
LEARNERS' TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021



LEARNERS' TRUST
(A Company Limited by Guarantee)

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LEARNERS' TRUST
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REFERENCE AND ADMINISTRATIVE DETAILS

Members	K Walker I Powell J Rutherford D Blackburn
Trustees	L Wootton (resigned 20 July 2021) B Widdowson R Dale J Rutherford A Beighton (resigned 1 April 2021) S Welsh K Edwards J Monkhouse G Mizler (appointed 6 January 2021, resigned 3 September 2021) S Kench L Myers (appointed 1 August 2021) J Tanfield (appointed 20 August 2021) A Bembridge (appointed 1 September 2021) C Cheetham (appointed 1 September 2021) M Love (appointed 28 September 2021)
Company registered number	10224802
Company name	LEARNERS' Trust
Principal and registered office	Eckington Business Centre II 8 Gosber Street Eckington Sheffield S21 4DA
Executive Leadership Team	M Freeston, CEO and Accounting Officer F Cowell, Chief Operations Officer N Beeson, Chief Financial Officer (resigned 21 July 2021) C Dryer, Temporary CFO (appointed 1 January 2021) P Hickey, Trust Partner J Brookes, Trust Partner L Bird, Trust Partner
Independent auditor	Mazars LLP Chartered Accountants Park View House 58 The Ropewalk Nottingham NG1 5DW

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REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Solicitors	Howes Percival LLP Bell House Seebeck Place Knowlhill Milton Keynes MK5 8FR
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LEARNERS' TRUST
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

The Trustees present their Annual Report together with the financial statements and Auditor's Report of the charitable company for the period 1 September 2020 to 31 August 2021. The Annual Report serves the purposes of both a Trustees' Report, and a Directors' report under company law.

Structure, governance and management

a. Constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association (dated 8th June, 2016) are the primary governing documents of the Academy Trust. The trustees of LEARNERS' Trust are also the directors of the charitable company for the purpose of company law. The Charitable Company is known as LEARNERS' Trust.

Details of the trustees who serve during the year are included in this report.

The principle activities of the charitable company are to maintain, for the public benefit, a number of academies in accordance with the requirements of its Master Funding Agreement in place with the Education Funding Agency, in Primary education.

b. Members' liability

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

c. Trustees' indemnities

Subject to the provisions of the Companies Act, every trustee or other officer of the academy shall be indemnified out of the assets of the academy against any liability incurred by them in that capacity in defending any proceedings, whether civil or criminal, in which judgment is given in favour or in which they are acquitted or in connection with any application in which relief is granted to them by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Academy Trust.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Structure, governance and management (continued)

d. Method of recruitment and appointment or election of Trustees

The management of the Trust is the responsibility of the Trustees who are elected and appointed under the terms of the articles of association and funding agreement. The recruitment and succession planning of Trustees must match LEARNERS' Trust's vision for the next five years. The skills profile of the Board must reflect the governance needs of the Trust.

The following skills categories set out the broad range of skills, knowledge or prior experiences that is expected to be held across the Board:

1. Education Performance
2. Business
3. Governance
4. Human Resources
5. Legal
6. Financial
7. Asset Management
8. Communications, Marketing and PR
9. Developing Relationships

The LEARNERS' Trust Board requires its Trustees to have a broad range of skills and previous experiences in order to be effective in governance. The Board carries out a skills audit of Trustees annually to inform the recruitment process, using the categories above to inform decision making. The steps towards recruiting and appointing a new trustee are set out below:

1. Trustee Role Specification

A 'Roles and Responsibilities' document outlining the expectations of a LEARNERS' Trust Trustee is circulated to all potential candidates

2. Nominations

Nominations may be received from people outside LEARNERS' Trust but a member of the Board or trusted staff member will take over as nominator in this case so that each candidate is 'owned' by someone within the organisation. The nominator should be prepared to champion the candidate through the selection process, advocate for the candidate's fit with LEARNERS' Trust, coach the candidate, act as primary point of contact between LEARNERS' Trust and the candidate, and support contract signing and on-boarding.

3. Interview

Following an initial introductory discussion and informal CV review, one to one discussions with an Executive leadership team or Board member are intended to screen candidates who meet the appointment criteria. A decision will then be taken whether to progress the candidate to a final Chair/Board member discussion, following review of the candidate's suitability against the selection criteria and any skills gaps of the current Board.

4. Chair/Board member final interview

Prior to a formal decision on appointment to the Board all candidates will need a final interview with the Chair of the Board or designated Board member. This is to assess overall suitability to work well as part of the existing team of Trustees.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Structure, governance and management (continued)

5. Decision and appointment to LEARNERS' Board

The overall Board at the subsequent Board meeting provides final ratification of a potential appointment. Once this has been approved successful candidates can commence the LEARNERS' Trustee induction process. Members are also empowered to appoint Trustees by majority vote.

e. Policies adopted for the induction and training of Trustees

The Trustees have a vital role in our organisation. We aim to attract and retain people who have commitment, experience and the necessary skills to make a difference in the communities that we serve.

Training for the Trustees is recorded and delivered on 4 levels;

- There is a training element to each main meeting delivered in house
- External speakers deliver key elements, particularly covering statutory responsibilities
- This is supplemented by attendance at regional events
- Email alerts from National Bodies

f. Organisational structure

The Academy Trust has established a management structure to enable its efficient running. The structure consists of three levels: the Board Trustees, the Executive team who are the senior leadership team of the trust and the local boards of academies.

Trustees are responsible for setting policy, adopting an annual plan and budget approval, monitoring the impact of the trust on educational outcomes (including EYFS, KS1 and KS2 outcomes, and Ofsted outcomes), making major decisions about the direction of the Trust, oversight of capital expenditure and approval of senior staff appointments.

The leader (Executive Headteacher/ Headteacher) of each academy is directly responsible for its day to day running and is assisted by their senior leadership team. Local board members are responsible for implementing general policy, quality assurance and overseeing major decisions about the direction of the academy.

The Local Board is responsible for the implementation of the Trust approved scheme of delegation, which sets out the system of internal controls, responsibilities, and terms of reference. The Local Board should ensure that the policy is implemented at the point of conversion with on going reviews taking place.

The Chief Executive of the Trust assumes the role of the Accounting Officer. For the reporting period, the Executive Team include:

Matt Freeston – CEO and Accounting Officer
Frances Cowell – Chief Operations Officer
Neil Beeson – Financial Officer (resigned 21 July 2021)
Christopher Dryer – Temporary CFO (appointed 1 January 2021)
Phil Hickey – Trust Partner
Jonathan Brooks – Trust Partner
Lisa Bird – Trust Partner

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Structure, governance and management (continued)

LEARNERS' TRUST ACADEMIES

The LEARNERS' Trust includes the following academies, all of which have Local Boards (LGB's):

Ashgate Croft Special School (Converter)

Ashgate Road,
Chesterfield,
S40 4BN
Headteacher – Claire Jones

Brimington Manor Infant School (Converter)

Manor Road,
Brimington,
Chesterfield,
S43 1NT
Headteacher– Katie Dennis

Brimington Junior School (Converter)

Spring Vale Road,
Brimington,
Chesterfield,
S43 1HF
Headteacher – Nick Newberry

Brookfield Primary School (Converter)

The Hollow,
Derby,
DE3 0BW
Headteacher - Sian Mills

Catcliffe Primary School (Converter)

School Lane,
Catcliffe,
Rotherham,
S60 5SW
Headteacher - Jessica Singh

Chaddesden Park Primary School (Converter)

Carson Road
Chaddesden
Derby
DE21 6JW
Headteacher – Helen Smith

Eckington Junior School (Converter)

School Street,
Eckington,
Derbyshire,
S21 4FL
Headteacher – Yvette Cherry

LEARNERS' TRUST

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Structure, governance and management (continued)**Hodthorpe Primary School (Converter)**

Queen's Road,
Worksop,
S80 4UT

Headteacher – Nicola Fretwell

Holmehall Primary School (Converter)

Taddington Road,
Chesterfield,
S40 4RL

Headteacher – Jackie Littlechilids

High Greave Infant School (Converter)

High Greave Road,
East Herringthorpe,
Rotherham,
S65 3LZ

Headteacher– Rachel Taylor

High Greave Junior School (Converter)

High Greave Road,
East Herringthorpe,
Rotherham,
S65 3LZ

Headteacher – Joel Breedon

New Whittington Primary School (Sponsored)

London Street,
New Whittington,
Chesterfield,
S43 2AQ

Headteacher – Emma Tooley

Mary Swanwick Primary School (Converter)

Church Street North,
Old Whittington,
Chesterfield,
S41 9QW

Headteacher – Katie Parr

Old Hall Junior School (Converter)

Old Road,
Chesterfield,
S40 3QR

Headteacher – Sharon Stone

LEARNERS' TRUST
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TRUSTEES' REPORT (CONTINUED)
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Structure, governance and management (continued)

Somercotes Infant School (Sponsored)

Nottingham Road

Somercotes

Alfreton

Derbyshire

DE55 4LY

Headteacher – Sarah Gray

Somerlea Park Junior School (Sponsored)

Bank Street

Somercotes

Alfreton

Derbyshire

DE55 4JE

Headteacher – Helina Kirkup

Walton Holymoorside Primary School (Converter)

Holymoor Road,

Chesterfield,

S42 7DU

Headteacher – Jane Palmer-Coole

Westfield Infant School (Converter)

Vincent Crescent,

Chesterfield,

S40 3NW

Headteacher – Rachel Risorto

The Academy Trust operated 17 primary academies and 1 special school academy during the reporting period. Our academies have a combined pupil capacity of 4,078 and have a roll of 3180 in the school census in 4th October 2020

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

When considering and setting salary levels across the trust a clear set of principles were identified to ensure transparency.

All salaries in the Trust are benchmarked locally for locally paid job roles (for example teaching assistants) and nationally where national benchmarking comparators exist (for example teachers and headteachers).

During the next accounting period (Sept 2021 – Aug 2022) the Trust will continue to benchmark salaries and produce a benchmarked framework for remuneration of senior posts.

h. Trade union facility time

There were no relevant union officials during the relevant period and therefore no further information is provided in this report.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Structure, governance and management (continued)

i. Related Parties and other Connected Charities and Organisations

During the account period there were no related parties, connected charities or organisations. The Trust has developed and implemented a policy to cover related parties and other connected charities and organisations.

j. Engagement with employees (Section 172 Statement)

The Trustees provide employees with a wide range of information via the work of the central team connecting with schools. This information is shared in the form of presentations to schools, networks and individuals. Newsletters and email communications and network meetings keep all staff up to date with developments across the Trust.

Additionally, there are staff forums which take place three times per year and also opportunities for staff to complete questionnaires and engage in open conversations. These forums and opportunities to meet face to face all take account of staff voice, well-being and opportunities to have a say in the success of the Trust.

The outcomes of staffing surveys, school and Trust self-evaluations are shared at forum meetings and staff offered the opportunity to further suggest how performance might be improved.

Where changes are suggested that are likely to affect employee's interests, full consultation takes place. During the year the Trust has consulted with employees on catering arrangements and the approach to remote learning and in school systems for health and safety during the Covid-19 pandemic.

k. Employee involvement and employment of the disabled (Section 172 Statement)

Employees have been consulted on issues of concern to them by means of regular consultative committee and staff meetings and have been kept informed on specific matters directly by management. The Academy Trust carries out exit interviews for all staff leaving the organisation and has adopted a procedure of upward feedback for senior management and the Trustees.

The Academy Trust has implemented a number of detailed policies in relation to all aspects of personnel matters including:

- Equal opportunities policy
- Volunteers' policy
- Health & safety policy

In accordance with the Academy Trust's equal opportunities policy, the Academy Trust has long-established fair employment practices in the recruitment, selection, retention and training of disabled staff.

Full details of these policies are available from the Academy Trust's offices.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Structure, governance and management (continued)

I. Engagement with suppliers, customers and others in a business relation with the Trust (Section 172 Statement)

The Companies (Miscellaneous Reporting) Regulations 2018 introduce a requirement for large companies to include a statement in their directors' (trustees') report summarising how they have had regard to the need to foster the company's business relationship with suppliers, customers and others. The Charity Commission recommends that charitable companies also consider their relationship with other stakeholders – for example beneficiaries, funders and the wider community.

Objectives and activities

a. Objects and aims

The LEARNERS' trust has thought carefully about the world in which it operates. It acknowledges that in defining its 'why', 'how' and 'what' is helpful for internal and external stakeholders to connect with the work of the trust.

Our **why** is the purpose of the belief, focus or action.

Our **how** is the strategy to achieve the belief, focus or action.

Our **what** is the behaviour utilised to enact the strategy.

All organisations work simultaneously at different scales, when talking about these different magnifications we use the terms Macro, micro and minuscule. By using these terms, it allows us to see beyond the scope of the current discussion to the system, organisation and self-levels. This, therefore, allows us to see from the boardroom to classroom and from central services in the Trust to individual actions in schools.

We also believe that, in terms of working towards our why, how and what there are different levels of permanency. Our permanent, ever present why, how and what are detailed below. These are the core elements that drive the work of the Trust.

The descriptions below of our 'why', 'how' and 'what' define the work we are developing as a Trust. They are an aspiration, and we are always striving to achieve them. We ensure our 'why', 'how' and 'what' hold us to account for the work we do.

b. Mission, strategy and culture

Why do we exist? What is our mission?

- Our mission is to create choices and enrich lives by enabling the best learning experiences possible, provided through the best possible teaching
- Our first job is to support and extend learning for pupils to provide them with the skills and knowledge to make those choices
- Our second job is to make sure no child is ignored, no family is unsupported and no lives are wasted, by providing intervention at the earliest opportunity
- Our responsibility to education is to provide an environment where practitioners can collaborate, learn from each other, take risks and reflect.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Objectives and activities (continued)

How will we work? What is our strategy?

We will use the following strategies;

- Focus on creating capacity (time and resources) for schools
- Ensure support is agile, providing intervention at the earliest opportunity
- Support schools to employ and invest in the best educators for children
- Seek continuous improvement and disruptive innovation

What is our culture? What behaviours will underpin our journey?

Our community will be;

- Connected (sharing information openly, broadly and deliberately)
- Helpful (embracing servant leadership and use initiative to solve the problem)
- Organised (employing efficient strategies and trust colleagues to deliver)
- Informed (asking coaching questions to understand what is happening)
- Candid (disagreeing openly and compassionately)
- Effective (only retaining our best elements and looking for continuous improvement)
- Simple (avoiding complexity and increasing clarity)

c. Public benefit

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

Strategic report

Achievements and performance

As with many Trusts, this year has been a year like no other with the impact of COVID-19 and the associated control measures from February 2020 onwards. The Trust weathered the storm of the pandemic and were proud to be able to remain open, including during Bank Holidays and holiday dates, for vulnerable children and children of critical workers. Staff were placed on rota systems during lockdown and regular remote meetings were arranged to ensure the positive mental health and wellbeing of all staff.

Trust Partners supported schools throughout the pandemic and were effective support for headteachers and local boards and designed model communications, risk assessments and curriculum resources that schools adapted to their local circumstances. The deployment of iPads in each school were of enormous advantage enabling the Trust IT team to allocate devices to pupils learning at home and utilise a digital strategy for the benefits of pupils, families and schools.

Parents and children received regular communication through electronic portfolios and communication systems from staff and headteachers with exciting online resources funded through the DfE's COVID catch-up fund, to help keep progress going and pupils engaged in remote learning activities.

The development of the LEARNER library to enable pupils to read in the cloud has been invaluable to continue focusing our pupils' love of reading and they have been eagerly loaning e-books and audio books during the lockdown.

Staff across the Trust should be proud of their efforts and achievements, many of which have been praised by parents with incredibly positive feedback.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Strategic report (continued)

Achievements and performance (continued)

Despite the pandemic and significant challenges, school leaders have continued to make progress on their strategic priorities and across the Trust, we have seen significant improvements in the quality of provision for human resources, IT, buildings and curriculum. The Trust has supported schools in developing a Trust wide strategy for promoting a coaching culture for developing the quality of teaching and learning, purchasing resources to support instructional coaching for teachers and training and support for leaders in their implementation.

The Trust continues to place long term, sustainable solutions in place for all schools within and joining the Trust.

a. Key performance indicators

The LEARNERS' Trust has 5 KPIs. They are that all LEARNERS are;

- In a good or better school
- Taught by good and better educators
- Achieving outcomes that prepare them for their next stage of education
- Spiritually, morally, socially and culturally aware
- Receiving consistency of high expectation and wide opportunity

In previous years the Trust has used recognised school performance data compared to national averages to monitor the progress of its schools. However, due to COVID-19 this data and the national averages are not available with all external assessments cancelled by the DfE.

The Trust is therefore unable to provide any key performance data.

b. Review of activities

The Trust has had a very productive year and has worked strategically to develop systems and capacity in the following areas;

Strategic Vision

- The Trust has completed self evaluation and is aware of its development needs including the continued improvement of the board and succession planning.
- The Trust's strategic plan for the next 3-5 years is published on the website and reviewed at committee and full board meetings.

Governance

- The Board has had an external review of governance to support its strategic vision and development activity. The review identified a strong board that provides appropriate challenge, specifically in the area of finance, to the executive team.
- The Board of Trustees has grown in number and variety of skills. The committee structure is now fully functioning and provides effective challenge to the CEO and central team.
- The scheme of delegation has been further developed with improved clarity
- The Chair of the Trust has engaged in a national training scheme and leads the Board very effectively.
- The Trust offers model agendas, committee structures, a single clerking service and a full professional development offer to all schools' local boards.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Strategic report (continued)

Achievements and performance (continued)

Growth

- Although the Trust has not grown in size in the last academic year, growth is something that the Trust continues to aspire to and is working with the DfE and ESFA to generate the right conditions for future expansion.

Financial Stability

- Throughout the last year the Trust has been in a difficult position regarding the application of the financial strategy of the Trust. Financial information being shared with the board was inaccurate. Following identification of this by the accounting officer, the Trust notified the ESFA and this has led to detailed work with the ESFA to correct the personnel and operational errors.
- During the year the substantive CFO resigned and an interim CFO, approved by the ESFA, was appointed.
- The Trust has a new substantive Chief Finance officer starting in January 2022, three internally appointed Trust Business Managers and amended, robust procedures for financial monitoring that have been in place since March 2021.
- The Trust has engaged in an SRMA review to support this process and the review found that the Trust is producing compliant, accurate management accounts and is making good progress towards effective provision.
- The full amount of overspend in the Trust has all been tracked back to resources for schools and additional staffing during the pandemic. The Trust has found no illegal activity and although the information on spending was inaccurate, the spending was all for the benefit of the pupils.
- The Trust continues to focus on recovery from its financial position.

Operational Management

- The Trust has large complement of core policies which are in place in all academies.
- HR officers have;
 - Completed audits of HR and administrative functions across schools in the Trust
 - Negotiated a preferred supplier deal for the use of supply staff across the Trust
 - Adjusted HR policies to reflect the Trust working across different local authorities
- Successful SCA work has been completed in schools in the areas of health and safety, heating and roofing
- The Trust has tendered a single supplier for all building health and safety and repairs increasing value for money significantly
- The Trust has a single 5 year plan for its estate with significant investment in
- The Trust has driven cost down for catering, utilities, IT equipment and educational software
- Trust IT staff have rolled out the implementation of Office 365 cloud-based software, iPad deployments in all schools and have been a significant strength of the Trust during the pandemic

Reputational Management

- The Trust has engaged closely with all schools who show high levels of satisfaction
- Regular staff, parent and pupil levels of satisfaction are collated and responded to across the Trust

Quality Assurance Systems

- The Trust bespoke interactive risk register has been deployed effectively in all schools saving time, increasing clarity and identifying key areas of risk and strength for leadership and standards.
- The Trust has completed safeguarding audits in all schools and has identified areas for improvement.
- The use of electronic recording software for safeguarding has improved provision and consistency across schools in the Trust whilst also being able to share best practice.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Strategic report (continued)

Achievements and performance (continued)

Risk Management

- Trustees have challenged and reviewed the function operation of the Trust risk register and are satisfied that it provides effective highlights of risks for the Board to mitigate.

Talent Management

- We have had a number of staff completing middle and senior leadership training through the Teaching School Alliance and are confident that our 'grow your own' strategy is strong.
- We continue to work on the development of a Trust-wide talent management strategy increasing engagement for staff at all levels.

School Improvement

- The Trust continues to use expertise in schools to develop core 'shop windows' for schools to critique and implement – during the last year school have benefited from new structures in middle leadership, a plan for rapidly improving school performance and task-focused improvement systems.
- Behaviour and relationships remain a strength across all the schools in the Trust
- The Trust has focused on ensuring schools are very clear on their curriculum intent, leading to developing Trust wide resources for supporting the measurement of curriculum impact
- The central team have started a review of their effectiveness and are openly engaging in external reviews of the Trust's school improvement strategy

Collaborations

- A full collaboration calendar has been in operation across the Trust with staff at all levels joining together to develop policy, share ideas and network.
- During the pandemic the Trust also supported over 40 schools outside the Trust sharing resources and offering coaching support. The Trust also developed a review framework for remote learning provision which was shared nationally and utilised by many schools.

c. Investment policy and performance

A Trust Investment policy is fully implemented. Should any potential Investment opportunity arise this would be escalated to the Board for consideration. As of 31st August 2021, no investments have been held.

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TRUSTEES' REPORT (CONTINUED)
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Strategic report (continued)

Achievements and performance (continued)

d. Going concern

The Trust is currently in a cumulative surplus position of £50k within its unrestricted excluding pension reserves and fixed assets funds and is an increase of £320k when compared to the previous financial year. This is a significant improvement for the Trust who had experienced a reduction in cumulative unrestricted and restricted reserves excluding pension reserves and fixed asset funds of £695k in the previous year as a result of falling pupil numbers reducing core funding, whilst staffing costs had continued to increase.

The Trust has worked extremely hard over the past year to rectify the difficult financial situation that it was experiencing with a number of cost saving exercises being undertaken to ensure the future financial sustainability of the Trust. These included:

- Restricting spend on non-essential non-staffing costs such as building repairs and ICT spend;
- Negotiating a new catering contract reducing costs for all schools;
- Renegotiated leasing terms reducing costs for all schools;
- A new, more cost efficient and effective website provider;
- Staffing structures being reviewed across all schools and the central account, utilising Integrated Curriculum Financial Planning techniques to ensure that these are fit for purpose as well as aligning with and being prepared for any further reduction in pupil numbers in several schools;
- Reducing staffing costs where appropriate either by not renewing temporary contracts or undertaking staffing restructures;
- Introducing more effective, accurate and timely financial reporting to enable the Trust to be proactive in its financial management; and
- Further development of the Trust's community funding strategy reducing the risk of untargeted spending and increasing collaborative buying power for, for example, curriculum resources to tackle remote learning requirements.

Whilst significant gains have been made and the Trust are proud of these achievements, the Trust also appreciates that further work is required and have set itself a target of achieving unrestricted and restricted reserves excluding pension reserves and fixed asset funds to equate to 3% of total revenue income by 31 August 2023. This would return the Trust to a strong and sustainable financial position with sufficient contingency to manage any future uncertainties or unexpected events. Plans are in motion to achieve this target which further utilises the benefits of an Integrated Curriculum Financial Planning model to ensure that costs are aligned with both the needs of the school achieving value for money but also benchmarks for future financial sustainability.

The majority of the income received by the Trust is in the form of government grants provided by the Department of Education (DfE) via the Education and Skills Funding Agency (ESFA). This reduces the risks associated to other fundraising activities where there would be financial uncertainties as a result of COVID 19 and associated control measures, such as catering income and extended school fees. The future impact on these income streams is unknown and therefore impossible to predict. It is an area the Trust Board will monitor on a regular basis over the coming 12 months and the Trust will work closely with staff and external suppliers to address these uncertainties where possible. Another key area of financial uncertainty is staff absence due to COVID 19 and staff absence insurance has been put in place for Teachers to address this concern.

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that each academy has adequate resources to continue in operational existence for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing the financial statements.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Strategic report (continued)

Achievements and performance (continued)

e. Promoting the Success of the Company (Section 172 Statement)

The Trust has performed its duty under section 172 (1) (a) to (f) of the companies act. Trustees have a clear regard to perform their duty to promote the success of the company for public benefit, which include having regard to the public.

Our Board considers it crucial that the Company maintains a reputation for high standards of business conduct. The Board is responsible for setting, monitoring and upholding the mission, strategy, culture, standards, ethics and reputation of the Company to ensure that our obligations to our pupils, employees, customers and others are met. The central team drives the embedding of the desired culture throughout the organisation. The Board monitors adherence to our policies and compliance with local corporate governance requirements across the Trust and is committed to acting where our practice falls short of the standards we expect. This relentless desire for our culture to lead to continuing high standards ensures we will act fairly on all fronts and dealing with employees, pupils, families and suppliers.

Our Board is also focused on the wider social context within which we operate, including those issues related to climate change which are of fundamental importance to the planet's well-being.

Financial review

The vast majority of the Academy Trust's income is obtained from the Education Funding Agency (EFA) in the form of revenue and capital grants, the use of which is restricted to particular purposes. The grants received from the EFA during the 12 month period ended 31 August 2021 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

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

Incoming resources during the year ended 31 August 2021 totalled £24,174k and provided a deficit of £2,310k before transfers and other recognized gains and losses.

At 31 August 2021 the net book value of fixed assets was £31,209k. The assets were used exclusively for providing education and the associated support services to the pupil of the Trust.

Under the Charities SORP, it is necessary to charge projected deficits on the Local Government Pension Scheme, which is provided to support staff, to a restricted fund. This results in reducing reserves shown in the total funds of the Academy Trust. It should be noted that this does not present the Academy with any current liquidity problem.

The temporary Chief Finance Officer has subsequently been reviewing the financial processes and controls. One of the key changes made is to the monthly reporting process to improve the accuracy of information being provided to Trustees and Senior Leaders.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Strategic report (continued)

Within the reserves policy users should note that, because of accounting for Local Government Pension Scheme (LGPS), the academy recognises a significant pension fund deficit totalling £19,285k. This deficit is included in restricted funds. This does not lead to an immediate liability for this amount. Similarly, if there was a pension surplus included in the restricted funds this would not create an immediately realisable asset that can be released straight away and expended for the specific purpose of that fund.

The presence of a pension deficit will generally result in a cash flow effect for the Academy Trust in the form of an increase in employer's pension contributions over a period of years. The Trust is confident it can meet the increase in contribution levels and this has been factored into future financial plans.

a. Principal risks and uncertainties

Like all other Multi Academy Trusts, the LEARNERS' Trust is operating through a continuing period of uncertainty regarding future funding, both locally and nationally. The Academy Trust is exposed to a number of financial risks including credit, cashflow and liquidity risks.

Given the Academy's exposure to financial instruments being limited, the exposure principally relates to bank balances, cash and trade creditors, with limited trade (and other) debtors. The academy's system of internal controls ensures risk is minimal in these areas.

A trust risk register has been implemented and is updated and reviewed regularly. Where appropriate, systems or procedures have been established to mitigate the risks each academy faces.

It should also be noted that procedures are in place to ensure compliance with health and safety of staff and pupils.

b. Fundraising

Funding for the operation and activities of the schools is provided in the main by Government or other grants. There are minimal fundraising activities carried out and are minor in nature and carried out within the schools' community to raise funds for an activity within the schools. The academy trust does not use any external fundraisers. All fundraising undertaken during the year was monitored by the Trustees.

c. Reserves policy

For the year ended 31 August 2021 the Trust set a reserve policy with a specific value of for the level of uncommitted revenue reserves available for unexpected operational expenses that should be held for the Trust as a whole. In this policy, the value of uncommitted revenue reserves for the Trust should equate to 3% of total revenue income for the entire Trust. This policy was set based on a review that encompassed identifying the nature of income and expenditure streams and the need to match income with commitments. Trustees take into consideration the future plan of the Trust in accordance with its 3 yearly budget plans, the uncertainty over future income streams and any other key risks identified during the risk review.

The Trust currently holds restricted fund reserves of £Nil, unrestricted fund reserves of £50k, fixed asset reserves of £31,761k, which can only be released by disposing of tangible assets and a pension reserve deficit of £19,285k. The total uncommitted revenue reserves for the Trust were £50k and equates to 0.2% of total revenue income. This falls significantly short of the Trust's reserves policy. The shortfall in reserves is due to historical factors pre-1 September 2020 which the Trust are working hard on resolving. The Trust aims to meet its reserves policy by the end of the 2022-23 financial year.

LEARNERS' TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Streamlined energy and carbon reporting

UK energy use and associated greenhouse gas emissions

Annual energy usage and associated annual greenhouse gas ("GHG") emissions are reported pursuant to the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 ("the 2018 Regulations") that came into force 1 April 2019.

Organisational boundary

In accordance with the 2018 Regulations, the energy use and associated greenhouse gas emissions are for those within the UK only for all assets that come under an operational control boundary. This includes all 18 schools controlled during the reporting period along with minibuses and personal vehicles used for business mileage ("grey fleet").

Reporting period

The annual reporting period is 1 September to 31 August each year and the energy and carbon emissions are aligned to this period.

Quantification and reporting methodology

The 2019 UK Government Environmental Reporting Guidelines and the GHG Protocol Corporate Accounting and Reporting Standard (revised edition) were followed. The 2020 UK Government GHG Conversion Factors for Company Reporting were used in emission calculations. The report has been reviewed independently by Briar Consulting Engineers Limited.

The electricity and gas consumption records were compiled from invoices with missing periods estimated using the pro-rata method. Mileage records were used to calculate energy use and emissions associated with minibuses and grey fleet. Generally gross calorific values were used except for grey fleet mileage energy calculations as per Government GHG Conversion Factors.

The associated emissions are divided into mandatory and voluntary emissions according to the 2018 Regulations, then further divided into the direct combustion of fuels and the operation of facilities (scope 1), indirect emissions from purchased electricity (scope 2) and further indirect emissions that occur as a consequence of Trust activities (scope 3).

LEARNERS' TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Streamlined energy and carbon reporting (continued)

The Academy Trust's greenhouse gas emissions and energy consumption are as follows:

	2021	2020
Energy consumption breakdown (kWh):		
Gas	4,835,002	3,940,377
Electricity	1,131,958	1,057,266
Transport fuel	-	82,877
Scope 1 emissions (in tonnes of CO2 equivalent):		
Gas consumption	886	725
Owned transport	-	1
Total scope 1	<u>886</u>	<u>726</u>
Scope 2 emissions (in tonnes of CO2 equivalent):		
Purchased electricity	<u>240</u>	<u>247</u>
Scope 3 emissions (in tonnes of CO2 equivalent):		
Business travel in employee-owned or rental vehicles	<u>-</u>	<u>20</u>
Total gross emissions (in tonnes of CO2 equivalent):	<u>1,126</u>	<u>993</u>
Intensity ratio:		
Tonnes of CO2 equivalent per pupil	<u>0.320</u>	<u>0.270</u>

Intensity measurement

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

Measures taken to improve efficiency

- We are looking to move all our servers to the cloud by August 2022.
- We are looking to do energy audit in our academy and understand the actions we need to take to reduce our carbon footprint.
- We are looking at LED lighting across the Trust.

LEARNERS' TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Plans for future periods

Future developments

The Trust action plan has been reviewed and includes;

Strategic Vision

- Further development of the Board's vision and strategic priorities for the next 3-5 years

Governance

- Increasing the opportunity for staff across the Trust to be aware of Trustees and their work

Growth

- To develop solid conditions for the future growth of the Trust

Financial Stability

- Financial recovery in line with the ESFA's requirements
- To ensure robust processes and systems are in place to manage the financial operations of the Trust, ensuring that these align with the highest of standards and expectations
- To grow the Trust reserves to match the aspiration of the Reserves Policy
- Minimise expenditure in the areas of utilities and facilities services
- Maximise income generation
- Continuing to make use of procurement frameworks
- Fully imbed integrated curriculum financial planning as a tool to help ensure the future financial stability of the Trust and its constituent schools.

Operational Management

- Further develop the use of centrally produced data and analytics for schools and the Trust to aid decision making
- Increase the quality and reputation of catering services across the Trust
- To continue planning the Trust's strategy supporting environmental responsibility and excellence

Reputational Management

- The Trust is to produce outward facing documentation that clearly describes the work of the Trust and celebrate success
- The Trust is to look for opportunities to celebrate the practices and achievements that reflect the organisation's values

Quality Assurance Systems

- Continuing improvement in the intelligent analysis of centralised data, so that the Trust can be increasingly effective in proactively providing support and challenge that is carefully tailored to each academy's needs

Risk Management

- Continue to develop and refine the Trust's innovative risk management tool

Talent Management

- To develop an explicit talent management programme, bringing together the current work done to support staff under one clear and concise strategy document

School Improvement

- Complete work on supporting all schools' policy and practice for curriculum intent, implementation and impact
- To ensure the Trust strikes the right balance between quality assurance and operational improvement

LEARNERS' TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Plans for future periods (continued)

Collaborations

- Further develop collective responsibility for each school and all pupils across the Trust
- Further collaborations with strategic partners including partnership in the newly announced Teaching School Hubs

Disclosure of information to auditor

Insofar as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware, and
- that 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.

Auditor

The auditor, Mazars LLP, has indicated his willingness to continue in office. The designated Trustees will propose a motion reappointing the auditor at a meeting of the Trustees.

The Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on Dec 21, 2021 and signed on its behalf by:



.....
J Rutherford
Chair of Trustees

LEARNERS' TRUST

(A Company Limited by Guarantee)

GOVERNANCE STATEMENT

Scope of responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that LEARNERS' 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 chief executive, 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 LEARNERS' 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 Trust Board has formally met 6 times during the year. During the pandemic the board met virtually and this did not disrupt the schedule of activity.

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

Trustee	Meetings attended	Out of a possible
L Wootton (resigned 20 July 2021)	6	6
B Widdowson	4	6
R Dale	4	6
J Rutherford	6	6
A Beighton (resigned 1 April 2021)	2	2
S Welsh	6	6
K Edwards	3	6
J Monkhouse	6	6
G Mizler (appointed 6 January 2021, resigned 3 September 2021)	4	5
S Kench	4	6

On an annual basis Trustees undertake a skills audit to self-evaluation the effectiveness of the governance structure and to highlight any additional skills required. Upon completion of this self-evaluation the Trustees were confident that the existing governing structure had the necessary skills required to support the Trust but agreed to aim to recruit some additional legal and HR expertise. Throughout the year the schedule of activity for Trustees has been developed to ensure all information and required reporting is shared with the board, and the induction process for new Trustees has been developed and implemented.

LEARNERS' TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

The leadership and management committee is a sub-committee of the main Trust Board. It is responsible for all financial matters of the Trust, operational effectiveness, reputation management and talent management. Terms of reference have been approved by the Board which detail delegations and these sit alongside the Scheme of Delegation which details responsibilities at all levels.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
J Rutherford	4	4
L Wootton (resigned 20 July 2021)	4	4
B Widdowson	3	4
J Monkhouse	4	4
A Beighton (resigned 1 April 2021)	2	2
S Welsh	3	4
S Kench	3	4
R Dale	4	4

The standards committee is a sub-committee of the main Trust Board. It is responsible for all standards related matters of the Trust, including school improvement, collaborations and school performance. Terms of reference have been approved by the Board which detail delegations and these sit alongside the Scheme of Delegation which details responsibilities at all levels.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
J Rutherford	2	2
K Edwards	1	2
L Wootton (resigned 20 July 2021)	2	2
J Monkhouse	1	2
S Welsh	2	2
S Kench	2	2
B Widdowson	1	2
R Dale	2	2
A Beighton (resigned 1 April 2021)	1	1

LEARNERS' TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Review of value for money

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

The Accounting Officer considers how the Trust's use of its resources has provided good value for money during each academic year, and reports to the Board of Trustees where value for money can be improved, including the use of benchmarking data where available.

The Accounting Officer for the Trust has delivered improved value for money during the year in the following ways:

- Negotiating favourable rates for financial, human resources and facilities services across the Trust
- Has re-negotiated photocopier rental contracts providing better value for money across the trust
- Educational outcomes have been maintained during the pandemic and excelled in light of the difficult circumstances

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 Archway Learning Trust for the year 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the year 1 September 2020 to 31 August 2021 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 Leadership and Management 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

LEARNERS' TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework (continued)

The Board of Trustees has considered the need for a specific internal audit function and during the period has appointed Haines Watts to perform the role. Formal reports are issued to the executive leadership team and Board for review and consideration.

The role includes giving recommendations on financial matters and performing a range of checks on the Trust's financial systems and operations. The reports to the Board of Trustees are on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

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

- Testing of governance
- Testing of risk management
- Testing of key financial controls

The Board can confirm that the internal auditor has delivered their schedule of work as planned during the year, although the report was delayed due to the COVID-19 pandemic. They have provided details of any material control issues arising as a result of their work.

Review of effectiveness

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

- the work of the temporary CFO;
- the work of the internal auditor;
- the work of the external auditor;
- an SRMA visit from the ESFA;
- a review of governance by a NLG
- close review and work with the ESFA
- the financial management and governance self-assessment process;
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.


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

Approved by order of the members of the Board of Trustees and signed on their behalf by:



.....
J Rutherford
Chair of Trustees

Date: Dec 21, 2021


Matt Freeston (Dec 21, 2021 11:33 GMT)

.....
M Freeston
Accounting Officer

Date: Dec 21, 2021


LEARNERS' TRUST
(A Company Limited by Guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of LEARNERS' Trust I have considered my responsibility to notify the Academy Trust board of Trustees and the Education & Skills Funding Agency ('the ESFA') of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy Trust, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2020.

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

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


Matt Freeston (Dec 21, 2021 11:33 GMT)

.....
M Freeston
Accounting Officer

Date: Dec 21, 2021

LEARNERS' TRUST

(A Company Limited by Guarantee)

**STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2021**

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

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



.....
J Rutherford
Chair of Trustees

Date: Dec 21, 2021

LEARNERS' TRUST
(A Company Limited by Guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
LEARNERS' TRUST**

Opinion

We have audited the financial statements of LEARNERS' Trust (the 'Academy Trust') for the year ended 31 August 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice), Accounting and Reporting by Charities; Statement of Recommended Practice applicable to Charities (Charities SORP 2019) and the Academies Accounts Direction 2020 to 2021 issued by the Education & Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy Trust's affairs as at 31 August 2021 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, the Charities SORP 2019 and Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

Basis for opinion

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

Material uncertainty related to going concern

We draw attention to note 1.2 in the financial statements, which sets out the reasons for the Trust's current financial position and the plans in place to address them. These events or conditions, along with the other matters as set forth in note 1.2, indicate that a material uncertainty exists that may cast significant doubt on the Academy Trust's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

LEARNERS' TRUST
(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF LEARNERS' TRUST (CONTINUED)

Other information

The other information comprises the information included in the Annual Report, other than the financial statements and our Auditor's Report thereon. The Trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report including the incorporated Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- 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 our knowledge and understanding of the Academy Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report including the 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 financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

LEARNERS' TRUST
(A Company Limited by Guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
LEARNERS' TRUST (CONTINUED)**

Responsibilities of Trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 27, the Trustees (who are also the directors of the Academy Trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Academy Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Academy Trust or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Based on our understanding of the Academy Trust and its industry, we identified that the principal risks of non-compliance with laws and regulations related to the funding agreement with the Department of Education, UK tax legislation, pensions legislation, employment regulation and health and safety regulation, anti-bribery, corruption and fraud, money laundering, non-compliance with implementation of government support schemes relating to COVID-19, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, such as the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021.

We evaluated the Trustees' and management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates and significant one-off or unusual transactions.

Our audit procedures were designed to respond to those identified risks, including non-compliance with laws and regulations (irregularities) and fraud that are material to the financial statements. Our audit procedures included but were not limited to:

- Discussing with the directors and management their policies and procedures regarding compliance with laws and regulations;
- Communicating identified laws and regulations throughout our engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the company which were contrary to applicable laws and regulations, including fraud.

LEARNERS' TRUST
(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF LEARNERS' TRUST (CONTINUED)

Auditor's responsibilities for the audit of the financial statements (continued)

Our audit procedures in relation to fraud included but were not limited to:


- Making enquiries of the Trustees and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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

Use of the audit report

This report is made solely to the Academy Trust's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Academy Trust's members those matters we are required to state to them in an 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 Academy Trust and its members, as a body, for our audit work, for this report, or for the opinions we have formed.


David Hoose (Dec 21, 2021 16:48 GMT)

David Hoose (Senior Statutory Auditor)
for and on behalf of
Mazars LLP

Chartered Accountants
Statutory Auditor

Park View House
58 The Ropewalk
Nottingham
NG1 5DW

Date: Dec 21, 2021

LEARNERS' TRUST

(A Company Limited by Guarantee)

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

In accordance with the terms of our engagement letter dated 14 September 2021 and further to the requirements of the Education and Skills Funding Agency (the ESFA) as included in the extant Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by LEARNERS' Trust during the year 1 September 2020 to 31 August 2021 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 LEARNERS' Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to LEARNERS' Trust and the 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 LEARNERS' Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of LEARNERS' Trust's Accounting Officer and the Reporting Accountant

The Accounting Officer is responsible, under the requirements of LEARNERS' Trust's funding agreement with the Secretary of State for Education dated 1 July 2016 and the Academies Financial Handbook, extant from 1 September 2020, 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 extant Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2020 to 31 August 2021 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 Framework and Guide for External Auditors and Reporting Accountant of Academy Trusts issued by the 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:


- Planning our assurance procedures including identifying key risks;
- Carrying out sample testing on controls;
- Carrying out substantive testing including analytical review; and
- Concluding on procedures carried out.

LEARNERS' TRUST
(A Company Limited by Guarantee)

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

Conclusion

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2020 to 31 August 2021 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.


Mazars (Dec 21, 2021 16:48 GMT)

Mazars LLP
Chartered Accountants
Statutory Auditor

Park View House
58 The Ropewalk
Nottingham
NG1 5DW

Date: Dec 21, 2021

LEARNERS' TRUST
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2021

		Unrestricted funds 2021 £000	Restricted funds 2021 £000	Restricted fixed asset funds 2021 £000	Total funds 2021 £000	Total funds 2020 £000
	Note					
Income from:						
Donations and capital grants:	3					
Transfer on conversion from local authority		-	-	-	-	853
Other donations and capital grants		116	-	741	857	731
Charitable activities	4	275	22,945	-	23,220	21,873
Other trading activities	5	97	-	-	97	251
Investments	6	-	-	-	-	1
Total income		488	22,945	741	24,174	23,709
Expenditure on:						
Raising funds	7	37	-	-	37	166
Charitable activities	8	301	24,363	1,783	26,447	26,133
Total expenditure		338	24,363	1,783	26,484	26,299
Net expenditure		150	(1,418)	(1,042)	(2,310)	(2,590)

LEARNERS' TRUST
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
(CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

		Unrestricted funds 2021 £000	Restricted funds 2021 £000	Restricted fixed asset funds 2021 £000	Total funds 2021 £000	Total funds 2020 £000
	Note					
Net expenditure brought forward		150	(1,418)	(1,042)	(2,310)	(2,590)
Transfers between funds	19	(100)	100	-	-	-
Net movement in funds before other recognised (losses)/gains		50	(1,318)	(1,042)	(2,310)	(2,590)
Other recognised (losses)/gains:						
Actuarial (losses)/gains on defined benefit pension schemes	27	-	(3,935)	-	(3,935)	384
Net movement in funds		50	(5,253)	(1,042)	(6,245)	(2,206)
Reconciliation of funds:						
Total funds brought forward		-	(14,032)	32,803	18,771	20,977
Net movement in funds		50	(5,253)	(1,042)	(6,245)	(2,206)
Total funds carried forward		50	(19,285)	31,761	12,526	18,771

LEARNERS' TRUST
(A Company Limited by Guarantee)
REGISTERED NUMBER: 10224802

BALANCE SHEET
AS AT 31 AUGUST 2021

	Note	2021 £000	2020 £000
Fixed assets			
Intangible assets	14	5	7
Tangible assets	15	31,204	32,088
		<u>31,209</u>	<u>32,095</u>
Current assets			
Debtors	16	757	791
Cash at bank and in hand	24	1,417	1,202
		<u>2,174</u>	<u>1,993</u>
Creditors: Amounts falling due within one year	17	(1,481)	(1,444)
Net current assets		<u>693</u>	<u>549</u>
Total assets less current liabilities		<u>31,902</u>	<u>32,644</u>
Creditors: Amounts falling due after more than one year	18	(91)	(111)
Net assets excluding pension liability		<u>31,811</u>	<u>32,533</u>
Defined benefit pension scheme liability	27	(19,285)	(13,762)
Total net assets		<u><u>12,526</u></u>	<u><u>18,771</u></u>
Funds of the Academy Trust			
Restricted funds:			
Fixed asset funds	19	31,761	32,803
Restricted income funds	19	-	(270)
		<u>31,761</u>	<u>32,533</u>
Restricted funds excluding pension liability	19	31,761	32,533
Pension reserve	19	(19,285)	(13,762)
Total restricted funds	19	<u>12,476</u>	<u>18,771</u>
Unrestricted income funds	19	<u>50</u>	<u>-</u>
Total funds		<u><u>12,526</u></u>	<u><u>18,771</u></u>

LEARNERS' TRUST
(A Company Limited by Guarantee)
REGISTERED NUMBER: 10224802

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2021

The financial statements on pages 34 to 71 were approved and authorised for issue by the Trustees and are signed on their behalf, by:



.....
J Rutherford
Chair of Trustees

Date: Dec 21, 2021

The notes on pages 39 to 71 form part of these financial statements.

LEARNERS' TRUST
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2021

	Note	2021 £000	2020 £000
Cash flows from operating activities			
Net cash used in operating activities	21	(513)	(650)
Cash flows from investing activities	23	741	648
Cash flows from financing activities	22	(13)	(2)
Change in cash and cash equivalents in the year		215	(4)
Cash and cash equivalents at the beginning of the year		1,202	1,206
Cash and cash equivalents at the end of the year	24, 25	<u>1,417</u>	<u>1,202</u>

The notes on pages 39 to 71 form part of these financial statements.

LEARNERS' TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. Accounting policies

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

1.1 Basis of preparation of financial statements

The financial statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2020 to 2021 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

LEARNERS' Trust meets the definition of a public benefit entity under FRS 102.

1.2 Going concern

The Trust is currently in a cumulative surplus position of £50k within its unrestricted excluding pension reserves and fixed assets funds and is an increase of £320k when compared to the previous financial year. This is a significant improvement for the Trust who had experienced a reduction in cumulative unrestricted and restricted reserves excluding pension reserves and fixed asset funds of £695k in the previous year as a result of falling pupil numbers reducing core funding, whilst staffing costs had continued to increase.

The Trust has worked extremely hard over the past year to rectify the difficult financial situation that it was experiencing with a number of cost saving exercises being undertaken to ensure the future financial sustainability of the Trust. These included:

- Restricting spend on non-essential non-staffing costs such as building repairs and ICT spend;
- Negotiating a new catering contract reducing costs for all schools;
- Renegotiated leasing terms reducing costs for all schools;
- A new, more cost efficient and effective website provider;
- Staffing structures being reviewed across all schools and the central account, utilising Integrated Curriculum Financial Planning techniques to ensure that these are fit for purpose as well as aligning with and being prepared for any further reduction in pupil numbers in several schools;
- Reducing staffing costs where appropriate either by not renewing temporary contracts or undertaking staffing restructures;
- Introducing more effective, accurate and timely financial reporting to enable the Trust to be proactive in its financial management; and
- Further development of the Trust's community funding strategy reducing the risk of untargeted spending and increasing collaborative buying power for, for example, curriculum resources to tackle remote learning requirements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

1. Accounting policies (continued)

1.2 Going concern (continued)

Whilst significant gains have been made and the Trust are proud of these achievements, the Trust also appreciates that further work is required and have set itself a target of achieving unrestricted and restricted reserves excluding pension reserves and fixed asset funds to equate to 3% of total revenue income by 31 August 2023. This would return the Trust to a strong and sustainable financial position with sufficient contingency to manage any future uncertainties or unexpected events. Plans are in motion to achieve this target which further utilises the benefits of an Integrated Curriculum Financial Planning model to ensure that costs are aligned with both the needs of the school achieving value for money but also benchmarks for future financial sustainability.

The majority of the income received by the Trust is in the form of government grants provided by the Department of Education (DfE) via the Education and Skills Funding Agency (ESFA). This reduces the risks associated to other fundraising activities where there would be financial uncertainties as a result of COVID 19 and associated control measures, such as catering income and extended school fees. The future impact on these income streams is unknown and therefore impossible to predict. It is an area the Trust Board will monitor on a regular basis over the coming 12 months and the Trust will work closely with staff and external suppliers to address these uncertainties where possible. Another key area of financial uncertainty is staff absence due to COVID 19 and staff absence insurance has been put in place for Teachers to address this concern.

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that each academy has adequate resources to continue in operational existence for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing the financial statements.

1.3 Income

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

• Grants

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

General Annual Grant is recognised in full in the Statement of Financial Activities in the year for which it is receivable and any abatement in respect of the year is deducted from income and recognised as a liability.

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

• Donations

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. Accounting policies (continued)

1.3 Income (continued)

- **Other income**

Other income, including the hire of facilities, is recognised in the year it is receivable and to the extent the Academy Trust has provided the goods or services.

- **Transfer on conversion**

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

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

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

- **Expenditure on raising funds**

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. Accounting policies (continued)

1.5 Intangible assets

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

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

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

Amortisation is provided on the following basis:

Computer software	- 25 %
-------------------	--------

1.6 Tangible fixed assets

Assets costing £2,500 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

Depreciation is provided on the following bases:

Leasehold land	- 125 years
Leasehold buildings	- 35 years
Fixtures and fittings	- 5 years
Computer equipment	- 4 years

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

1.7 Liabilities

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. Accounting policies (continued)

1.8 Provisions

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

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

1.9 Leased Assets

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

1.10 Financial instruments

The Academy Trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Academy Trust and their measurement bases are as follows:

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 16. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 17 and 18. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.11 Taxation

The Academy Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Accordingly, the Academy Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by 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.

LEARNERS' TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. Accounting policies (continued)

1.12 Pensions

Retirement benefits to employees of the Academy Trust are provided by the Teachers' Pension Scheme ("TPS") and the Local Government Pension Scheme ("LGPS"). These are defined benefit schemes.

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

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

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

1.13 Agency arrangements

The Academy Trust acts as an agent in distributing 16-19 bursary funds from ESFA.

Payments received from ESFA and subsequent disbursements to students are excluded from the Statement of Financial Activities as the Academy Trust does not have control over the charitable application of the funds.

The Academy Trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the Statement of Financial Activities.

The funds received and paid, and any balances held are disclosed in note 31.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. Accounting policies (continued)

1.14 Fund accounting

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

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

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

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

2. Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 27, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2021. 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.

LEARNERS' TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

3. Income from donations and capital grants

	Unrestricted funds 2021 £000	Restricted funds 2021 £000	Restricted fixed asset funds 2021 £000	Total funds 2021 £000	Total funds 2020 £000
Donations					
Transfer on conversion from local authority	-	-	-	-	853
Donations	116	-	-	116	84
Capital Grants	-	-	741	741	647
Total 2021	116	-	741	857	1,584
Total 2020	81	3	1,500	1,584	

LEARNERS' TRUST
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

4. Funding for the Academy Trust's educational operations

	Unrestricted funds 2021 £000	Restricted funds 2021 £000	Total funds 2021 £000	Total funds 2020 £000
DfE/ESFA grants				
General Annual Grant (GAG)	-	15,696	15,696	15,021
Other DfE/ESFA grants				
Pupil Premium	-	1,506	1,506	1,488
Universal Infant Free School Meals	-	343	343	364
PE and Sports Grants	-	308	308	318
Teachers' Pay/Pension Grants	-	818	818	803
Others	-	148	148	104
	-	18,819	18,819	18,098
Other Government grants				
Local authority grants	-	3,274	3,274	2,691
Special educational projects	-	380	380	428
Other income from the Academy Trust's educational operations	275	182	457	656
	275	3,836	4,111	3,775
COVID-19 additional funding (DfE/ESFA)				
Catch-up Premium	-	290	290	-
	275	22,945	23,220	21,873
Total 2020	212	21,661	21,873	

The Academy Trust received £290k of funding for Catch Up Premium and costs incurred in respect of this funding totalled £290k.

Following the reclassification in the Academies Accounts Direction 2020/21 of some grants received from the Department of Education and ESFA, the Academy Trust's funding for Pupil Premium, Universal Infant Free School Meals, PE and Sports Grants and Teachers' Pay/Pension Grants is no longer reported under the Other DfE Group grants heading, but as separate lines under the Other DfE/ESFA grants heading. The prior year numbers have been reclassified.

LEARNERS' TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

5. Income from other trading activities

	Unrestricted funds 2021 £000	Restricted funds 2021 £000	Total funds 2021 £000	Total funds 2020 £000
Hire of facilities	89	-	89	54
Income from other charitable activities	8	-	8	197
Total 2021	97	-	97	251
Total 2020	210	41	251	

6. Investment income

	Unrestricted funds 2021 £000	Total funds 2021 £000	Total funds 2020 £000
Short term deposits	-	-	1
Total 2020	1	1	

LEARNERS' TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

7. Expenditure

	Staff Costs	Premises	Other	Total	Total
	2021	2021	2021	2021	2020
	£000	£000	£000	£000	£000
Expenditure on raising funds	-	-	37	37	166
Academy Trust's educational operations:					
Direct costs	16,115	774	808	17,697	17,976
Allocated support costs	3,887	2,136	2,727	8,750	8,157
Total 2021	20,002	2,910	3,572	26,484	26,299
Total 2020	19,396	2,643	4,260	26,299	

LEARNERS' TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

8. Charitable activities

	2021 £000	2020 £000
Direct costs - educational operations	17,697	17,976
Support costs - educational operations	8,750	8,157
	<u>26,447</u>	<u>26,133</u>
	2021 £000	2020 £000
Analysis of support costs		
Support staff costs	3,887	3,383
Depreciation	112	919
Technology costs	579	384
Premises costs	2,136	1,754
Legal costs - conversion	4	28
Other support costs	1,928	1,586
Governance costs	104	103
	<u>8,750</u>	<u>8,157</u>

9. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2021 £000	2020 £000
Operating lease rentals	288	241
Depreciation of tangible fixed assets	884	881
Amortisation of intangible assets	2	8
Fees paid to auditor for:		
- audit	29	28
- other services	15	15

LEARNERS' TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

10. Staff

a. Staff costs

Staff costs during the year were as follows:

	2021	2020
	£000	£000
Wages and salaries	13,481	13,676
Social security costs	1,283	1,182
Pension costs	4,780	4,320
	<hr/>	<hr/>
	19,544	19,178
	<hr/>	<hr/>
Agency staff costs	373	200
Staff restructuring costs	85	18
	<hr/>	<hr/>
	20,002	19,396
	<hr/>	<hr/>

Staff restructuring costs comprise:

	2021	2020
	£000	£000
Redundancy payments	58	18
Severance payments	27	-
	<hr/>	<hr/>
	85	18
	<hr/>	<hr/>

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

Included in staff restructuring costs is one non-statutory/non-contractual severance payments totalling £25k (2020 - £5k). Individually the payments were £5k, £4k, £10k, £2k, £2k, £2k.

LEARNERS' TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

10. Staff (continued)

c. Staff numbers

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

	2021 No.	2020 No.
Teachers	181	202
Administration and support	452	462
Management	39	24
	<u>672</u>	<u>688</u>

d. Higher paid staff

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

	2021 No.	2020 No.
In the band £60,001 - £70,000	12	8
In the band £70,001 - £80,000	4	2
In the band £80,001 - £90,000	1	-
In the band £90,001 - £100,000	1	1
In the band £130,001 - £140,000	1	1
	<u>1</u>	<u>1</u>

e. 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 and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £703k (2020 - £613k).

LEARNERS' TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

11. Central services

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

- Human resources
- Financial services
- Legal services
- Educational support services

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

Each academy within the Trust allocates up to a maximum of 5% of the GAG income budget for central services.

The actual amounts charged during the year were as follows:

	2021 £000	2020 £000
Catcliffe Primary School	42	42
High Greave Infant School	34	33
High Greave Junior School	44	41
Brimington Manor Infants School	18	19
Brimington Junior School	61	57
Eckington Junior School	34	34
Mary Swanwick Primary School	47	43
New Whittington School	58	55
Chaddesden Park Primary School	67	64
Somercoates Infants School	30	30
Somerlea Park Junior School	39	36
Ashgate Croft Special School	70	67
Brookfield Primary School	41	39
Hodthorpe Primary School	18	15
Holme Hall Primary School	31	30
Old Hall Junior School	48	45
Walton Holymoorside Primary School	65	61
Westfield Infant School	36	37
Total	783	748

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

12. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2020 - £Nil).

During the year ended 31 August 2021, travel expenses totalling £Nil were reimbursed or paid directly to Trustee (2020 - £Nil).

13. 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 unlimited cover. It is not possible to quantify the Trustees and officers indemnity element from the overall cost of the RPA scheme membership.

14. Intangible assets

	Computer Software £000
Cost	
At 1 September 2020	36
At 31 August 2021	<u>36</u>
Amortisation	
At 1 September 2020	29
Charge for the year	2
At 31 August 2021	<u>31</u>
Net book value	
At 31 August 2021	<u>5</u>
At 31 August 2020	<u>7</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

15. Tangible fixed assets

	Long-term leasehold property £000	Fixtures and fittings £000	Computer equipment £000	Total £000
Cost				
At 1 September 2020	34,026	131	24	34,181
At 31 August 2021	34,026	131	24	34,181
Depreciation				
At 1 September 2020	2,014	65	14	2,093
Charge for the year	853	27	4	884
At 31 August 2021	2,867	92	18	2,977
Net book value				
At 31 August 2021	31,159	39	6	31,204
At 31 August 2020	32,012	66	10	32,088

16. Debtors

	2021 £000	2020 £000
Due within one year		
Trade debtors	80	3
VAT recoverable	90	84
Prepayments and accrued income	587	704
	757	791

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

17. Creditors: Amounts falling due within one year

	2021	2020
	£000	£000
Other loans	23	16
Trade creditors	221	7
Other taxation and social security	287	249
Other creditors	332	345
Accruals and deferred income	618	827
	<u>1,481</u>	<u>1,444</u>
	2021	2020
	£000	£000
Deferred income at 1 September 2020	243	155
Resources deferred during the year	289	243
Amounts released from previous periods	(243)	(155)
	<u>289</u>	<u>243</u>

Deferred income consists of £176k (2020 - £223k) of Universal Infant Free School Meals, £Nil (2020 - £7k) of Bid writing income, £2k (2020 - £10k) of trip income, £Nil (2020 - £1k) of breakfast club income, £Nil (2020 - £2k) of donations, £20k (2020 - £Nil) of rates relief, £7k (2020 - £Nil) of Awards for all, £58k (2020 - £Nil) of CIF repayable, £1k (2020 - £Nil) of catering income, £5k (2020 - £Nil) of lettings income, £4k (2020 - £Nil) of council funding and £16k (2020 - £Nil) of nursery funding.

18. Creditors: Amounts falling due after more than one year

	2021	2020
	£000	£000
Other loans	<u>91</u>	<u>111</u>

Included within other loans is a loan of £91k from the ESFA under the Condition Improvement Fund. The loan is interest free, unsecured and repayable over 8 years via a General Annual Grant sacrifice.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

19. Statement of funds

	Balance at 1 September 2020 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2021 £000
Unrestricted funds						
General Funds	-	488	(338)	(100)	-	50
Restricted general funds						
General Annual Grant (GAG)	(270)	15,697	(15,527)	100	-	-
Pupil Premium	-	1,506	(1,506)	-	-	-
Universal Infant Free School Meals	-	343	(343)	-	-	-
PE & Sports Grant	-	308	(308)	-	-	-
Teachers Pay/ Pension Grants	-	818	(818)	-	-	-
Catch Up Premium	-	290	(290)	-	-	-
Other grants	-	3,983	(3,983)	-	-	-
Pension reserve	(13,762)	-	(1,588)	-	(3,935)	(19,285)
	(14,032)	22,945	(24,363)	100	(3,935)	(19,285)

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

	Balance at 1 September 2020 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2021 £000
Restricted fixed asset funds						
Transfer on conversion	31,453	-	(885)	-	-	30,568
DfE Group capital grants	1,224	741	(886)	-	-	1,079
Capital expenditure from GAG	126	-	(12)	-	-	114
	<u>32,803</u>	<u>741</u>	<u>(1,783)</u>	<u>-</u>	<u>-</u>	<u>31,761</u>
Total Restricted funds	<u>18,771</u>	<u>23,686</u>	<u>(26,146)</u>	<u>100</u>	<u>(3,935)</u>	<u>12,476</u>
Total funds	<u>18,771</u>	<u>24,174</u>	<u>(26,484)</u>	<u>-</u>	<u>(3,935)</u>	<u>12,526</u>

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

- Unrestricted funds represent those resources which may be used towards meeting any of the charitable objects of the academy at the discretion of the Trustees;
- Restricted funds (excluding pension and other restricted reserves) represent funds received from the Department for Education and is specifically spent on the running of the academy;
- Pension reserve represents the Local Government Pension Scheme liability;
- Other restricted reserve represents funds which are restricted by the donor including school trip income;
- Restricted fixed asset funds represent resources which are applied to specific capital purposes imposed by the Department for Education where the asset acquired or created is held for a specific purpose.

Transfers relate to utilising unrestricted funds to cover restricted deficits.

Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG it could carry forward at 31 August 2021.

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

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

	Balance at 1 September 2019 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2020 £000
Unrestricted funds						
General Funds	425	504	(420)	(509)	-	-
Restricted general funds						
General Annual Grant (GAG)	-	15,021	(15,773)	482	-	(270)
Pupil Premium	-	1,488	(1,488)	-	-	-
Universal Infant Free School Meals	-	364	(364)	-	-	-
PE & Sports Grant	-	318	(318)	-	-	-
Teachers Pay/ Pension Grants	-	803	(803)	-	-	-
Other grants	-	3,711	(3,711)	-	-	-
Pension reserve	(12,765)	-	(1,381)	-	384	(13,762)
	(12,765)	21,705	(23,838)	482	384	(14,032)

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19. Statement of funds (continued)

	Balance at 1 September 2019 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2020 £000
Restricted fixed asset funds						
Transfer on conversion	31,485	853	(885)	-	-	31,453
DfE Group capital grants	1,730	647	(1,153)	-	-	1,224
Capital expenditure from GAG	102	-	(3)	27	-	126
	<u>33,317</u>	<u>1,500</u>	<u>(2,041)</u>	<u>27</u>	<u>-</u>	<u>32,803</u>
Total Restricted funds	<u>20,552</u>	<u>23,205</u>	<u>(25,879)</u>	<u>509</u>	<u>384</u>	<u>18,771</u>
Total funds	<u>20,977</u>	<u>23,709</u>	<u>(26,299)</u>	<u>-</u>	<u>384</u>	<u>18,771</u>

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

Total funds analysis by academy

Fund balances at 31 August 2021 were allocated as follows:

	2021	2020
	£000	£000
Catcliffe Primary School	37	(21)
High Greave Infant School	(64)	-
High Greave Junior School	74	26
Brimington Manor Infants School	(71)	(65)
Brimington Junior School	37	40
Eckington Junior School	109	62
Mary Swanwick Primary School	(20)	(101)
New Whittington School	(69)	(76)
Chaddesden Park Primary School	32	(42)
Somercoates Infants School	106	30
Somerlea Park Junior School	19	21
Ashgate Croft Special School	516	373
Brookfield Primary School	(64)	26
Hodthorpe Primary School	3	(24)
Holme Hall Primary School	6	(4)
Old Hall Junior School	(5)	(11)
Walton Holymoorside Primary School	28	65
Westfield Infant School	(21)	30
Central	(603)	(599)
Total before fixed asset funds and pension reserve	50	(270)
Restricted fixed asset fund	31,761	32,803
Pension reserve	(19,285)	(13,762)
Total	12,526	18,771

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

The following academies are carrying a net deficit on their portion of the funds as follows:

	Deficit £000
High Greave Infant School	(64)
Brimington Manor Infants School	(71)
Mary Swanwick Primary School	(20)
New Whittington School	(69)
Brookfield Primary School	(64)
Old Hall Junior School	(5)
Westfield Infant School	(21)
Central	(603)

The Academy Trust is taking the following action to return the academies to surplus:

Schools

Each of the schools in the list above have experienced rising staffing costs which have outpaced increase in core funding or in some cases a reduction in core funding due to falling pupil numbers. At 31 August 2020 the combined funds of those schools in deficit amounted to £344k which led to the Trust undertaking full staffing and non-staffing expenditure reviews during 2020-21. Benchmarks were taken into account and, where necessary, temporary contracts have been halted and restructures of staffing took place. Several schools have also had natural changes in staffing which have meant reduced costings for salaries. In 2020-21 the combined funds of those schools in deficit amounts to £313k showing that some progress has been made. However, the full impact of the cost-saving processes undertaken by the Trust will not be felt until the end of the next financial year with the combined funds of those schools in deficit projecting to reduce further to a combined amount of £268k. The Trust is continually reviewing staffing and non-staffing expenditure in these schools with an aim for them to returned to balanced positions by 31 August 2023 where possible.

Central

With regards to the central account, a full review of spending was undertaken during the year and savings identified to return the central account to a balanced position as far as was reasonably possible. The staffing and service elements of the central structure continue to be utilised for the benefit of schools and as such from 1 September 2021 the top slice charge will be increased to 6.25% to ensure that these services are fully funded.

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

Total cost analysis by academy

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

	Teaching and educational support staff costs £000	Other support staff costs £000	Educational supplies £000	Other costs excluding depreciation £000	Total 2021 £000	Total 2020 £000
Catcliffe Primary	693	169	27	232	1,121	1,291
High Greave Infant	719	170	22	148	1,059	971
High Greave Junior	759	151	32	215	1,157	1,142
Brimington Manor Infants	283	91	20	101	495	483
Brimington Junior	1,072	260	53	200	1,585	1,513
Eckington Junior	563	140	38	118	859	953
Mary Swanwick Primary	806	224	40	170	1,240	1,236
New Whittington	1,207	230	67	238	1,742	1,798
Chaddesden Park Primary	1,343	275	45	228	1,891	1,914
Somercoates Infants	455	136	36	177	804	813
Somerlea Park Junior	634	124	35	202	995	933
Ashgate Croft Special School	2,731	786	124	331	3,972	3,630
Brookfield Primary	843	249	29	183	1,304	1,281
Hodthorpe Primary	289	53	21	83	446	459
Holme Hall Primary	525	93	44	161	823	840
Old Hall Junior	857	117	45	180	1,199	1,235
Walton Holymoorside Primary	1,230	190	56	258	1,734	1,778
Westfield Infant	675	127	25	167	994	976
Central	430	303	50	1,395	2,178	2,165
Academy Trust	16,114	3,888	809	4,787	25,598	25,411

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NOTES TO THE FINANCIAL STATEMENTS
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20. Analysis of net assets between funds

	Unrestricted funds 2021 £000	Restricted funds 2021 £000	Restricted fixed asset funds 2021 £000	Total funds 2021 £000
Tangible fixed assets	-	-	31,204	31,204
Intangible fixed assets	-	-	5	5
Current assets	50	1,572	552	2,174
Creditors due within one year	-	(1,481)	-	(1,481)
Creditors due in more than one year	-	(91)	-	(91)
Provisions for liabilities and charges	-	(19,285)	-	(19,285)
Total	50	(19,285)	31,761	12,526

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

	Restricted funds 2020 £000	Restricted fixed asset funds 2020 £000	Total funds 2020 £000
Tangible fixed assets	-	32,088	32,088
Intangible fixed assets	-	7	7
Current assets	1,285	708	1,993
Creditors due within one year	(1,444)	-	(1,444)
Creditors due in more than one year	(111)	-	(111)
Provisions for liabilities and charges	(13,762)	-	(13,762)
Total	(14,032)	32,803	18,771

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

21. Reconciliation of net expenditure to net cash flow from operating activities

	2021 £000	2020 £000
Net expenditure for the year (as per Statement of Financial Activities)	(2,310)	(2,590)
Adjustments for:		
Amortisation	2	8
Depreciation	884	881
Capital grants from DfE and other capital income	(741)	(647)
Interest receivable	-	(1)
Defined benefit pension scheme cost less contributions payable	1,346	1,136
Defined benefit pension scheme finance cost	242	245
Decrease in debtors	34	1,234
Increase/(decrease) in creditors	30	(63)
Net assets transferred on conversion from local authority	-	(853)
Net cash used in operating activities	(513)	(650)

22. Cash flows from financing activities

	2021 £000	2020 £000
Net Cash (outflows) / inflows from (repayment of) / new borrowings	(13)	(2)

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**NOTES TO THE FINANCIAL STATEMENTS
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23. Cash flows from investing activities

	2021 £000	2020 £000
Interest received	-	1
Capital grants from DfE Group	741	647
Net cash provided by investing activities	741	648

24. Analysis of cash and cash equivalents

	2021 £000	2020 £000
Cash in hand and at bank	1,417	1,202

25. Analysis of changes in net debt

	At 1 September 2020 £000	Cash flows £000	At 31 August 2021 £000
Cash at bank and in hand	1,202	215	1,417
Debt due within 1 year	(16)	(7)	(23)
Debt due after 1 year	(111)	20	(91)
	1,075	228	1,303

26. Capital commitments

	2021 £000	2020 £000
Contracted for, but not provided in the financial statements	15	-

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**NOTES TO THE FINANCIAL STATEMENTS
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27. Pension commitments

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

The latest actuarial valuation of the TPS related to the period ended 31 March 2016 and of the LGPS 31 March 2019.

Contributions amounting to £324k were payable to the schemes at 31 August 2021 (2020 - £318k) and are included within creditors.

Teachers' Pension Scheme

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

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

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the year amounted to £2,054k (2020 - £1,865k).

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.

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27. Pension commitments (continued)

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate Trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £1,455k (2020 - £1,412k), of which employer's contributions totalled £1,138k (2020 - £1,102k) and employees' contributions totalled £317k (2020 - £310k). The agreed contribution rates for future years are 21 per cent for employers and 5.5% to 7.5% per cent for employees.

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

Principal actuarial assumptions

	2021 %	2020 %
Rate of increase in salaries	3.60 - 4.05	2.90 - 3.55
Rate of increase for pensions in payment/inflation	2.80 - 2.90	2.20 - 2.40
Discount rate for scheme liabilities	1.70	1.70 - 1.80
Inflation assumption (CPI)	2.80 - 2.90	2.20 - 2.30

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

	2021 Years	2020 Years
Retiring today		
Males	21.3 - 22.5	21.6 - 22.4
Females	23.9 - 25.3	23.7 - 25.2
Retiring in 20 years		
Males	22.5 - 24.0	22.6 - 23.9
Females	25.8 - 27.2	25.1 - 27.1

Sensitivity analysis on the defined benefit obligation

	2021 £000	2020 £000
Discount rate - 0.1%	981	504
CPI rate +0.1%	885	520
Salary rate + 0.1%	134	226

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

Share of scheme assets

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

	2021	2020
	£000	£000
Equities	11,710	8,780
Gilts	306	246
Corporate bonds	3,927	3,109
Property	1,337	1,170
Cash	840	963
Other	463	286
Total market value of assets	18,583	14,554

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

	2021	2020
	£000	£000
Current service cost	(2,480)	(2,208)
Past service cost	-	(26)
Interest income	262	267
Interest cost	(504)	(512)
Administrative expenses	(4)	(4)
Total amount recognised in the Statement of Financial Activities	(2,726)	(2,483)

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

	2021	2020
	£000	£000
At 1 September	28,316	26,302
Current service cost	2,480	2,208
Interest cost	504	512
Employee contributions	317	310
Actuarial losses/(gains)	6,308	(1,141)
Benefits paid	(57)	99
Past service costs	-	26
At 31 August	37,868	28,316

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27. Pension commitments (continued)

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

	2021 £000	2020 £000
At 1 September	14,554	13,537
Interest income	262	267
Actuarial gains/(losses)	2,373	(757)
Employer contributions	1,138	1,102
Employee contributions	317	310
Benefits paid	(57)	99
Administrative expenses	(4)	(4)
At 31 August	18,583	14,554

28. Operating lease commitments

At 31 August 2021 the Academy Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2021 £000	2020 £000
Not later than 1 year	207	164
Later than 1 year and not later than 5 years	271	214
	478	378

29. Members' liability

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

NOTES TO THE FINANCIAL STATEMENTS
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30. Related party transactions

Owing to the nature of the Academy Trust and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the Trustees have an interest. The following related party transactions took place in the financial period.

Expenditure Related Party Transactions

R Freeston, spouse of M Freeston, the Accounting Officer, is employed by the Academy Trust as a teacher. R Freeston's appointment was made in open competition and M Freeston was not involved in the decision-making process regarding appointment. R Freeston is paid within the normal pay scale for her role and receives no special treatment as a result of her relationship to the Accounting Officer.

G Brookes, spouse of J Brookes, a member of the Executive Leadership Team, is employed by the Academy Trust as a teacher. G Brookes's appointment was made in open competition and J Brookes was not involved in the decision-making process regarding appointment. G Brookes is paid within the normal pay scale for her role and receives no special treatment as a result of her relationship to a member of the Executive Leadership Team.

K Welsh, spouse of S Welsh, a Trustee, is employed by the Academy Trust as a teacher. K Welsh's appointment was made in open competition and S Welsh was not involved in the decision-making process regarding appointment. K Welsh is paid within the normal pay scale for her role and receives no special treatment as a result of her relationship to a Trustee.

31. Agency arrangements

The Academy Trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ending 31 August 2021 the Academy Trust received £2k and disbursed £4k from the fund.

An amount of £Nil is included in other creditors relating to undistributed funds that is repayable to ESFA.