charities and organisations

There are no related parties that either control or significantly influence the decisions and operations of the Partners In Learning Academy Trust.

Halsford Park Primary School has a Parent Teacher Association which fund raises for the benefit of the children of Halsford Park Primary School. This association is a registered Charity (no 1103845).

Baldwins Hill Primary school has a Parent Teacher Association which fund raises for the benefit of the children of Baldwins Hill Primary School. This association is a registered Charity (no 108077)

Objectives and activities

Objects and aims

In accordance with the Articles of Association the charitable company has adopted a Funding Agreement and supplementary Funding Agreements for the two schools, approved by the Secretary of State for Education. The principle object of the charitable company Partners In Learning Academy Trust is the operation of Baldwins Hill and Halsford Park Primary Schools, to provide education and care for pupils of different abilities between the ages of 4-11.

PARTNERS IN LEARNING ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Objectives, strategies and activities

Our Mission Statement is:

We are a learning community which inspires, empowers and develops schools to prepare every child for success in life. Sharing our strengths ensures that our communities grow and prosper and that we have opportunities to support and learn through each other to create futures for all.

Our vision to 2022 is described across 3 key drivers:

Place children at the heart of what we do

- Develop confident, resilient and reflective learners who understand what it means to be a responsible citizen.
- Ensure that children in our schools work with talented and high performing teaching and support staff.
- Involve parents in supporting children's learning and listen to parent views.
- Establish challenging targets for achievement and development of the whole child.
- Promote improvements to the physical environment of our schools to enhance learning and wellbeing.

Build partnerships and networks

- Build an empowered culture enabling strong local governance and leadership.
- Maintain the distinctiveness and strengths of schools in our Trust, whilst ensuring close collaboration to maximise effectiveness of all.
- Share resources where appropriate to maximise financial opportunities.
- Collaborate with wider networks of schools, to share knowledge, expertise and participate in mutually beneficial initiatives.
- Build links with community institutions, local services and companies for shared benefit.

Inspire commitment and engagement in all of our work force

- Encourage all of our schools to be dynamic, friendly and supportive places to work.
- Provide leadership and practitioner development experiences across our schools - grow talent from within.
- Recognise staff talent, effort and great achievements across our schools.
- Reward excellent performance with opportunities for leadership and advancement.
- Encourage creative solutions to problems and the challenges in our trust community.
- Promote our Trust as a great place to build a career.

In order to realise these drivers, trustees, governors and staff of the Trust seek to:

- Create a culture and ethos, through an irresistible curriculum, that further engages all learners.
 - Continue collaborations with families to build partnerships in our children's learning, for example 'Fabulous Finishes' and/or 'Find Out Friday's' to allow parents and carers access to the learning environment.
 - Provide opportunities for high quality professional development and shared and distributed leadership across the Trust including:
 - school to school support programmes
 - NAHT Aspire Accredited work
 - Succession Planning to create opportunities for leaders to 'step up' through the school to school support.
 - Further develop the Trust Improvement Plan and Growth Strategy to facilitate executive staff to create a wider network of sharing good practice through a variety of activities, such as the opportunity to provide school to school support to a local school in special measures and provide support to a local multi-academy trust.
 - Continue the deployment of outstanding practitioners to support other schools as accredited Senior Leaders of Education, through Teaching Alliances.
 - Embed the Key Performance Indicators document, used by Senior Leadership Teams, the Local Governing Body and the Academy Trust Board allowing them to be secure in the understanding of schools' performance to provide effective challenge.
 - Embed the two new trust board committees (Standards and Finance Committees) to place children at the heart of what we do through the setting of challenging targets for the development of the whole child.
-

PARTNERS IN LEARNING ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Public benefit

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

Strategic report

Achievements and performance

Halsford Park Primary School – NOR 411

Ofsted Rating – Good – June 2017

2019 Results:

Attainment at KS1:

- 85% of Year 1 passed their Phonics Screening which was in line with the National average (82%).
- 42% of Year 2 passed the retake of the Phonics Screen.
- KS1 attainment in reading was in line with the national average.
- KS1 attainment in maths and Writing was below the national average.
- KS1 attainment in reading at greater depth was above national average in Reading and below national average in maths and writing. External consultant currently working with years 2/3 to provide regular training, and monitoring of impact of subsequent action plan.

Attainment at KS2:

- Pupils achieving the expected standard in KS2 rose in all subjects which were above the national standards.
- Pupils achieving greater depth in KS2 rose in maths, writing and GPS.
- The percentage at the expected standard in KS2 combined reading, writing and maths was 85% which was 20% above the national average.

Key performance indicators

Halsford Park Primary KS1 Results for 2019

Subject	Attainment	2019	
		School	National
Reading (test results)	Achieving expected standard	75%	75%
	Working at greater depth	27%	25%
Writing	Achieving expected standard	47%	69%
	Working at greater depth	2%	14%
Maths (test results)	Achieving expected standard	70%	76%
	Working at greater depth	5%	22%

Halsford Park KS2 Results for 2019

2019			
		School	National
Maths (test results)	Achieving expected standard	90%	79%
	Working at greater depth	28%	27%
Reading (test results)	Achieving expected standard	87%	73%
	Working at greater depth	28%	27%
GPS (test results)	Achieving expected standard	85%	78%
	Working at greater depth	55%	36%
Writing (teacher assessments)	Achieving expected standard	85%	78%
	Working at greater depth	20%	20%

PARTNERS IN LEARNING ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Halsford Park Pupil Progress KS 2

2019	* PROGRESS SCORE
READING	0.3
WRITING	-0.2
MATHS	-0.1

In 2019, attainment for Key Stage 2 was generally in line, or better than national average.

Progress was deemed as 'average'.

Attendance is 96.80% for the year 2018 – 2019 with disadvantaged attendance rising to 93.71%. Closing the gap between disadvantaged and whole school attendance continues to be a whole school focus.

Baldwins Hill Primary School – NOR 185 (as at Oct 2019)
Ofsted – 'Good' – May 2017

2019 Results

Attainment:

- **Early Years GLD** in line with National and shows increase of 8% in last 2 years.
- **Year 1 phonics** Screening 80% in line with national of 82%
- **KS1** attainment in **writing** in the higher standard increased to 20% - above the National average of 14%.
- **KS1** attainment in **maths** in the higher standard increased to 23%- in line with National Average & showing a continued upward trajectory over the last 3 years.
- **KS1** attainment in **reading** in the higher standard increased by 10% to 37%- above national of 25%.
- **KS1** attainment in the higher standard across all 3 subjects combined was 20% - above National average of 11%.
- Achieving expected standard+ **KS2 maths** 78%, in line with national and shows upward trajectory since 52% in 2017.
- Achieving expected standard+ **KS2 reading** 59% - lower than expected and robust plans are in place for the year 2019-20 to address the key areas identified as development points.
- Achieving expected standard+ **KS2 writing** 78% & moderated – in line with national.
- Achieving Greater Depth in **KS2 reading** 25% - in line with national at 27% and increase from 17% in 2018.
- Achieving greater depth in **KS2 maths** up from 7% (2017) and 20% (2018) to 25% this year - in line with National Average of 27%.
- Average Standardised score for **reading** and **maths** was 103.

Progress:

- Whilst attainment was in line with National average in both maths and writing, progress scores for reading (-3.63), writing (-2.75) and maths (-2.59) were well below average and are therefore the focus of main school improvement priorities for the year 2019-20.
- Standardised score for reading increased from 100.4 (2017) to 104 (2018) and was 103 this year.
- Standardised score for maths increased from 99.1 (2017) to 105 (2018) and was 103 this year.

Baldwins Hill Primary KS1 Results for 2019

Subject	Attainment	2019	
		School	National
Reading (test results)	Achieving expected standard	73%	75%
	Working at greater depth	37%	25%
Writing	Achieving expected standard	70%	69%
	Working at greater depth	20%	14%
Maths (test results)	Achieving expected standard	73%	76%
	Working at greater depth	23%	22%

PARTNERS IN LEARNING ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Baldwins Hill KS2 Results for 2019

	2019		
		School	National
Maths (test results)	Achieving expected standard+	78%	79%
	Working at greater depth	25%	27%
Reading (test results)	Achieving expected standard+	59%	73%
	Working at greater depth	25%	27%
Grammar, Punctuation & Spelling (GPS)	Achieving expected standard+	72%	78%
	Working at greater depth	22%	36%
Writing	Achieving expected standard+	78%	78%
	Working at greater depth	9%	20%

	School	National
Children achieving expected standard in reading, writing and maths:		
2019	53%	65%
Children achieving greater depth in reading, writing and maths:		
2019	9%	11%

Baldwins Hill Pupil Progress KS2

2019	* Progress Score (32 pupils)	National Progress score
READING	-3.63	-5
WRITING	-2.75	-7
MATHS	-2.59	-5

* Progress score

- A **score of 0** means pupils in this school, on average, do about as well at key stage 2 as those with similar prior attainment nationally.
- A **positive score** means pupils in this school on average do better at key stage 2 than those with similar prior attainment nationally.
- A **negative score** means pupils in this school on average do worse at key stage 2 than those with similar prior attainment nationally. A negative score does not necessarily mean a school is below the floor.

Floor = 65%=RWM and/or Progress Score above -5 Reading and -7 Writing and -5 Maths

Attendance 2018-19 was 96.5% and shows an increase from the previous year (95.83%). Attendance is a continuing focus for improvement in 2019-20.

Going concern

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

PARTNERS IN LEARNING ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Financial review

The principal source of funding for the Academy Trust is the General Annual Grant (GAG) and other government funding, the use of which is restricted to particular purposes. This has been utilised in a manner which serves the best interests of the school and its pupils. The objective of the Academy Trust is to advance, for the public benefit, education in the United Kingdom in particular to establish, maintain, carry on, manage and develop a school offering a broad balanced curriculum.

The grants received during the year ended 31 August 2019 and the associated expenditure are shown as restricted funds in the statement of financial activities (SOFA).

During the year ended 31 August 2019 the main expenditure item has been salary costs. During this period the total expenditure (excluding pension reserves) of £2,647,427 was covered by recurrent government funding from the ESFA together with other incoming resources and accumulated reserves brought forward. As reported in the SOFA, net expenditure excluding fixed assets totals £412,154. Throughout the year we continued to reduce our outgoing expenditure costs through the continued utilisation of HLTA's and Cover Supervisors (introduced in 2017), reducing our external supply costs. Further savings have been made through changing our HR and payroll provider in April 2019. The anticipated savings are estimated to be around 10% of those incurred previously. The introduction of a new photocopier provider at Halsford Park Primary School has not only saved on copier costs but also in resource costs where less time is spent preparing printing and copying.

In the restructure of the SEND provision, TA's are predominantly employed for the needs of the children in the class who require additional support.

During this year, CIF funding was used to replace three dilapidated Key Stage 1 classrooms at Baldwin Hill Primary School. This project was ready for occupation at the end of August 2019. The classrooms are eco-friendly and are expected to reduce the ongoing running costs. New perimeter and internal fencing in line with safeguarding needs has been erected at Halsford Park Primary School over the Summer break to minimise disruption. New LED lighting has been installed at Halsford Park Primary, which in line has reduced our energy costs.

Income generation has been from various sources through the reporting period:

SSIF (Strategic School Improvement Fund) and SLE's (Specialist Leaders of Education) who support schools who are part of the programme to improve English and writing skills and through the maths hub. The Trust has five SLE's trained to support schools across the area with four deployed during the reporting period.

TLIF (Teaching and Leadership Innovation Fund) seconded the Executive Principal as an advisor supporting three schools during this project.

The Trust is also now an NAHT Aspire Accredited Partner, with six staff members trained to provide the programme to other schools (either buying in the complete programme or elements to focus their school improvements). As from September 2019, we will be providing this programme of support to four schools in West Sussex and Surrey.

Baldwins Hill continues to let part of the school to a childcare provider in their provision of before and after school care. We provide lettings to external club providers including dance, football and sports coaching at both schools.

Our premises team support two schools in the local area with ongoing maintenance and facilities management in the absence of their own premises staff.

Plans are in place to reduce where possible ongoing costs in light of the new funding formula, but the results are also distorted by a £333,000 increase in the pension reserve deficit. When excluding this our net income for the year is £385,416 and the trustees are aware that there are still savings that need to be made to ensure reserves stay at a consistent level.

PARTNERS IN LEARNING ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

The restricted fixed asset fund has arisen from the introduction of the leasehold buildings and land at fair value on conversion of the school to academy status. The fund is reduced by annual depreciation charges over the expected useful life of the assets concerned. The assets were used exclusively for providing education and the associated support services to the children of the Academy Trust.

The in-year deficit figure of £79,154 agrees to the change in balance of restricted general funds (excluding pension reserve) plus unrestricted funds. The brought forward reserves plus the deficit within the current year gives us total reserves of restricted general funds (excluding pension reserves) plus unrestricted funds of £222,317.

In the previous reporting period, significant events included the new regulations surrounding GDPR. In order to ensure our compliance with new regulations, the Trust employed a specialist GDPR/DPO supplier creating a new Service Level Agreement. This Service Level Agreement has continued into the current period.

In line with one of the Ofsted targets, funding was used to create a new Service Level Agreement with an Education Welfare Service, to provide schools with specialist support and guidance regarding attendance/absenteeism to improve attendance. This Service Level Agreement has continued into the current period.

The Academy Trust's non-teaching staff are entitled to enter the Local Government Pension Scheme. The Academy Trust's share of the scheme assets is currently assessed to be less than its share of the scheme liabilities and consequently the Academy Trust's balance sheet shows a significant liability in this respect. However, the deficit does not mean that an immediate liability is about to manifest. The contribution rate to reduce this deficit is calculated by an independent actuary and will be paid over a period of time via additional pension contributions as part of a longer term deficit reduction.

The Academy Trusts reserve and investment policies have been detailed below.

Reserves policy

The Trustees review the reserve levels of the Academy Trust annually. The review includes the income and expenditure streams, the need to match income with commitments and the nature of any reserves. By setting and managing a balanced budget, they aim to only carry forward reserves that it considers necessary and will have a clear plan for how it will be of benefit to the pupils.

The Trustees have determined that a target of one month's operational costs (around £240,000) should be maintained when possible to ensure adequate working capital cover for delays between spending and the receipt of grant monies plus a further amount to act as a cushion for unexpected emergencies such as urgent building maintenance.

The Academy Trust has £206,379 in unrestricted reserves. This reserve has been generated over a number of years. This fund is freely available for its general purposes, training, resources and has also been held as an accumulating fund for major capital projects, some of this has been used this year to support the emergency maintenance on both sites, general resources and new service level agreements. As at 31 August 2019, there was £15,938 of restricted general funds (excluding pension reserve) available to carry forward, giving total available reserves £222,317. The available reserves as at 31 August 2019 are slightly below target level of reserves as noted above. The trustees are aware of the need to manage within a budget and are keen to retain a surplus without detrimentally affecting the education of the children.

The Academy Trust has DfE group capital grants within the current year of £504,205, of which £463,352 relates to CIF funding. The work was completed on 31 August 2019.

Investment policy

There are no material investments held by the Academy Trust. Cash balances are invested in such a way that the cash is readily accessible whilst a small return has been generated by way of interest earned. The Trustees are satisfied with the interest earned on the cash balances in the year.

PARTNERS IN LEARNING ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Principal risks and uncertainties

The principal risk to the Partners In Learning Academy Trust is the maintenance of pupil numbers as funding is directly related to the number of pupils on roll. The number on roll is set in the October of the previous year and is the basis of the calculation on which the funding is received in the following September. There remains a strong possibility of volatility regarding the future funding of academies and the ever increasing costs set against reducing budget income. This risk has been identified in the Trust risk register.

Fundraising

All fundraising activities are carried out by the individual school's Parent Teacher Associations (PTA's) which conforms to the recognised standards under the provisions of the Charities (Protection and Social Investment Act) 2016, Section 13.

Under section 2.3 of the Charity fundraising guidance, the day to day management of financial activities has been delegated to the Trust Business Manager. All funds are monitored in line with the financial guidelines and recognised standards as highlighted in the Academies Accounts Direction 2018 to 2019.

PTA activities (for example, a Colour Run held at Halsford Park Primary School) are approved and closely monitored by the Headteachers. This includes all risk assessments and systems in order to protect the schools, the trust, and their reputations, and those attending such events. Such events are advertised through the school holding the event (eg Christmas Fayre) and there is no undue pressure placed on any person to donate to the school. For example, on any non-uniform day, a £1 donation is suggested but is not compulsory in order to take part.

This financial year, we have received grants from a nationwide insurance company, an educational trust and local charity group, together with funds from the PTA to continue to improve and create a designated outside learning area and to upgrade classroom equipment which has now been completed ahead of schedule at both schools.

To date, we have not received any fundraising complaints.

The Fundraising Policy represents a commitment to the highest standards of good practice and ensures that all fundraising activities are open, legal and fair. The Trust will actively ensure the protection of the public, including vulnerable people, from unreasonably intrusive or persistent fundraising approaches, and undue pressure to donate.

Plans for future periods

The Board's top priority is to oversee the schools' work to achieve improved data/test results in 2020 for the pupils at both schools.

In addition to this, we will continue to support our case to be a growth partner of choice and to achieve DfE sponsor status.

Thirdly, to ensure that current commitments for school to school support with Blackwell School and Everychild Trust, both likely to continue for this academic year, can be maintained without undue risk.

Finally, to facilitate the continued development of the Local Governing Body, following its election of a new chair.

Funds held as custodian trustee on behalf of others

The Partners In Learning Academy Trust does not hold funds on behalf of others.

PARTNERS IN LEARNING ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Auditor

In so far as the trustees are aware:

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

The trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 13/12/19 and signed on its behalf by:



Mr N C Heslop

Vice Chair of Trustees

PARTNERS IN LEARNING ACADEMY TRUST

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2019

Scope of responsibility

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

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

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The board of trustees has formally met 7 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustees	Meetings attended	Out of possible
Mr J A Faulkes (Chair of Governors)	5	7
Mr G Livingstone (Director, Executive Principal and Accounting Officer)	7	7
Mrs M T Osiwemu	4	7
Mr P Brooks	7	7
Mr N C Heslop (Vice Chair of Trustees)	6	7
Mrs R Thorne	6	7
Mr B Woollard	6	7

The Board structure shown above remains as it was in the previous year. As in previous periods it has focused on defining future strategy for the Trust as well as managing risk, oversight of finances, performance management and educational performance.

Remuneration committee

The remuneration committee is a sub-committee of the main board of trustees. Its purpose is to review the pay and remuneration of all staff in the Trust. The recommendation for pay follows staff appraisals which are undertaken annually.

	Meetings attended	Out of possible
Mr J Faulkes (Chair of Trust Board)	1	1
Mr N Heslop (Chair of Finance Committee & Vice Chair of Trust Board)	1	1
Mr P Brooks (Trustee)	1	1
Mr B Wollard (Trustee)	1	1
Mr G Livingstone (Executive Principal)	1	1
Mrs J Abbott (Trust Business Manager)	1	1

PARTNERS IN LEARNING ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

The Local Governing Body's purpose is to assist and advise the Board on all matters relating to the provision of a sound curriculum that is consistent with the national curriculum policy and advises as necessary on any implications or change to the schools within the trust.

Local governing body

	Meetings attended	Out of possible
Mr J Sachon (Chair)	6	7
Ms L Woodward	7	7
Mr S Maidment	4	7
Mrs S Llewelyn	5	7
Ms E Campbell-Barr	6	7
Mrs E Goff	5	7
Mr W Best	2	2
Mr S Wright	2	2
Mr J Faulkes	1	1
Mrs S Martin	7	7
Mrs C Spencer	7	7
Mrs J Manwile	7	7
Mrs N Beeney	6	7
Ms M Brooks (Clerk)	7	7

An internally led evaluation of the impact and effectiveness of the board was carried out in September 2018. Key areas identified for development were around the awareness of some newer Trustees about learning strategies and practice in the schools. As a result a planned program of visits to middle leaders Took place in the spring term.

The Board self-evaluation, using the DfE MAT Improvement Capacity Framework, has been established as an annual process and the next review was scheduled for September 2019.

During the last period the Board has routinely reviewed school data. A Trust level view of data is summarised by the Board's learning and standards committee which itself presented summaries from the schools' senior leadership staff, in conjunction with the data specialists on the Trust's local governance Board. This level of scrutiny is judged effective and sufficient by the Board.

Review of value for money

As accounting officer the Executive Principal 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 appropriate. The accounting officer for the academy trust has delivered improved value for money during the year by:

- Replacement of three classrooms through a successful CIF bid
- Replacement of perimeter fencing and additional fencing through a successful CIF bid
- LED lighting throughout one school
- Continuing the use of Cover Supervisors and HLTA's for short term absence in classes to reduce the supply costs
- Successful transfer of HR and payroll provider allowing for best value for money and at a reduced cost and a more efficient service
- Staffing, utilising existing staff skills and experience to 'grow' new staff in their roles along with SLE opportunities and school to school support

PARTNERS IN LEARNING ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

- Creation of a new meeting room for use by outside providers allowing us to host events without impacting on any school teaching area.
- Development of the Media Centre/Library into a school research facility, utilising IT equipment (hardware) and new laptops to provide an IT suite for all classes to access.
- Continued use of experienced premises staff to allow for more 'in-house' repairs and maintenance to be carried out.
- Premises team to continue to provide school to school support to two local primary schools.
- Ongoing installation and completion of Clever Touch screens for every classroom, allowing for re-distribution of PCs and associated hardware (IT suite).
- Replacement of and continued refurbishment of outer buildings and equipment to extend life.
- Continued development of a new outdoor learning space.
- Continuing to share resources between our academy trust to achieve best value and drive down costs (bulk stationery orders and classroom resources for both 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 on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Partners In Learning Academy Trust for the period 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements.

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 on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees.
- regular reviews by the finance 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 that internal reviews would be undertaken as an internal auditor review by Edufin, an external management accountant.

PARTNERS IN LEARNING ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

On an annual basis, the internal auditor, through the audit committee reports on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

Edufin, the internal auditor, reports to the board of trustees through the general academy trust board meetings. Financial information is provided by the Trust Business Manager on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

Training and upskilling continued in the reporting period with the Bursar and Business Manager focusing on advanced processes and procedures, and an internal audit took place mid-year. Internal Audit visits are scheduled for the forthcoming year 2019/2020.

Review of effectiveness

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

- The work of the internal auditor
- The work of the external auditor
- The work of the executive managers within the academy trust on the development and maintenance of the internal control framework
- The work of the Senior Leadership Team within the Academy Trust who has responsibility for the development and maintenance of the internal control framework.

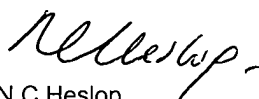
The accounting officer has been advised of the implications of the result of their review of the system of internal control by the Academy Trust Board and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the board of trustees on 13.12.19 and signed on its behalf by:



Mr G Livingstone

Executive Principal and Accounting Officer



Mr N C Heslop

Vice Chair of Trustees

PARTNERS IN LEARNING ACADEMY TRUST

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE FOR THE YEAR ENDED 31 AUGUST 2019

As accounting officer of Partners In Learning Academy Trust I have considered my responsibility to notify the academy trust board of trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy Trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2018.

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

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

Mr G Livingstone
Accounting Officer



PARTNERS IN LEARNING ACADEMY TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2019

The trustees (who are also the directors of Partners In Learning Academy Trust for the purposes of company law) are responsible for preparing the trustees' report and the accounts in accordance with the Academies Accounts Direction 2018 to 2019 published by the Education & Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

In preparing these financial statements, the trustees are required to:

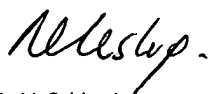
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting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

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the 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 13/12/19 and signed on its behalf by:



Mr N C Heslop
Vice Chair of Trustees

PARTNERS IN LEARNING ACADEMY TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PARTNERS IN LEARNING ACADEMY TRUST

FOR THE YEAR ENDED 31 AUGUST 2019

Opinion

We have audited the accounts of Partners In Learning Academy Trust for the year ended 31 August 2019 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the 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 2015 and the Academies Accounts Direction 2018 to 2019 issued by the Education & 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 2019 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019.

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.

PARTNERS IN LEARNING ACADEMY TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PARTNERS IN LEARNING ACADEMY TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

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 have 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.

PARTNERS IN LEARNING ACADEMY TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PARTNERS IN LEARNING ACADEMY TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

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.



**Robin Evans BA FCA CTA (Senior Statutory Auditor)
for and on behalf of MHA Carpenter Box
Chartered Accountants
Statutory Auditor
Worthing**

13/12/19

Amelia House
Crescent Road
Worthing
West Sussex
BN11 1QR

MHA Carpenter Box is a trading name of Carpenter Box Limited

PARTNERS IN LEARNING ACADEMY TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2019

In accordance with the terms of our engagement letter dated 8 November 2018 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2018 to 2019, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Partners In Learning Academy Trust during the period 1 September 2018 to 31 August 2019 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Partners In Learning Academy Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Partners In Learning Academy Trust's funding agreement with the Secretary of State for Education dated 18 August 2014 and the Academies Financial Handbook, extant from 1 September 2018, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

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

The work undertaken to draw to our conclusion includes:

- reviewing authorisation procedures and controls to ensure their adequacy and that they are being adhered to
- reviewing and assessing the appropriateness of delegation levels
- testing expenditure to ensure that it is being incurred for the benefit and in the best interests of the academy trust
- testing expenditure to ensure it is appropriate and properly authorised
- reviewing expenditure to assess whether it is an efficient and effective use of resources
- reviewing expenditure for necessity
- Consideration of governance issues

PARTNERS IN LEARNING ACADEMY TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2019

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 2018 to 31 August 2019 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

MHA Carpenter Box

Reporting Accountant

MHA Carpenter Box
Amelia House
Crescent Road
Worthing
West Sussex
BN11 1QR

Dated: 13/12/19

PARTNERS IN LEARNING ACADEMY TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2019

	Notes	Unrestricted Funds £	Restricted funds: General £ Fixed asset £	Total 2019 £	Total 2018 £
Income and endowments from:					
Donations and capital grants	3	57,254	11,160	504,205	572,619
Charitable activities:					
- Funding for educational operations	4	96,211	2,439,102	-	2,535,313
Other trading activities	5	11,245	42,162	-	53,407
Investments	6	342	-	-	342
Total		165,052	2,492,424	504,205	3,161,681
Expenditure on:					
Raising funds	7	646	250	-	896
Charitable activities:					
- Educational operations	8	30,378	2,758,177	97,814	2,886,369
Total	7	31,024	2,758,427	97,814	2,887,265
Net income/(expenditure)		134,028	(266,003)	406,391	274,416
Transfers between funds	17	(199,434)	141,255	58,179	-
Other recognised gains/(losses)					
Actuarial (losses)/gains on defined benefit pension schemes	19	-	(222,000)	-	(222,000)
Net movement in funds		(65,406)	(346,748)	464,570	52,416
Reconciliation of funds					
Total funds brought forward		271,785	(215,314)	6,752,384	6,808,855
Total funds carried forward		206,379	(562,062)	7,216,954	6,861,271

PARTNERS IN LEARNING ACADEMY TRUST

BALANCE SHEET

AS AT 31 AUGUST 2019

	Notes	2019 £	£	2018 £	£
Fixed assets					
Tangible assets	13		7,191,235		6,619,621
Current assets					
Debtors	14	253,848		102,249	
Cash at bank and in hand		376,432		530,665	
		<u>630,280</u>		<u>632,914</u>	
Current liabilities					
Creditors: amounts falling due within one year	15	(382,244)		(198,680)	
Net current assets			248,036		434,234
Total assets less current liabilities			<u>7,439,271</u>		<u>7,053,855</u>
Net assets excluding pension liability			7,439,271		7,053,855
Defined benefit pension scheme liability	19		(578,000)		(245,000)
Net assets			<u>6,861,271</u>		<u>6,808,855</u>
Funds of the academy trust:					
Restricted funds	17				
- Fixed asset funds			7,216,954		6,752,384
- Restricted income funds			15,938		29,686
- Pension reserve			(578,000)		(245,000)
Total restricted funds			<u>6,654,892</u>		<u>6,537,070</u>
Unrestricted income funds	17		206,379		271,785
Total funds			<u>6,861,271</u>		<u>6,808,855</u>

The accounts were approved by the board of trustees and authorised for issue on 13/12/19 and are signed on its behalf by:


 Mr N C Heslop
 Vice Chair of Trustees

Company Number 09081030

PARTNERS IN LEARNING ACADEMY TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2019

	Notes	2019 £	£	2018 £	£
Cash flows from operating activities					
Net cash provided by/(used in) operating activities	20		10,648		(249,577)
Cash flows from investing activities					
Dividends, interest and rents from investments		342		250	
Capital grants from DfE Group		40,853		126,012	
Capital funding received from sponsors and others		463,352		36,001	
Purchase of tangible fixed assets		(669,428)		(52,853)	
Net cash (used in)/provided by investing activities			(164,881)		109,410
Net decrease in cash and cash equivalents in the reporting period			(154,233)		(140,167)
Cash and cash equivalents at 1 September 2018			530,665		670,832
Cash and cash equivalents at 31 August 2019			376,432		530,665

PARTNERS IN LEARNING ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2019

1 Accounting policies

A summary of the principal accounting policies adopted (which have been applied consistently, except where noted), judgements and key sources of estimation of 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 2018 to 2019 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the entity. Monetary amounts in these financial statements are rounded to the nearest £1.

The charity is a company limited by guarantee and has no share capital.

1.2 Going concern

The trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the 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 financial statements and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Income

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

Grants

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

General Annual Grant is recognised in full in the Statement of Financial Activities in the 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

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

Capital grants are received for capital purposes and must be spent in line with the terms and conditions of the grant.

PARTNERS IN LEARNING ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

1 Accounting policies

(Continued)

Donations

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

Other income

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

Donated goods, facilities and services

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

1.4 Expenditure

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

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

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Charitable activities

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

1.5 Tangible fixed assets

Assets costing £2,000 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.

PARTNERS IN LEARNING ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

1 Accounting policies

(Continued)

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

Leasehold land and buildings	Over 125 years
Assets under construction	Not depreciated
Computer equipment	3 years
Fixtures, fittings & equipment	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.

1.6 Liabilities

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

1.7 Leased assets

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

1.8 Financial instruments

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

Financial assets

Trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 14. Prepayments are not financial instruments.

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

Financial liabilities

Trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 15. Taxation and social security are not included in the financial instruments disclosure definition.

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

1.9 Taxation

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

PARTNERS IN LEARNING ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

1 Accounting policies

(Continued)

1.10 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.

1.11 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/Department for Education.

PARTNERS IN LEARNING ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

2 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net costs or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 19, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2019. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

3 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
Private sponsorship	-	11,160	11,160	12,475
Capital grants	-	504,205	504,205	162,013
Other donations	57,254	-	57,254	19,003
	<u>57,254</u>	<u>515,365</u>	<u>572,619</u>	<u>193,491</u>

The income from donations and capital grants was £572,619 (2018: £193,491) of which £57,254 (2018: £19,003) was unrestricted, £11,160 (2018: £12,475) was restricted and £504,205 (2018: £162,013) was restricted fixed assets.

PARTNERS IN LEARNING ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

4 Funding for educational operations

	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
DfE / ESFA grants				
General annual grant (GAG)	-	2,166,488	2,166,488	2,131,683
Other DfE group grants	-	216,239	216,239	216,796
	-	2,382,727	2,382,727	2,348,479
Other government grants				
Local authority grants	-	48,575	48,575	29,950
Special educational projects	-	7,800	7,800	44,087
	-	56,375	56,375	74,037
Other funding				
Other incoming resources	96,211	-	96,211	8,641
Total funding	96,211	2,439,102	2,535,313	2,431,157

The income from funding for educational operations was £2,535,313 (2018: £2,431,157) of which £96,211 was unrestricted (2018: £8,641) and £2,439,102 was restricted (2018: £2,422,516).

5 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
Hire of facilities	11,245	-	11,245	7,980
Parental contributions	-	42,162	42,162	44,985
	11,245	42,162	53,407	52,965

The income from other trading activities was £53,407 (2018: £52,965) of which £11,245 was unrestricted (2018: £7,980) and £42,162 was restricted (2018: £44,985).

6 Investment income

	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
Short term deposits	342	-	342	250

All income from investments in the current and prior year was unrestricted.

PARTNERS IN LEARNING ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

7 Expenditure

	Staff costs £	Non Pay Expenditure Premises £	Other £	Total 2019 £	Total 2018 £
Expenditure on raising funds					
- Direct costs	-	-	896	896	800
Academy's educational operations					
- Direct costs	1,838,833	-	170,893	2,009,726	1,914,694
- Allocated support costs	416,858	242,612	217,173	876,643	857,662
	<u>2,255,691</u>	<u>242,612</u>	<u>388,962</u>	<u>2,887,265</u>	<u>2,773,156</u>

The expenditure on raising funds was £896 (2018: £800), all relating to unrestricted funds.

Net income/(expenditure) for the year includes:

	2019 £	2018 £
Fees payable to auditor for:		
- Audit	6,000	6,000
- Other services	4,300	4,300
- Teachers' pension audit	1,190	1,135
- Taxation	250	-
Operating lease rentals	4,182	1,739
Depreciation of tangible fixed assets	96,301	87,374
Loss on disposal of fixed assets	1,513	-
Net interest on defined benefit pension liability	9,000	10,000
	<u>112,636</u>	<u>110,548</u>

8 Charitable activities

	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
Direct costs				
Educational operations	20,297	1,989,429	2,009,726	1,914,694
Support costs				
Educational operations	10,081	866,562	876,643	857,662
	<u>30,378</u>	<u>2,855,991</u>	<u>2,886,369</u>	<u>2,772,356</u>

	2019 £	2018 £
Analysis of support costs		
Support staff costs	416,858	416,178
Depreciation	97,814	87,374
Premises costs	144,798	135,570
Other support costs	175,848	189,232
Governance costs	41,325	29,308
	<u>876,643</u>	<u>857,662</u>

PARTNERS IN LEARNING ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

8 Charitable activities

(Continued)

The expenditure on educational operations was £2,886,369 (2018: £2,772,356) of which £30,378 was unrestricted (2018: £17,449), £2,758,177 was restricted (2018: £2,667,533) and £97,814 was restricted fixed assets (2018: £87,374)

9 Staff

Staff costs

Staff costs during the year were:

	2019 £	2018 £
Wages and salaries	1,658,676	1,576,762
Social security costs	119,690	126,692
Pension costs	391,157	399,315
Staff costs	2,169,523	2,102,769
Agency staff costs	86,168	59,965
Total staff expenditure	2,255,691	2,162,734

Staff numbers

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

	2019 Number	2018 Number
Teachers	30	30
Administration and support	50	52
Management	8	8
	88	90

Higher paid staff

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

	2019 Number	2018 Number
£70,001 - £80,000	1	1
£60,001 - £70,000	1	1

The above employees participated in the Teachers' Pension Scheme.

PARTNERS IN LEARNING ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

9 Staff

(Continued)

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 £455,520 (2018: £459,772).

10 Central services

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

- financial services
- educational support services
- legal and professional services
- insurance

The academy trust charges for these services on approximate pupil numbers.

The amounts charged during the year were as follows:

	2019 £	2018 £
Baldwins Hill Primary School	36,071	29,260
Partners In Learning Academy Trust	-	-
Halsford Park Primary School	61,610	58,520
	<u>97,681</u>	<u>87,780</u>

11 Trustees' remuneration and expenses

The executive head teacher and other staff trustees have been paid remuneration or received other benefits from employment with the academy trust. They have only received remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment, and not in respect of their services as trustees. Other trustees did not receive any payments from the academy trust in respect of their role as trustees.

During the year, travel and subsistence payments totalling £2,284 were reimbursed to 1 staff trustee (2018: £1,784 to 1 staff trustee). These expenses were incurred wholly in their capacity as employees of the trust.

The value of trustees' remuneration was as follows:

G Livingstone (executive head teacher and trustee)

Remuneration: £75,000 - £80,000 (2018: £75,000 - £80,000)

Employer's pension contributions: £10,000 - £15,000 (2018: £10,000 - £15,000)

12 Trustees and officers insurance

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

PARTNERS IN LEARNING ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

13 Tangible fixed assets

	Leasehold land and buildings	Assets under construction	Computer equipment	Fixtures, fittings & equipment	Total
	£	£	£	£	£
Cost					
At 1 September 2018	6,800,838	17,381	76,949	46,227	6,941,395
Reclassified on completion	17,381	(17,381)	-	-	-
Additions	623,735	-	45,693	-	669,428
Disposals	(769)	-	-	(744)	(1,513)
At 31 August 2019	7,441,185	-	122,642	45,483	7,609,310
Depreciation					
At 1 September 2018	240,605	-	68,509	12,660	321,774
Charge for the year	80,927	-	11,146	4,228	96,301
At 31 August 2019	321,532	-	79,655	16,888	418,075
Net book value					
At 31 August 2019	7,119,653	-	42,987	28,595	7,191,235
At 31 August 2018	6,560,233	17,381	8,440	33,567	6,619,621

14 Debtors

	2019 £	2018 £
Trade debtors	15,208	2,580
VAT recoverable	114,827	36,748
Other debtors	34,794	-
Prepayments and accrued income	89,019	62,921
	253,848	102,249

15 Creditors: amounts falling due within one year

	2019 £	2018 £
Trade creditors	77,076	50,022
Other taxation and social security	32,053	30,985
Other creditors	36,671	32,060
Accruals and deferred income	236,444	85,613
	382,244	198,680

PARTNERS IN LEARNING ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

16	Deferred income	2019 £	2018 £
	Deferred income is included within:		
	Creditors due within one year	97,843	67,556
	Deferred income at 1 September 2018	67,556	121,525
	Released from previous years	(58,634)	(121,525)
	Resources deferred in the year	88,921	67,556
	Deferred income at 31 August 2019	97,843	67,556

At the balance sheet date the Academy Trust was holding funds received in advance for Universal Infant Free School Meals Funding, Rates reimbursement, SEN funding and Growth Funding which relate to the 2019/20 academic year.

17	Funds	Balance at 1 September 2018 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2019 £
	Restricted general funds					
	General Annual Grant (GAG)	-	2,166,488	(2,314,235)	147,747	-
	Other DfE / ESFA grants	13,748	216,239	(234,655)	4,668	-
	Other government grants	15,938	56,375	(56,375)	-	15,938
	Other restricted funds	-	53,322	(42,162)	(11,160)	-
	Pension reserve	(245,000)	-	(111,000)	(222,000)	(578,000)
		(215,314)	2,492,424	(2,758,427)	(80,745)	(562,062)
	Restricted fixed asset funds					
	Inherited on conversion	6,324,817	-	(54,249)	-	6,270,568
	DfE group capital grants	380,133	504,205	(33,593)	47,019	897,764
	Capital expenditure from GAG	47,434	-	(9,972)	11,160	48,622
		6,752,384	504,205	(97,814)	58,179	7,216,954
	Total restricted funds	6,537,070	2,996,629	(2,856,241)	(22,566)	6,654,892
	Unrestricted funds					
	General funds	271,785	165,052	(31,024)	(199,434)	206,379
	Total funds	6,808,855	3,161,681	(2,887,265)	(222,000)	6,861,271

PARTNERS IN LEARNING ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

17 Funds

(Continued)

Within the year, the academy have transferred £147,747 from unrestricted funds to GAG funding and £4,668 from unrestricted to other DfE/ESFA grants to cover the deficit within the year. A further £47,019 from unrestricted funds has been transferred to restricted fixed asset DfE group capital grants due to an overspend on the CIF funded project to replace the Baldwins Hill huts during the year. This was due to added unexpected complications that arose once the project started and no further government funding could be obtained by this stage.

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

- GAG funds are restricted to providing education
- Other DfE / EFA grants relate to reimbursement for specific services
- Other government grants are in relation to the growth funding and local authority SEN funding received
- Other restricted funds are held to provide trips and other activities for students and the provision of education
- Capital grants are received for capital purchases and must be spent in line with the terms and conditions of the grant.

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

PARTNERS IN LEARNING ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

17 Funds

(Continued)

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

	Balance at 1 September 2017 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2018 £
Restricted general funds					
General Annual Grant (GAG)	2,406	2,131,683	(2,225,526)	91,437	-
Other DfE / ESFA grants	3,936	216,796	(206,984)	-	13,748
Other government grants	15,939	74,037	(74,038)	-	15,938
Other restricted funds	69,540	57,460	(44,985)	(82,015)	-
Pension reserve	(351,000)	-	(116,000)	222,000	(245,000)
	<u>(259,179)</u>	<u>2,479,976</u>	<u>(2,667,533)</u>	<u>231,422</u>	<u>(215,314)</u>
Restricted fixed asset funds					
Transfer on conversion	6,379,066	-	(54,249)	-	6,324,817
DfE group capital grants	248,648	162,013	(30,528)	-	380,133
Capital expenditure from GAG	37,556	-	(2,597)	12,475	47,434
	<u>6,665,270</u>	<u>162,013</u>	<u>(87,374)</u>	<u>12,475</u>	<u>6,752,384</u>
Total restricted funds	<u>6,406,091</u>	<u>2,641,989</u>	<u>(2,754,907)</u>	<u>243,897</u>	<u>6,537,070</u>
Unrestricted funds					
General funds	<u>276,057</u>	<u>35,874</u>	<u>(18,249)</u>	<u>(21,897)</u>	<u>271,785</u>
Total funds	<u>6,682,148</u>	<u>2,677,863</u>	<u>(2,773,156)</u>	<u>222,000</u>	<u>6,808,855</u>

Total funds analysis by academy

	2019 £	2018 £
Fund balances at 31 August 2019 were allocated as follows:		
Baldwins Hill Primary School	168,114	170,660
Partners In Learning Academy Trust	9,505	15,315
Halsford Park Primary School	55,858	115,496
Total before fixed assets fund and pension reserve	<u>233,477</u>	<u>301,471</u>
Restricted fixed asset fund	7,216,954	6,752,384
Pension reserve	(578,000)	(245,000)
Total funds	<u>6,872,431</u>	<u>6,808,855</u>

PARTNERS IN LEARNING ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

17 Funds

(Continued)

Total cost analysis by academy

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

	Teaching and educational support staff	Other support staff costs	Educational supplies	Other costs excluding depreciation	Total 2019	Total 2018
	£	£	£	£	£	£
Baldwins Hill Primary School	630,461	126,611	11,718	153,717	922,507	928,571
Partners In Learning Academy Trust	42,067	34,850	43,149	41,052	161,118	182,088
Halsford Park Primary School	1,138,962	264,396	35,469	267,000	1,705,827	1,575,117
	<u>1,811,490</u>	<u>425,857</u>	<u>90,336</u>	<u>461,769</u>	<u>2,789,452</u>	<u>2,685,776</u>

18 Analysis of net assets between funds

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
Fund balances at 31 August 2019 are represented by:				
Tangible fixed assets	-	-	7,191,235	7,191,235
Current assets	206,379	212,397	211,504	630,280
Creditors falling due within one year	-	(196,459)	(185,785)	(382,244)
Defined benefit pension liability	-	(578,000)	-	(578,000)
Total net assets	<u>206,379</u>	<u>(562,062)</u>	<u>7,216,954</u>	<u>6,861,271</u>

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
Fund balances at 31 August 2018 are represented by:				
Tangible fixed assets	-	-	6,619,621	6,619,621
Current assets	271,785	228,366	132,763	632,914
Creditors falling due within one year	-	(198,680)	-	(198,680)
Defined benefit pension liability	-	(245,000)	-	(245,000)
Total net assets	<u>271,785</u>	<u>(215,314)</u>	<u>6,752,384</u>	<u>6,808,855</u>

PARTNERS IN LEARNING ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

19 Pension and similar obligations

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

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

Contributions amounting to £34,769 (2018: £32,688) were payable to the schemes at 31 August 2018 and are included within creditors.

Teachers' Pension Scheme

Introduction

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

Valuation of the Teachers' Pension Scheme

The latest valuation of the Teachers' Pension Scheme has now taken place, in line with directions issued by HM Treasury and using membership data as at 31 March 2016. As a result of this valuation TPS employers will pay an increased contribution rate of 23.68% from September 2019 (this includes the administration levy of 0.8%). The timing of the implementation is to align its introduction with employers' budget planning cycles. Until then, employers will pay the current rate of 16.48%.

The employer's pension costs paid to the TPS in the period amounted to £179,063 (2018: £168,310).

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 following information relates to both schools combined unless otherwise stated. The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 24.7% for employers and 7.4% - 11.7% per cent for employees. The estimated value of employer contributions for the 2019/20 year is £131,000.

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.

PARTNERS IN LEARNING ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

19 Pension and similar obligations

(Continued)

Total contributions made	2019 £	2018 £
Employer's contributions	130,000	122,000
Employees' contributions	32,000	31,000
Total contributions	162,000	153,000
Principal actuarial assumptions	2019 %	2018 %
Rate of increase in salaries	3.0	3.0
Rate of increase for pensions in payment/inflation	2.3	2.3
Discount rate for scheme liabilities	1.9	2.8

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

	2019 Years	2018 Years
Retiring today		
- Males	21.8	23.6
- Females	23.6	25.0
Retiring in 20 years		
- Males	23.0	26.0
- Females	25.5	27.8

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

	2019 £'000	2018 £'000
Discount rate + 0.1%	(63)	(44)
Discount rate - 0.1%	63	44
Mortality assumption + 1 year	11	59
Mortality assumption - 1 year	(11)	(59)
CPI rate + 0.1%	51	34
CPI rate - 0.1%	(51)	(34)

PARTNERS IN LEARNING ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

19 Pension and similar obligations

(Continued)

The academy trust's share of the assets in the scheme	2019 Fair value £	2018 Fair value £
Equities	763,000	676,600
Bonds	564,620	438,600
Cash	76,300	37,500
Property	122,080	100,300
Total market value of assets	1,526,000	1,253,000

The actual return on scheme assets was £113,000 (2018: £75,000).

Amount recognised in the Statement of Financial Activities	2019 £	2018 £
Current service cost	212,000	228,000
Past service cost	20,000	-
Interest income	(37,000)	(27,000)
Interest cost	46,000	37,000
Total operating charge	241,000	238,000

Changes in the present value of defined benefit obligations	2019 £	2018 £
At 1 September 2018	1,498,000	1,381,000
Current service cost	212,000	228,000
Interest cost	46,000	37,000
Employee contributions	32,000	31,000
Actuarial loss/(gain)	298,000	(174,000)
Benefits paid	(2,000)	(5,000)
Past service cost	20,000	-
At 31 August 2019	2,104,000	1,498,000

PARTNERS IN LEARNING ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

19 Pension and similar obligations

(Continued)

Changes in the fair value of the academy trust's share of scheme assets

	2019 £	2018 £
At 1 September 2018	1,253,000	1,030,000
Interest income	37,000	27,000
Actuarial gain	76,000	48,000
Employer contributions	130,000	122,000
Employee contributions	32,000	31,000
Benefits paid	(2,000)	(5,000)
At 31 August 2019	1,526,000	1,253,000

Defined benefit pension scheme asset/(liability) at 31 August 2019	(578,000)	(245,000)
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20 Reconciliation of net income/(expenditure) to net cash flow from operating activities

	2019 £	2018 £
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	274,416	(95,293)
Adjusted for:		
Capital grants from DfE and other capital income	(504,205)	(162,013)
Investment income receivable	(342)	(250)
Defined benefit pension costs less contributions payable	102,000	106,000
Defined benefit pension scheme finance cost	9,000	10,000
Depreciation of tangible fixed assets	96,301	87,374
Loss on disposal of fixed assets	1,513	-
(Increase)/decrease in debtors	(151,599)	30,947
Increase/(decrease) in creditors	183,564	(226,342)
Net cash provided by/(used in) operating activities	10,648	(249,577)

PARTNERS IN LEARNING ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

21 Commitments under operating leases

At 31 August 2019 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

	2019 £	2018 £
Amounts due within one year	3,312	4,182
Amounts due in two and five years	8,153	11,465
	<u>11,465</u>	<u>15,647</u>

22 Capital commitments

	2019 £	2018 £
Expenditure contracted for but not provided in the accounts	-	540,662
	<u>-</u>	<u>540,662</u>

At the prior year end the Trust had committed to major works for the replacement of classrooms at Baldwins Hill totalling £540,662. Of these fees £17,381 had been incurred within the prior financial year and the remaining costs were due once the project was completed within the current year. This has been funded by the Condition Improvement Fund, of which £128,407 had been received within the prior year and the remaining grant was received within the current year.

23 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 academy trust has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the academy trust's financial regulations and normal procurement procedures. No related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 11.

24 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.