

LIFE Education Trust
(A Company Limited by Guarantee)

Annual Report and Financial Statements
For the year ended 31 August 2021

LIFE Education Trust

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LIFE Education Trust

Reference and Administrative Details

Members

Mrs T Burrowes-Cromwell (resigned 31/12/20)
Mr D Mansfield
Mr I Wigston
Mr T Elbourne
Ms M Murphy (appointed 1/1/21)

Trustees

Mrs T Burrowes-Cromwell (resigned 31/12/20)
Mr M Debens (resigned 31/12/20)
Mrs L Douglas (Chair)
Mr J R Dutnall, CEO
Mrs S Malik
Mrs M Cherry
Mr A Morgan
Mr R Bristow
Mr D Jefferys (appointed 01/01/21)
Mr P Tinsley (appointed 01/01/21)

Trust Executive Team:

CEO	Mr J R Dutnall
Director of Operations	Mrs D Broom
Director of Education	Mr I Gurman
Executive Assistant	Mrs K Hardy

School senior leadership teams:

The Frances Bardsley Academy for Girls

Executive Headteacher	Mr J R Dutnall
Joint Head of School	Mr D Turrell
Joint Head of School	Mrs E Darabasz
Vice Principal	Mr W Menlove
Vice Principal	Mr P Claydon
Assistant VP	Mrs K Loyal
Assistant VP	Mrs L Hebden
Business Manager	Mrs D Kilner (resigned 28/2/2021)
	Mr T Mercer (appointed 3/3/21)

Benhurst Primary School

Headteacher	Mr D Denchfield (resigned 31/10/20)
Acting Headteacher	Mrs K Hart (appointed 1/11/20)
Deputy Headteacher	Mrs K Hart
Assistant Headteacher	Mrs K Garratty
Assistant Headteacher	Mrs K Loyns

Dame Tipping Primary

Acting Head of School	Ms A Holmes (resigned 31/8/21)
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LIFE Education Trust Reference and Administrative Details

Margaretting Primary School

Executive Headteacher	Mrs M O'Regan
Acting Head of School	Ms M Bryan

Roxwell Primary School

Executive Headteacher	Mrs M O'Regan
Acting Assistant Head	Miss S Cotton

The Bridge

Head of School	Mrs T Cox
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Ford End

Acting Headteacher	Mrs M Rumsey (resigned 31/8/21)
Deputy Head	Mrs S Cottee

Principal and Registered Office	The Frances Bardsley Academy for Girls Brentwood Road Romford Essex RMI 2RR
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Company Registration Number	08102628 (England and Wales)
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Independent Auditor	Moore Kingston Smith LLP Devonshire House 60 Goswell Road London, EC1M 7AD
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Bankers	Lloyds Bank Plc 21-25 Station Lane Hornchurch Essex RM12 6JL
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Solicitors	DWF LLP Scott Place 2 Hardman Street Manchester M3 3AA
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LIFE Education Trust

Trustees Report for the year ended 31 August 2021

This is the annual report together with the financial statements and auditor's report of LIFE Education Trust, a charitable company, for the year 2020/21. This annual report serves the purposes of both a trustees' report, and a directors' report under company law.

During the period from 1st September 2020 to 31st August 2021 LIFE Education Trust operated Benhurst Primary School, Dame Tipping Voluntary Controlled Church of England Primary School, Margaretting Voluntary Controlled Church of England Primary School, Roxwell Primary School and The Frances Bardsley Academy for Girls as well as The Bridge Independent School for students with medical needs and mental health issues. Ford End VC Primary School joined the Trust on 1st December 2020. The Trust's academies have a combined pupil capacity of 2162 pupils and had a roll of 2192 in the school census during 2020.

Structure, Governance and Management

Constitution

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The trustees of LIFE Education Trust are also the directors of the charitable company for the purposes of company law. The charitable company operates as LIFE Education Trust. It also operated as Benhurst Primary School, Dame Tipping VC Primary School, Margaretting VC Primary School, Roxwell VC Primary School, The Frances Bardsley Academy for Girls, and The Bridge Independent School during the 2020/21 academic year. Ford End VC Primary School joined on 1st December 2020.

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

Members' Liability

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

Trustees' Indemnities

Subject to the provisions of the Companies Act, director or other officer of the trust shall be indemnified out of the assets of the trust 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.

Method of Recruitment and Appointment or Election of Trustees

The management of the Trust is the responsibility of the Directors who are elected and co-opted under the terms of the Articles of Association and funding agreement as follows:

- Up to 9 directors appointed by the Members including the CEO.

LIFE Education Trust Trustees Report for the year ended 31 August 2021

- Up to 3 Directors appointed by the Chelmsford Diocesan Education Trust provided that the total number of Directors appointed under this Article would not thereby exceed 25% of the total number of Directors.
- Up to two co-opted directors appointed by members.

The term of office for any director is 4 years. The CEO's term of office runs parallel with his term of appointment. Subject to remaining eligible to be a particular type of director, any director may be reappointed for a further term in accordance with the articles.

New trustees are appointed in accordance with the articles. Appointment follows a vacancy arising and is then based on a skills audit, receipt of biography or curriculum vitae and interview with an existing Board member to fill the existing skills gap.

Policies and Procedures Adopted for the Induction and Training of Trustees

All directors receive detailed induction which includes a meeting with the Chair, CEO and Clerk to the Board and detailed induction materials from the National Governance Association and Academy Ambassadors.

Organisational Structure

See appendix 1 for the organisational structure of the LIFE Education Trust. The governance structure was last approved by the Department for Education in April 2019 prior to the Trust being granted Sponsor status.

The CEO is the accounting officer in the Trust. The scheme of delegation that can be found on the Trust website sets out how decisions are made and the powers that are delegated to committees and individuals.

Arrangements for setting pay and remuneration of key management personnel

The Pay Policy for the Trust for 2020/21 highlights the arrangements by which the pay and remuneration of the academy's key management personnel is set and the way in which benchmarking and criteria is used. The Appraisal Policy outlines the systems and documentation used. These policies cover all Trust staff including head teachers and central Trust staff. An external advisor is used to support the process for all senior Executive staff. His report is received by the Trust Pay and Personnel Committee who have delegated authority to determine pay. A standard pro-forma for the setting of objectives is used throughout the Trust and the Blue Sky Content Management System enables easy completion, retention and access to key appraisal information. The pay and appraisal policies are available on request.

Trade union facility time

The Trust does not employ any trade union officials

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Related Parties and other Connected Charities and Organisations

The Trust, through Frances Bardsley Academy, is a member of the Havering Learning Partnership. This is a soft federation of 18 secondary schools and 2 colleges in the London Borough of Havering. The annual membership fee is £3,000 although no fee was collected for the 2020/21 academic year. There is no obligation on the Trust relating to membership but access is provided to a range of resources, meetings and activities for free or at a reduced rate.

Frances Bardsley Academy is also a member of the Association of State Girls Schools and the National Coalition of Girls Schools. The annual membership fee for each of these is £500 but confers no obligations on the Trust.

The Trust, through both Benhurst Primary School and Dame Tipping VC Primary School, is a member of two Havering Local Authority cluster groups. These are soft federations to which membership is free and they entail no obligation on the part of the Trust.

The Trust paid £480 to Graffham Consulting, of which Mrs Louise Douglas is a director, during 2020/21 for services related to Safeguarding Training. This price was well below the market value for the services provided.

The Trust acting as Dame Tipping VC Primary School, Margaretting VC Primary School and Roxwell VC Primary School paid £14,215 to Wild Child, a company wholly owned by Mrs Judith Dutnall, the wife of Mr Julian Dutnall, the Trust CEO and a director. Mrs Dutnall was interviewed by the Trust Director of Operations and Wild Child is paid a rate of £30 per hour per person which is below the agency rate for a teacher on the Upper Pay Range. This related party transaction was disclosed to the Pay and Personnel Committee and to the Board on 27 November 2018. Mr Dutnall is not involved in any correspondence, communication or decisions relating to the retention or management of Wild Child.

In 2019, the Trust joined the Confederation of School Trusts which is the national organisation and 'sector body' for school trusts in England advocating for, connecting and supporting executive and governance leaders. As a member of CST, we receive support for the whole executive team, the trustees and the trust board as a corporate entity. Bringing together school trusts in England from every region and of every size, CST has a strong strategic presence with access to government and policymakers to drive real change for education on the big issues that matter most. Their purpose is to help create an excellent education system in England and to hold trust on behalf of children.

Objectives and Activities

Objects and Aims

The principal object and activity of the Trust for 2020/21 is the operation of LIFE Education Trust to provide a broad and balanced education for pupils of all abilities in the Havering and Essex areas. The directors have referred to the guidance issued by the Charity Commission in respect of public benefit when reviewing the aims and objectives of the academy. In accordance with the articles of association approved by the Secretary of State for Education, the academy has adopted a scheme of delegation which has been accepted by the Department for Education.

LIFE Education Trust

Trustees Report for the year ended 31 August 2021

Objectives, Strategies and Activities

The Trust has undertaken self-evaluation activities involving all key stakeholders to correctly identify objectives for each year. The Three Year 2019/2022 Strategic Plan has three priorities: Performance, Structure and Growth. Within those priorities, there are five key areas:

- Achievement and Improvement
- Ethos
- Efficiency
- Collaboration
- Expansion

The main actions for achieving the objectives in the Trust priorities in 2020/21 were:

Achievement & Improvement

Set and monitor aspirational targets for every school for all headline progress and attainment measures in all key stages.
Create Pupil Premium action plans for all schools based on EEF evidence of successful practice and impact analysis of previous year with clear processes established for evaluation of impact and clear lines of accountability for delivery.
Hold disadvantaged pupil best practice conference for Trust leaders.
Set aspirational targets for attendance and persistent absence, at whole school and sub-group level. Create model of best practice folder.
Establish a Trust educational leadership structure which supports the achievement of high standards in all schools through: <ul style="list-style-type: none"> • clear lines of accountability • support for detailed data analysis • the introduction of robust quality assurance reviews which address all aspects of all schools • support for evidence based action planning.
Curriculum Intent folders in place for all schools.
Best practice schemes of work in place for literacy, maths, reading and religious education.
Cornerstones curriculum in place for Havering Primary schools.
School Development Plans include core priorities of the Trust Strategic Plan, including the Trust's beliefs, and are aligned to the new Ofsted Framework.
Peer review days in all Trust schools 2 years after previous inspection.

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Trustees Report for the year ended 31 August 2021

Ethos

Trust Vision, Mission, Beliefs and Behaviours embedded and visible in all schools.
All school values linked clearly to Trust ethos.
Ethos Healthcheck revised to focus on new ethos including community, spirituality and international foci.
Ensure social media outlets all identify and display key beliefs and examples from schools of individuals embodying those beliefs.
All schools have attained International School Award to at least Foundation Level.
All schools have at least one defined international project.
All schools have at least one international partner.
A Trust Joint International project for schools is in place.
Year 1 trip is evaluated and Year 2 trip with more participants takes place.
At least 50% of LIFE schools have international partners .
Dame Tipping has internal SIAMS review.
SIAMS folders in place for Dame Tipping, Margaretting and Roxwell aligned to new framework.
Publicise Trust internal promotions.
Introduce at least 3 new Trust posts for teachers outside SLT for whole Trust work.
Use extensive programme of activities at Wellbeing Centre at FBA for schools in Trust.
Ensure effective counselling support for pupils at all schools.
Create Trustwide approaches to supporting mental health.
Ensure pupils in all schools have opportunities to engage in local community activities.
Investigate ways of measuring the impact of schools on their communities.
Determine one Trust charity and ensure all schools have ways of supporting it.

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Efficiency

<p>Create Scenario planning documents for each of the next 3 years which inform percentage contribution and ensure financial viability.</p>
<p>Review and revise schemes of delegation in line with changing school and Trust structures.</p>
<p>Establish and maintain the Trust core offer and range of additional services for Trust and external schools and publish on LIFE website.</p> <p>Publish testimonials of schools that have been in the Trust for 1 year on LIFE website.</p> <p>Each LGB annually reviews the benefits their school has received from the offer.</p>
<p>Produce and deliver a schedule of training.</p> <p>Encourage Board members and governors to undergo training.</p>
<p>Undertake an audit of policies across the MAT.</p> <p>Create a calendar for a 3-year rolling programme for reviews.</p> <p>Carry out any policy reviews scheduled for Year 2.</p>
<p>Review all systems to increase efficiencies and cost savings – Payroll, Hr, Legal, ICT, Audit, Responsible Officer, School improvement – and consolidate these where appropriate.</p>
<p>Ensure all documentation, such as the risk register, has clear LIFE branding before sharing and is benchmarked against strong models.</p>
<p>A retention policy is in place, aligned to the succession planning and leading to retention of key staff.</p> <p>Costed staffing structures are in place for at least three possible growth scenarios.</p> <p>Standard Target setting procedures are in place for all schools.</p> <p>All governors participate in annual review meetings with the responses reviewed by the LGB Chairs and Board.</p>

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Collaboration

<p>Establish a Trust register of good practice to facilitate sharing of identified areas for each LIFE school.</p> <p>Create clear systems and protocols, including service level agreements, robust structured action plans with clear success criteria, for the delivery and receipt of school-to-school support.</p>
<p>Plan and deliver 3 shared teaching and learning events.</p> <p>Include support staff in Joint INSET Day in Jan 2021.</p>
<p>Executive Team to agree upon the themes for a programme of key LIFE teaching and learning events.</p> <p>Create, publish and deliver a programme of six key LIFE events.</p>
<p>Create a central register of leaders' involvement in initiatives.</p> <p>Utilise appraisal discussions to monitor involvement.</p>
<p>Investigate possible partnerships for Chair and other directors to become involved with.</p>
<p>Monitor and discuss the appropriate networks with which each Trust school should engage using schools organogram on termly basis.</p> <p>Develop moderation for all schools.</p> <p>Ensure all Trust schools have at least one external partner school.</p>
<p>LIFE staff and school heads continue as part of Havering and Essex networks and key bodies.</p>
<p>Attend termly meetings with CEOs of at least 5 other Trusts.</p> <p>Develop involvement in Confederation of School Trusts.</p> <p>Develop work as founding member of Eastern region MAT CEO network.</p> <p>Engage with C of E CEO network on termly basis.</p> <p>Directors of Education and Operations involved in networks with counterparts in other MATs.</p> <p>Provide an update for each Board meeting on collaboration with other MATs.</p>

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Expansion

Improve and promote the attractiveness of the existing Trust through consolidation, development and the embedding of the ethos , structures and outcomes so that we live and breathe our values, and have a reputation for excellence.
Understand the plans and interests of key regulators and those with control over schools particularly the DfE and the nearby Local Authorities .
Attract another Secondary school which shares the Trust ethos and will add value.
Develop an effective model for a small village school particularly with a religious dimension.
Develop links with Chelmsford schools in clusters around Margaretting and Roxwell particularly Tanglewood.
Explore options with the Diocese for increasing the number of Church schools in the Trust.
Understand our competitors and their growth and development strategies.
Develop closer links with the nearest Primary schools to our Havering schools.
Explore possibilities of other smaller Trusts joining us .
Use FBA as a magnet for attracting Year 5 pupils from local schools which will present the Trust in a positive and attractive light.
Review all school websites and make revisions as required, to both improve and “brand” all websites.
Commission external quality assurance of website.
Increase Trust tweeting and blogging to 50 posts within year.
Devise and publish a Social Media Strategy.

Ethos

The Trust's ethos during 2020/21 consisted of statements of mission, beliefs and behaviours. These were determined following consultation with key stakeholders and with the support of an external consultant.

Our mission as the LIFE Education Trust is to build great learning communities which unleash creativity and champion optimism, in a spirit of compassion.

Everyone in the LIFE family shares and demonstrates our beliefs:

Courageous optimism

It takes courage to hope for a better future. We champion a ‘can do’ attitude and encourage our pupils and staff to tackle challenges with resilience and perseverance as they reach for ambitious targets

Boundless creativity

Through captivating discoveries in the classroom and eye-opening adventures in the outside

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world, we give pupils freedom and promote varied learning experiences which stimulate innovation and develop adaptability.

Heartfelt compassion

We show love and respect to each member of our community as we nurture a powerful collective spirit. In humility we embrace difference and individuality, show forgiveness when necessary, and are united by compassion.

We all demonstrate our Beliefs in our Behaviours:

- We respect everyone
- We listen continuously
- We praise generously
- We are clear and transparent
- We don't ignore the uncomfortable and have courageous conversations
- We give and receive constructive feedback
- We are reliable and do what we say
- We are confident yet humble
- We are accountable
- We create a better future

Each Trust school is also expected to become:

- An efficient school: A financially and structurally viable organisation.
- An effective school: Providing expert, vibrant and exciting teaching; focusing relentlessly on the learning and achievement of children and young people and challenging and supporting students to make progress and reach their potential.
- An enriching school: Providing an imaginative, engaging and flexible curriculum offering a wide range of challenging, enjoyable and relevant experiences inside and outside the classroom; Helping children and young people develop an appreciation of diversity and understanding the rights and responsibilities of a global community.
- An enabling school: Motivating and supporting children and young people to develop our characteristics to become confident, resilient and autonomous learners; to engage with parents in supporting their children's progress and wellbeing and to make the effective transition to the next stage of their learning.

Public Benefit

The LIFE Education Trust trustees have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission [on their website at Charities and Public Benefit] in exercising their powers or duties.

As a Trust we make the best use of our skills, expertise and experience with regards to the community. Some examples of this are:

- Raising money for local, national and international charities.
- Contribution to services and events in the local community particularly through drama and music.
- Sports Leader programs that provide sporting activities to local Primary Schools.
- Opening the FBA School Farm which has been described by Ofsted as "an oasis" and "vibrant" is open to local primary schools.
- Provision of an art gallery which is open to the public.
- Collaboration with local schools.

LIFE Education Trust
Trustees Report for the year ended 31 August 2021

- The use of LIFE student ambassadors who have worked with Network Rail and Transport for London on positive mental health strategies.

Strategic Report

Achievements and Performance

Examination Headline Results

The academic year 2020-21 was once again significantly impacted by the global Coronavirus pandemic, with the resulting school closures, pupil and teacher absences, remote learning and the absence of examinations and tests at both primary and secondary level.

This means that the excellent outcomes for Trust schools in 2019 are still the most recent publicly available data sets available; however, FBA did assess and award GCSE and A Level grades, in accordance with government guidance, as did The Bridge for GCSEs. The Trust's primary schools also carried out internal teacher assessments in the summer of 2021.

Primary Phase

Analysis of the Trust's primary outcomes in 2019 show that in 3 of the 4 headline measures, the Trust scored "Significantly above the national average".

FFT MAT Overview (Primary KS2) 2019

Av Scaled Score % Expected Standard + Av Scaled Score % Expected Standard+
(R&M) (Combined) (R&M) (Combined)



The table below shows each school's 2021 teacher assessments compared to their test outcomes in 2018 and 2019 and the national averages in 2019 (the last year of published outcomes) as percentages achieving the expected and Higher Standards.

KS1 RWM combined	2018		2019		2021		Nat. Ave. 2019	
	ES	HS	ES	HS	ES	HS	ES	HS
Benhurst	75%	15%	79%	14%	52%	0%	65%	11%
Dame Tipping	63%	6%	67%	20%	46%	15%	65%	11%
Ford End	60%	20%	58%	17%	72%	27%	65%	11%
Margaretting	75%	33%	80%	30%	67%	22%	65%	11%
Roxwell	60%	12%	80%	20%	76%	30%	65%	11%
KS2 RWM combined								
Benhurst	63%	10%	79%	10%	76%	28%	65%	11%
Dame Tipping	69%	15%	62%	15%	50%	0%	65%	11%
Ford End	83%	8%	82%	9%	79%	36%	65%	11%

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Margaretting	93%	0%	91%	27%	92%	25%	65%	11%
Roxwell	70%	20%	64%	29%	67%	25%	65%	11%

Given the interruptions to learning over the past two years, these outcomes hold up very strongly compared to each school's past outcomes, but there are no national benchmarks for 2021 for comparison. As might be expected, the impact of learning loss on Key Stage 1 appears to be greater than at KS2 due to the proportion of their total time in school that was lost for younger pupils.

These internally assessed outcomes will be used by the teachers in each school to target teaching and learning in the coming year.

Secondary Phase

Results for 2021 were teacher assessed grades at both Key Stage 4 and 5.

GCSEs	2018	2019	2020	2021
Progress 8	+0.18	+0.29	n.a.	n.a.
Attainment 8	50.4	55.0	53.7	56.3
% 5+ in E&M	49	61	60	63
% of entries 7-9	20.9	29.8	28.0	30.2
% students 5+ standard passes inc E&M	70.4	76.5	81.4	85.5

A Levels	2018	2019	2020	2021
%A*- B	48.8	54.5	66.9	61.8
%A*- E	100	100	100	100
No. of entries	250	178	196	365

Frances Bardsley

- 2019 GCSE examination outcomes were the school's strongest ever. Every key measure was above the national average in that year.
- The A Level progress score in 2019 was also above the national average.
- The size of the KS5 cohort in 2021 was significantly larger than in previous years.
- The tables below show the school's continued strong performance at both key stages during the pandemic, although these outcomes are not comparable to previous years or to national benchmarks.

The Bridge

- Outcomes at the Bridge are best judged against criteria other than examination results; however, the 2020 results reflected the growing stability of the Bridge and its expanding curriculum offer.
- The 2021 outcomes show continued progress in examination performance, but also reflect the smaller cohort at the school as a result of the global pandemic.

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GCSEs	No. in cohort	Grades 1-3	Grade 4+	Grade 5+
Eng. Lang.	5	0	5(100%)	4 (80%)
Mathematics	5	2 (40%)	3 (60%)	2 (40%)
Biology	5	1 (20%)	4 (80%)	3 (60%)
Art	3	0	0	3 (100%)

Detailed information about the 2019 performance of each school is available on the DfE's Compare Schools website.

Other measures of success in 2020-21

Examination results are not the only measure of our schools' success, especially in this past year of the Coronavirus pandemic.

As a Trust, we have continued to develop and embed our rigorous set of **Healthchecks**, which evaluate all aspects of school performance and which are presented termly to Governors and Directors for scrutiny. These documents show, in detail, the improvements and success in every school.

The safety and wellbeing of our pupils and staff is always paramount, but especially in 2020-21. Overwhelmingly positive staff, pupil and parental survey results show that we have been successful in maintaining this focus, even under the difficult conditions of the past year.

Attendance data

School attendance data in 2020-21 was not recorded or published in the normal manner, and even internal data would not be comparable to any previous or national measures, due to the impact of Coronavirus. Nevertheless, the tables below show the relatively strong position of all LIFE schools previously.

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Secondary	2017-18		2018-19	
	<i>School</i>	<i>National Average</i>	<i>School</i>	<i>National Average</i>
FBA				
% PA	10.1%	13.9%	7.8%	13.7%
% Attendance	95.5%	94.5%	96.2%	94.5%
	<i>School</i>	<i>National Average</i>	<i>School</i>	<i>National Average</i>
Benhurst				
% PA	9.0%	8.7%	4.7%	8.2%
% Attendance	95.5%	95.8%	96.3%	96.0%
Dame Tipping				
% PA	6.7%	8.7%	4.6%	8.2%
% Attendance	97.6%	95.8%	96.6%	96.0%
Margaretting				
% PA	20.8%	8.7%	6.8%	8.2%
% Attendance	94.2%	95.8%	95.0%	96.0%
Roxwell				
% PA	9.0%	8.7%	7.9%	8.2%
% Attendance	95.8%	95.8%	95.7%	96.0%

The Attendance and Persistent Absence rates for 2020-21 were significantly affected by the global Coronavirus pandemic. National figures are not available, but the table above shows the schools' own figures for the year to March 20th 2020, when schools were subject to the national lockdown.

Even before the March 20th lockdown, the attendance of some pupils had already started to decline due to Covid-19 illnesses or concerns, thereby negatively affecting the reported rates. Despite this, attendance rates at Frances Bardsley Academy remain very high compared to secondary national averages.

Attendance at Benhurst continued to improve and remains well above the national average for primary schools.

As small schools of fewer than 100 pupils, Dame Tipping, Margaretting and Roxwell's attendance rates are disproportionately affected by each pupil's absences, with the result that even the few Covid-related absences of February and March 2020 had a significant impact on these schools' figures, although they remained strong.

The rise in Roxwell's Persistent Absence rate was the result of the extended absence of a small number of pupils at the start of the school year.

LIFE Education Trust

Trustees Report for the year ended 31 August 2021

Going Concern

The trustees have given detailed consideration to the impact of the Covid-19 pandemic on the Trust's activities and financial position and have reviewed the Trust's projections and forecasts for a period of at least twelve months following the date of approval of this report. The operational impact is dealt with elsewhere in this report, however the financial impact has resulted in reduced income particularly in respect of trips and lettings activities and additional expenditure in respect of cleaning costs and staffing requirements. After making appropriate enquiries, the board of trustees considers these effects to be manageable and therefore has a reasonable expectation that the academy trust has adequate resources to continue in operational existence for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

Financial Review

During the period, ESFA/LA grants received totalled to £13,209,000 (2020: £11,937,000). Other income included within restricted funds totalled to £100,000 (2020: £567,000). Restricted fund expenditure totalled to £13,507,000 (2020: £12,734,000).

The main source of unrestricted income is from lettings totalling £113,000 (2020: £111,000). Lettings were significantly curtailed in 2019/20 due to the Coronavirus pandemic and the partial closure of the school and facilities.

Most of the Trust's income is obtained from the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the ESFA 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 Trust also received grants for fixed assets from the ESFA. In accordance with the Charities Statement of Recommended Practice, "Accounting for Reporting by Charities" (SORP 2015), such grants are shown in the Statement of financial activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

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 Trust. It should be noted that this does not present the Trust with any current liquidity problem. The employer contributions are currently being assessed and it is expected that they will increase to bring a further reduction in this pension deficit in future, although this may not be achieved until stock market investment values start to recover.

Overall, the Trust has a healthy balance sheet and cash flow and will be using the reserves to maintain the current assets and also to invest back into the school in the form of additional resources and facilities both in the long term and short term in conjunction with the school development plans and school aims. Also the increase of the PAN at Frances Bardsley Academy and the increased revenue from lettings at both Frances Bardsley Academy and Benhurst Primary School will ensure future financial viability.

LIFE Education Trust

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Reserves Policy

The definition of reserves in the SORP is 'that part of a charity's income funds that is freely available for its general purposes'. This definition of reserves therefore normally excludes:

- permanent endowment funds
- expendable endowment funds
- restricted income funds
- any part of unrestricted funds not readily available for spending, specifically income funds which could only be realised by disposing of fixed assets held for charitable use

'Reserves' are therefore the resources the Trust has or can make available to spend for any or all of the Trust's purposes once it has met its commitments and covered its other planned expenditure. More specifically 'reserves' are income which becomes available to the Academy and is to be spent at the trustees' discretion in furtherance of any of the Trust's objects (sometimes referred to as 'general purpose' income) but which is not yet spent, committed or designated (i.e. is 'free').

The level of reserves held takes into account the nature of income and expenditure streams, the need to match them with commitments, including future capital projects, and the nature of reserves. The directors will keep this level of reserves under review at each Board meeting and aim to build and maintain the reserves level by entering into cost effective agreements as noted in Objectives and Activities above, whilst in keeping with the principal object of the Trust. The directors worked with the Trust Executive to create a robust Reserves Policy that takes into account the changing nature and composition of the Trust.

Total reserves at the end of the period amounted to £1,003,000 (2020: £837,000) before deductions of pension's reserve of £4,526,000 (2020: £3,332,000).

This balance includes unrestricted funds (free reserves) of £nil (2020: £nil), which is considered appropriate for the Trust, and restricted funds of £1,003,000 (2020: £837,000).

The amount of designations made in relation to the unrestricted reserves totals to £nil (2020: £nil).

Within the reserves policy users should note that, because of accounting for the Local Government Pension Scheme (LGPS), the Trust recognises a significant pension fund deficit totalling to £4,526,000 (2020: £3,332,000). This deficit is included within restricted funds.

This does not lead to an immediate liability for this amount. Similarly, if there were a pension surplus included in the restricted fund this would not create an immediately realisable asset that can be released straight away and expended for the specific purposes of that fund.

Each Local Governing Body receives a financial progress report at each of its meetings. The Trust Pay and Personnel Committee receives financial updates for central Trust funds and for each school at every meeting. The Chief Executive Officer, Director of Operations and Finance Manager meet on a weekly basis to discuss operations and on a monthly basis to discuss the month end reports. This information is disseminated to the Chair of the Board and Chair of the Finance and Facilities Committee. Rigorous annual and three financial scenario planning is in place.

LIFE Education Trust

Trustees Report for the year ended 31 August 2021

Investment Policy

It should be noted that the Trust has substantial power with regards to investments due to cash balances held. Investment policies are determined at Trust level. This ensures the level of funds that each Academy holds can cover any immediate expenditure, without exposing them to additional risk. Should any potential investment opportunity arise this would be escalated to the Board for consideration. The most typical investments that are held by academies are the Special Interest Deposit accounts which are immediately available to draw against. At 31 August 2021, no Special Interest Deposit accounts were held.

Principal Risks and Uncertainties

The Companies Act 2006 s417 (3b) requires disclosure of the principal risks and uncertainties facing a company. The Trust is exposed to a number of financial risks including credit, cash flow and liquidity risks. Given the Trust'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 Trust's system of internal controls ensures risk is minimal in these areas.

A risk register has been created and its structure was discussed with directors at a conference in January 2016. The register was reviewed when the SAT became a MAT in July 2016 and is regularly reviewed at each Trust Committee and Board meeting. Where appropriate, systems or procedures have been established to mitigate the risks the Trust faces. Internal control risks are minimised by the implementation of procedures for control and authorisation of all transactions and projects.

The directors have assessed the major risks to which the Trust is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the Trust, its finances, premises and risks to reputation. The directors have implemented a number of systems to assess risks that the Trust faces, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and school trips) and in relation to the control of finance. They have introduced systems, including operational procedures (e.g. vetting of new staff and visitors, supervision of school grounds) and internal financial controls (see below) in order to minimise risk. Where significant financial risk still remains they have ensured they have adequate insurance cover.

In response to the Covid-19 pandemic, a series of additional risk management measures have been implemented. These include the creation and dissemination of risk assessment documentation for all Trust schools and for central staff. These have been approved by local authority Health and Safety Executive team members and the Trust Board.

Costs incurred as a direct result of the additional measures required have been reimbursed by a DfE grant for the period to the 31st August 2021. Budgets for 2021/22 have been revised to reflect the financial position to reflect the loss of income from lettings.

The Trust has recognised that communication to staff, students and parents has been vital during this difficult period. It has engaged with the National Organization for school Trusts as well as the local authority for advice and guidance during the pandemic which has been shared on a daily basis.

Schools have adapted to online and virtual learning using various platforms and programmes to ensure that all students have access to learning and was facilitated with the increased availability of hardware where necessary.

LIFE Education Trust

Trustees Report for the year ended 31 August 2021

The Trust has an effective system of internal financial controls and this is explained in more detail in the Governance Statement.

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

Please refer to the Reserves Policy above for a description of the defined benefit pension scheme.

Plans for Future Periods

For the 2021/22 academic year the Trust will again focus on 5 key Priorities. The 5th priority has an integrated Growth strategy which is reviewed at every meeting by the Trust Board and is available if necessary.

PRIORITY 1:
STRONG ACHIEVEMENT & IMPROVEMENT
INTENDED OUTCOMES BY 2022
A. All schools to be rated as at least “above average” in national performance tables for headline progress measures in all key stages
B. All schools to be rated as at least above the national average for headline attainment measures in all key stages
C. Progress for disadvantaged pupils in all schools to be above national average for disadvantaged pupils
D. In-school gaps between disadvantaged pupils and their non- disadvantaged peers are minimal and diminishing
E. Attendance in all schools to be above national average
F. Persistent Absence in all schools to be below the national average
G. No pupil group to be disproportionately represented in poor attendance or persistent absence figures
H. All schools have a clear curriculum model with a cohesive rationale which ensures depth and breadth of learning for all pupils
I. Development plans in all schools are focused, clear and include centrally agreed priorities
J. All schools to be judged Good or better by Ofsted
K. Teaching and Learning to be Highly Effective in all schools
PRIORITY 2: OUTSTANDING ETHOS
INTENDED OUTCOMES BY 2022
A. Clear Vision, Mission and Beliefs in place for Trust with key celebration events for staff and students involving all Trust schools and all schools rated positively on their Healthchecks for ethos
B. LIFE International is in place with clear staff structure and impact on at least five countries overseas as well as Trust staff, students and other UK schools
C. All Church schools are prepared for the new SIAMS framework, with their core values aligned to SIAMS expectations in addition to those of the Trust; with Trust staff involved in local and national Church of England networks
D. Trust succession plans have led to high internal promotion rates within Trust schools with 3 internal Trust promotions evident

LIFE Education Trust
Trustees Report for the year ended 31 August 2021

E. All schools have strong systems and structures for ensuring positive mental health for staff and students
F. The Trust and its individuals schools are fully engaged in the life of their communities
PRIORITY 3: EFFICIENT AND EFFECTIVE STRUCTURES
INTENDED OUTCOMES BY 2022
A. The contribution to the central Trust fund reflects the maturing of the Trust
B. Schemes of delegation and terms of reference are clear and ensure appropriate levels of control
C. A list of core and additional services is available for all schools including an affiliation scheme and including testimonials and benefits achieved by Trust schools
D. Governance is developed.....Training for Board, LGBs and key staff in place including annual LGB training
E. All Trust policies are in place with a clearly published calendar for a rolling programme for reviews
F. An increasing number of Trust roles replace single school responsibilities
G. The Trust risk register is maintained and shared with other Trusts as exemplar
H. Strategic Human Resource Management practice is robust and standardised
I. A digital strategy is in place, leading to greater consistency and clarity of the digital approach across LIFE trust and in Trust schools
PRIORITY 4: STRONG COLLABORATION
INTENDED OUTCOMES BY 2022
A. Every LIFE school is both a giver and receiver of support within and beyond the Trust
B. Shared bespoke INSET activities increase for LIFE schools with increasing focus on relevant teaching and learning activities
C. Established regular and ad hoc LIFE events and activities in place with good participation rates from all schools
D. All LIFE Executive leaders are involved in local initiatives and the majority are part of national initiatives
E. Non-Executive collaboration develops through engagement with other Trusts
F. All LIFE team staff and middle leaders in schools are involved in networks to support good practice in their area of expertise
G. Strong links with the Local Authority remain and develop to reflect changing educational landscape with greater emphasis on partnership
H. The Trust works collaboratively on educational and operational issues with at least 5 other local MATs and 2 national MATs
PRIORITY 5: SUSTAINABLE EXPANSION
INTENDED OUTCOMES BY 2022
A. The Trust consists of 11-20 schools in 2 or 3 local authorities all in clear interconnected and collaborative hubs with hub leaders
B. LIFE website and social media presence is vibrant

LIFE Education Trust
Trustees Report for the year ended 31 August 2021

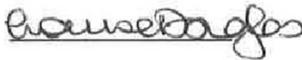
Auditor

Insofar as the trustees are aware:

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

Moore Kingston Smith LLP signified their willingness to continue in office and a resolution proposing that they be re-appointed as auditors will be put to the Annual General Meeting.

The trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 23 November 2021 and signed on the board's behalf by:



Louise Douglas
Trustee

LIFE Education Trust

Governance Statement for the year ended 31 August 2021

Scope of Responsibility

As trustees we acknowledge we have overall responsibility for ensuring that LIFE Education Trust has effective and appropriate systems of control, financial and otherwise. However, such systems are 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 Officer, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between LIFE Education Trust and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of trustees has formally met 5 times during the year including their Strategic Away Day.

Attendance at main Board meetings in the year was as follows:

Directors	Meetings attended	Out of Possible	%
Mr R Bristow	4	5	80
Mr M Debens	2	3	66
Mrs S Malik	4	5	80
Mr J R Dutnall	5	5	100
Mr T Morgan	5	5	100
Mrs T Burrowes-Cromwell	2	3	66
Mrs L Douglas	5	5	100
Mrs M Cherry	5	5	100
Mr P Tinsley	3	3	100
Mr D Jefferys	3	3	100
		Overall Board attendance:	89%

LIFE Education Trust
 Governance Statement for the year ended 31 August 2021

Attendance at Local Governing Body meetings in the year was as follows:

Benhurst Primary School

Governor	No of Attendance out of	Average
Dean Jefferys	8 of 8	
Anna Gray	8 of 8	
Kevin Cooper	7 of 8	
Abiola Fakayode	8 of 8	
Stella McCarthy	8 of 8	
Bev Mills	8 of 8	
Foluke Sangobowawle	7 of 8	
Fred Steel	7 of 8	
Peter Whitelock	8 of 8	
David Denchfield	1 of 1	
Katherine Hart	7 of 7	

88%

The Bridge

Governor	No of Attendances out of	Average
Anna Hawkins	6 of 6	
Lisa Harvey	5 of 6	
Matt Dineen	4 of 6	
Toni Cox	6 of 6	
Julian Dutnall	6 of 6	
Rev Hingley	6 of 6	

92%

Dame Tipping Primary School

Governor	No of Attendances out of	Average
Greg Brome	6 of 6	
Eve Knightbridge	5 of 6	
Marcia Hagon	3 of 6	
Sarah Bimpong	5 of 6	
David Anderton	5 of 6	
David Denchfield	1 of 1	
Paul Claydon	6 of 6	
Sharon Harris	6 of 6	
Amy Holmes	6 of 6	

89%

Frances Bardsley Academy

Governor	No of Attendances out of	Average
Paul O'Kelly	8 of 9	
Tony Morgan	9 of 9	
Rev Hingley	9 of 9	
Rob Bristow	8 of 9	
Anna Hawkins	9 of 9	
Louise Boxer	7 of 9	
Nisha Patel	5 of 9	
Ally Peace	9 of 9	

LIFE Education Trust
Governance Statement for the year ended 31 August 2021

Perninder Dhadwar	8 of 9	
Emma Anderton	7 of 9	
Julian Dutnall	9 of 9	
		89%
Ford End Primary		
Governor	No of Attendances out of	Average
Jane Jee	6 of 6	
Mary Regan	6 of 6	
Vicky Healy	6 of 6	
Gill Howeson	6 of 6	
Hannah Hounsom	6 of 6	
Janine Mansfield	3 of 4	
Ollie Bishop	3 of 4	
Tim Pass	6 of 6	
Maria Rumsey	6 of 6	
Sarah Cottee	6 of 6	
Anna Sedina	3 of 3	
Maire O'Regan	3 of 3	
		96%
Margaretting Primary		
Governor	No of Attendances out of	Average
Maire O'Regan	6 of 6	
David Turrell	6 of 6	
Melissa Bryan	6 of 6	
Liz Fajimolu	5 of 6	
Denise Broom	6 of 6	
Sally Croft	4 of 5	
		94%
Roxwell Primary		
Governor	No of Attendances out of	Average
Maire O'Regan	7 of 7	
Sarah Cotton	7 of 7	
Adam Love	7 of 7	
Reece Lake	6 of 7	
Tom Odell	6 of 7	
Tony Cant	6 of 7	
Suzanne Farris	6 of 7	
Ian Gurman	6 of 7	
		91%

The responsibilities and scope of duties of the trustees and its subcommittees is contained within the scheme of delegation which is attached as an appendix. The Board uses a HealthCheck system for ensuring that it is fully aware of the performance of each of its schools. This system was originally based on a successful model from the Reach2 Multi Academy Trust but has now been significantly reviewed in February 2018 and June 2019. The 8 Healthcheck areas are Leadership and Management; Quality of Education; Personal development and Behaviour and Attitudes (which represent the revised 4 Ofsted areas) as well as Ethos; Premises; Finance; and Human Resources. Each school works with its governors to provide a termly Healthcheck for each of these 8 areas. Areas of concern are noted as red and an exception report is provided to

LIFE Education Trust

Governance Statement for the year ended 31 August 2021

the Board or its subcommittee.

The Board is pleased to report that through working closely with the Church of England, a third Voluntary Controlled School, Roxwell Primary, was added to the Trust on 1st September 2019 and a fourth VC school, Ford End Primary, was added on December 1st 2020. Much of the preparatory work was conducted during the 2019/20 spring and summer terms for Ford End to join.

Governance review

The Board reviewed their performance in January 2020 and determined to continue with the Healthcheck system. The system is reviewed annually with the last review in June 2021. At the start of the 2019/20 academic year, the composition of the Board changed. Firstly Mr Tony Morgan replaced Mr Steve Odart. Tony has a wealth of experience as a former Bank Manager and current Head of Victim Support. David Mansfield resigned as a director on 2nd September 2019 and was replaced on 1st September 2019 by Mr Rob Bristow. Rob brings a wealth of experience in education having worked in several local authorities as a school leader and as a 14-19 strategy leader and now working for Teach First. David Mansfield became a Member of the Trust on that date after Tony Morgan resigned from that position.

At the end of December 2020, Mrs Burrowes Cromwell and Mr Debens resigned as trustees and were replaced by Mr Dean Jefferys and Mr Paul Tinsley. Mr Jefferys has been London Commissioner for the Scouts, is a trained teacher and former senior leader in a secondary school, and now works for the charity Living Streets. Mr Tinsley is a former Director of Education for a Local Authority and has served in numerous senior educational roles in different local authorities.

Mrs Burrowes-Cromwell also stepped down as a Member of the Trust and was replaced by Ms Megan Murphy, the current Executive Director of the National Coalition of Girls Schools, which supports over 300 girls' schools in 14 countries around the world.

This new structure and the use of virtual meetings has ensured excellent attendance at meetings and a balance of skills. The DfE approved the governance structure during 2019/20 as part of the due diligence process for Ford End joining.

All governors conducted their annual skills audit in September 2020 and during the summer of 2021. Chairs of Governors met with all their governors individually in the summer of 2021 to review their performance and discuss their role. This resulted in ensuring that all governing bodies have access to the National Governors Association information and website as well as a monthly training session provided by Trust leaders. The Board will review its performance again in January 2022.

The Finance and Facilities Committee is a sub-committee of the main board of trustees. Its purpose is outlined in its terms of reference and in the scheme of delegation. This includes but is not limited to:

1. Performance manage schools via the Finance and Premises School Health checks
2. Receive and recommend annual budgets for each school and the Central Trust to the Board. Monitor school and Trust budgets.
3. Prepare the financial statements for presentation to the Board and approve management letters.
4. Recommend appointment of external auditors
5. Review timely returns to ESFA in accordance with deadlines
6. Receive and review internal and external audit statements and reports

LIFE Education Trust Governance Statement for the year ended 31 August 2021

7. Oversee financial procedures including compliance with DfE, ESFA and AfH
8. Review the register of interests of budget holders regarding 3rd party transactions
9. Oversee site and premises operational management including compliance with Health & Safety and other legal requirements
10. Review the condition survey and asset management reports
11. Oversee premises related funding bids
12. Review plans for new build and refurbishment projects
13. Receive annual Health & Safety audit and major incident reports.

As well as fulfilling the above, the Committee has overseen the audit process, scenario plans, the extension to the 6th Form at FBA and the building of the new Bridge at the FBA site. During 2020/21 a number of successful CIF bids were also managed and then overseen by the committee to maximise grant income.

Review of Value for Money

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

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

- Reviewing staffing costs at all schools. Excellent work at Dame Tipping has meant that the school has reversed the deficit budget and ended the year with a small surplus.
- Reviewing the leadership and management of all schools so that they are affordable as well as effective.
- Working with the Director of Operations to win successful CIF funding for 3 academies to a total of over £700,000 which has ensured vital work is done whilst reducing the strain on school budgets.
- Using the combined buying power of the Trust to reduce the cost of contracts and services to all schools eg. Combined Catering.
- Working with the Director of Operations and the Executive team at The Vine Schools Trust to ensure that a new HR and legal provider is found that now provides a cost effective, efficient and bespoke service at a reduced rate.
- Introducing Payroll in house, a systematic appraisal content management system and an integrated financial management system.

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

LIFE Education Trust

Governance Statement for the year ended 31 August 2021

economically. The system of internal control has been in place in LIFE Education Trust for the period 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 on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 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 and on a termly basis by the Trust Committees with the likelihood and seriousness of all risks considered and suitable mitigation factors checked and approved.

The Risk and Control Framework

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

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

The board of trustees has considered the need for a specific internal audit function and has decided to appoint School Business Manager Services as internal auditor for all schools for the period 1st September 2020 to 31st August 2021.

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

- Administration, Finance & Management Systems
- Governance
- Income
- Payroll
- Purchasing and creditors
- Bank and cash
- Fixed Assets
- Budget
- VAT

LIFE Education Trust Governance Statement for the year ended 31 August 2021

On a termly basis, the internal reviewer reports to the board of trustees, through the Finance and Facilities Committee, on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

The Trust can confirm that the internal auditors delivered their schedule of work as planned. There were no material control issues arising from the reports.

Review of Effectiveness

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

- the work of the internal auditor/responsible officer -delete
- the work of the external auditor
- 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 Finance and Facilities 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 on 23 November 2021 and signed on its behalf by:



Louise Douglas
Trustee

LIFE Education Trust
Statement of Regularity, Propriety and Compliance for the year ended 31
August 2021

As accounting officer of the LIFE Education Trust, I have considered my responsibility to notify the academy trust board of trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2021.

I confirm that I and the academy trust board of trustees can 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 Academy Trust Handbook 2021.

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



Mr J R Dutnall

Accounting Officer

Date: 23 November 2021

LIFE Education Trust

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 & 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 in the Charities SORP 2015 and the Academies Accounts Direction 2020 to 2021
- make judgments and accounting estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business

The 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 on 23 November 2021 and signed on its behalf by:



Louise Douglas
Trustee



MEMBERS 4
 Rev Tim Elbourne (rep CDET), David Mansfield, Megan Murphy, Ian Wigston,
RESPONSIBILITIES
 (1) Wind up the Trust (2) Amend Articles of Association, (3) Appoint Members / Directors (4) Remove Any Director (Specific Route)
NB Must be a minimum of 3 members

BOARD OF DIRECTORS 8 - 10 Directors recommended, must be a minimum of 3 Directors
2 Church appointed Non Executive Directors (Louise Douglas, Paul Tinsley)
5 Non Executive Directors (Tony Morgan, Sophia Malik, Dean Jefferys, Mary Cherry, Rob Bristow)
1 Employed Director (CEO, Julian Dutnall)

RESPONSIBILITIES
 (1) Setting Strategic Direction (2) Setting Ethos, (3) Holding the CEO to account
 (4) Overseeing financial performance of the MAT (5) Ensuring accountability of Local Governing Bodies

NOTE: Company Law - Director, Charity Law - Trustee

Pay & Personnel Committee
Pay, Staffing Structures, HR
 4 Directors (Mrs Douglas, Mr Dutnall, Mrs Malik, Mr Morgan)
 1 Co-opted member (Vacancy)
 Meets 3 times a year

Standards Committee
Attainment, Progress, Teaching & Learning
 4 Directors (Mr Dutnall, Mr Tinsley, Mr Bristow, Mrs Douglas)
 1 Co-opted member (Mrs Wigmore)
 Meets 3 times a year

Finance & Facilities Committee
Audit, Budget, Building Works
 4 Directors (Mr Dutnall, Mrs Cherry, Mr Jefferys, Mr Morgan)
 1 Co-opted members (Mr O'Kelly)
 Meets 3 times a year



Schools in the Trust will each have a **Local Governing Body**
 11 Members maximum preferred (appointed by Directors), 2 Parent Members (essential), 1 Head of School (ex-officio), No Sub Committees, Working Parties (where necessary), Meets at least half termly

CORE ROLES OF LOCAL GOVERNING BODIES:
 (1) 8 Health Check areas; (2) Local Governing Bodies are committees of the Board and responsible to the Directors
 (3) Local Governing Bodies are not legal entities in their own right but are still bound by the Scheme of Delegation

Independent Auditor's Report on the Financial Statements to the Members of LIFE Education Trust

Opinion

We have audited the financial statements of LIFE Education Trust ('the academy trust') for the year ended 31 August 2021 which comprise the Statement of Financial Activities, the Balance Sheet, Statement of Cash Flows and the related 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 and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Ireland' (United Kingdom Generally Accepted Accounting Practice).

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; and
- have been prepared in accordance with the Academies Accounts Direction 2020 to 2021 issued by the ESFA.

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 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 UK, including the FRS's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the School's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

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. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Independent Auditor's Report on the Financial Statements to the Members of LIFE Education Trust (continued)

Opinion on other matter 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 strategic report and the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements, and
- the strategic report and the trustees' annual report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters where 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 or trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on page 33, the trustees (who are also the directors of the charitable company 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Independent Auditor's Report on the Financial Statements to the Members of LIFE Education Trust (continued)

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the academy trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the School to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including and significant deficiencies in internal control that we identify during our audit.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

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. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the Trust.

Independent Auditor's Report on the Financial Statements to the Members of
LIFE Education Trust
(continued)

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the School and considered that the most significant are the Companies Act 2006, the Charities Act 2011, the Charities SORP 2019, the Academies Accounts Direction 2020 to 2021, the Academies Financial Handbook 2020 and UK financial reporting standards as issued by the Financial Reporting Council.
- We obtained an understanding of how the School complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Use of this 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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Moore Kingston Smith LLP

Date: 2 December 2021

James Cross (Senior Statutory Auditor)
for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

Devonshire House
60 Goswell Road
London
EC1M 7AD

Independent Reporting Accountant's Assurance Report on Regularity to LIFE Education Trust and the Education and Skills Funding Agency

In accordance with the terms of our engagement letter dated 28 September 2021 and further to the requirements of the Education Funding and Skills Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021 we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by LIFE Education Trust during the period 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 LIFE Education Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to LIFE Education Trust and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than LIFE Education Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of LIFE Education Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of LIFE Education Trust's funding agreement with the Secretary of State for Education dated 1 July 2013 and the Academies Financial Handbook, extant from 1 September 2021 for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2020 to 2021. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 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 Academies Accounts Direction 2020 to 2021 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

Independent Reporting Accountant's Assurance Report on Regularity to LIFE Education Trust and the Education and Skills Funding Agency

The work undertaken to draw to our conclusion includes:

- Review of the Accounting Officer's statement on regularity, propriety and compliance and the evidence supporting it;
- Undertaking a risk assessment based on our understanding of the general control environment and any weaknesses in internal controls identified by our audit of the financial statements;
- Review of minutes of the Board, various committees and sub-committees, management accounts, internal scrutiny findings reports and discussions with key personnel;
- Evaluation and walk through of the implementation of the internal control procedures, and detailed review of the control environment for any changes or weaknesses;
- Walk through and sample testing of staff expense claims and credit card expenditure, to ensure these adhere to internal control procedures and are not for personal benefit;
- Sample test transactions for compliance with procurement policies, and that these comply with delegated authorities;
- Obtain and review key staff and governors' register of interests;
- Sample test transactions for compliance with procurement policies, and that these comply with delegated authorities;

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 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.

Moore Kingston Smith LLP

Date: 2 December 2021

James Cross (Senior Statutory Auditor)
For and on behalf of Moore Kingston Smith LLP, Statutory Auditor

Devonshire House
60 Goswell Road
London
EC1M 7AD

LIFE Education Trust

Statement of Financial Activities
for the year ended 31 August 2021

(including income and expenditure account)

					2021	2020
	Note	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total £000	Total £000
Income and endowments from:						
Donations and capital grants	3	24	-	725	749	1,025
Transfer from local authority on conversion	24	-	(40)	-	(40)	(89)
Other trading activities	5	237	-	-	237	311
Investments	6	-	-	-	-	1
Charitable activities:						
Funding for the academy trust's educational operations	4	100	13,209	-	13,309	12,585
Total		361	13,169	725	14,255	13,833
Expenditure on:						
Charitable activities:						
Academy trust educational operations	7	254	13,507	506	14,267	13,455
Total		254	13,507	506	14,267	13,455
Net income		107	(338)	219	(12)	378
Transfers between funds	17	(107)	(242)	349	-	-
Other recognised gains / (losses)						
Actuarial (losses)/gains on defined benefit pension schemes	25	-	(448)	-	(448)	376
Net movement in funds		-	(1,028)	568	(460)	754
Reconciliation of funds						
Total funds brought forward		-	(2,495)	29,233	26,738	25,984
Total funds carried forward		-	(3,523)	29,801	26,278	26,738

All of the academy's activities derive from continuing operations during the above two financial periods.

A Statement of Total Recognised Gains and Losses is not required as all gains and losses are included in the Statement of Financial Activities.

The detailed comparative information for the Statement of Financial Activities is included in note 27.

LIFE Education Trust
Balance Sheet as at 31 August 2021

Company Number 08102628

	Note	2021 £'000	2021 £'000	2020 £'000	2020 £'000
Tangible assets	13		29,801		29,233
Current assets					
Debtors	14	151		755	
Cash at bank and in hand		1,696		<u>1,238</u>	
		1,847		1,993	
Liabilities					
Creditors: Amounts falling due within one year	15	(835)		<u>(1,156)</u>	
Net current assets			1,012		<u>837</u>
Total assets less current liabilities			30,813		30,070
Creditors: Amounts falling due after more than one year	16		(9)		-
Net assets excluding pension liability			30,804		<u>30,070</u>
Defined benefit pension scheme liability	25		(4,526)		(3,332)
Total net assets			26,278		<u>26,738</u>
Funds of the academy trust					
Restricted funds					
Fixed asset fund	17	29,801		29,233	
Restricted income fund	17	1,003		837	
Pension reserve	17	(4,526)		<u>(3,332)</u>	
Total restricted funds			26,278		26,738
Unrestricted income funds	17		-		-
Total funds			26,278		<u>26,738</u>

The financial statements on pages 38 - 59 were approved by the trustees and authorised for issue on 23 November 2021 and are signed on their behalf by



Mrs L Douglas
Trustee

LIFE Education Trust
Statement of Cash Flows for the year ended 31 August 2021

	Notes	2021 £000	2020 £000
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	21	158	576
Cash flows from investing activities	22	(204)	(524)
Change in cash and cash equivalents in the reporting period		<u>(46)</u>	<u>52</u>
Cash and cash equivalents at 1 September 2019		1,238	1,186
Cash and cash equivalents at 31 August 2020	23	<u>1,192</u>	<u>1,238</u>

1 Statement of 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.

Company information

LIFE Education Trust is a private company limited by guarantee, domiciled and incorporated in England and Wales. The registered office and principal place of business is The Frances Bardsley Academy for Girls, Brentwood Road, Romford, Essex, RM1 2RR.

Basis of Preparation

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

LIFE Education Trust meets the definition of a public benefit entity under FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest thousand pounds.

Going Concern

The financial statements are prepared on a going concern basis. The Governors have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cause significant doubt on the ability of the trust to continue as a going concern. The Governors have made this assessment for a period of at least one year from the date of authorisation for issue of the financial statements. After making enquiries in particular about the potential impact of the Covid-19 on income generation and operations, the Governors have concluded that there is a reasonable expectation that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future. Should the impact of Covid-19 require a reduction in expenditure or implementation of new ways of working, Governors are confident management will be able to develop and implement plans to achieve this. Governors are also sure that the Academy Trust has sufficient General Reserves to enable time for plans to be developed and implemented in a strategic and timely way, ensuring long-term financial stability. Accordingly the Governors continue to adopt the going concern basis in the preparation of the financial statements.

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 period is deducted from income and recognised as a liability.

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

• Donations

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

• Other Income

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

• Donated goods, facilities and services

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

1 Statement of Accounting Policies (continued)

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 a 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 the support costs involved in undertaking each activity. Direct costs attributable to a single activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with 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.

• 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.

Tangible Fixed Assets

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

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding 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, at rates calculated to write off the cost of each asset over its expected useful life, as follows:

Freehold property	2% straight line basis
Long-term leasehold property	Straight line basis over the term of the lease
Fixtures and fittings	20% straight line basis
Computer equipment	33% straight line basis

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

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.

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 the 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 and services it must provide.

Provisions

Provisions can be 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 an 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 last 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.

Leased Assets

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

Stock

Unsold uniforms and catering stocks are valued at the lower of cost or net realisable value.

1 Statement of Accounting Policies (continued)

Financial Instruments

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

Cash and cash equivalents include cash in hand, deposits held at call with banks, and other short-term liquid investments with original maturities of three months or less.

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. Taxation and social security are not included in the financial instruments disclosure definition. Deferred

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

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.

Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Pensions Benefits

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

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. The TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore 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 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.

Fund Accounting

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

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

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

2 Critical accounting estimates and areas of judgement

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 (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 25, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 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.

3 Donations and capital grants

	Unrestricted funds £'000	Restricted Funds £'000	Restricted Fixed assets funds £'000	2021 Total funds £'000	2020 Total funds £'000
Capital Grants	-	725	-	725	1,025
Other Donations	24	-	-	24	-
	<u>24</u>	<u>725</u>	<u>-</u>	<u>749</u>	<u>1,025</u>

4 Funding for the Academy Trust's educational operations

	Unrestricted funds £'000	Restricted funds £'000	Restricted Fixed assets funds £'000	2021 Total funds £'000	2020 Total funds £'000
DfE / EFA grants					
General Annual Grant (GAG)	-	10,902	-	10,902	9,914
Other DfE / ESFA grants	-	1,057	-	1,057	492
Start-Up Grants	-	25	-	25	70
UIFSM	-	78	-	78	92
Pupil Premium	-	413	-	413	419
Others DfE Group grants	-	12,475	-	12,475	10,987
Other Government grants					
Local authority grants	-	734	-	734	950
Coronavirus exceptional support	-	-	-	-	81
	<u>-</u>	<u>734</u>	<u>-</u>	<u>734</u>	<u>1,031</u>
Other income from the academy trust's educational operations	100	-	-	100	567
	<u>100</u>	<u>13,209</u>	<u>-</u>	<u>13,309</u>	<u>12,585</u>

5 Other trading activities

	Unrestricted funds £'000	Restricted funds £'000	Restricted Fixed assets funds £'000	2021 Total funds £'000	2020 Total funds £'000
Hire of facilities	113	-	-	113	111
Income from other charitable activities	124	-	-	124	200
	<u>237</u>	<u>-</u>	<u>-</u>	<u>237</u>	<u>311</u>

6 Investment Income

	Unrestricted funds £'000	Restricted funds £'000	Restricted Fixed assets funds £'000	2021 Total funds £'000	2020 Total funds £'000
Short Term Deposits	-	-	-	-	1
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1</u>

7 Expenditure	Non-Pay Expenditure			2021	2020
	Staff costs £'000	Premises £'000	Other £'000	Total funds £'000	Total funds £'000
Academy's educational operations:					
Direct costs	9,407	506	673	10,586	9,875
Allocated support costs	2,198	524	959	3,681	3,580
	<u>11,605</u>	<u>1,030</u>	<u>1,632</u>	<u>14,267</u>	<u>13,455</u>
				2021	2020
Net income / (expenditure) for the period includes:				£000	£000
Depreciation				506	489
Fees payable to auditor for :					
- audit				26	23
- other services				10	7
				<u>10</u>	<u>7</u>
8 Charitable activities			Restricted Fixed assets		
	Unrestricted funds £'000	Restricted funds £'000	funds £'000	2021	2020
				£'000	£'000
Direct costs - educational operations	-	10,586	-	10,586	9,875
Support costs - educational operations	254	2,921	506	3,681	3,580
	<u>254</u>	<u>13,507</u>	<u>506</u>	<u>14,267</u>	<u>13,455</u>
				2021	2020
				Total funds	Total funds
Analysis of support costs				£'000	£'000
Support staff costs				2,198	2,002
Depreciation				-	489
Technology costs				220	46
Premises costs				524	552
Other support costs				572	314
Governance costs				167	177
Total support costs				<u>3,681</u>	<u>3,580</u>

9 Staff

Staff costs

Staff costs during the period were:

	2021	2020
	Total	Total
	funds	funds
	£'000	£'000
Wages and salaries	8,028	7,671
Social security costs	815	722
Pension costs	2,342	2,053
	11,185	10,446
Agency staff costs	348	202
Staff restructuring costs	72	-
	11,605	10,648
Staff restructuring costs comprise:		
Redundancy payments	40	-
Severance payments	6	-
Other restructuring costs	26	-
	72	-

(b) Non statutory/ non-contractual staff severance payments

	No. of staff	No. of staff
Total non-contractual severance payments 2020/21	6	-
Total non-contractual severance payments 2019/20	-	3

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £6,053 (2020: £nil). Individually, the payments were: £1,000, £3,171 and £1,880.

(c) Staff numbers

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

	2021	2020
	No.	No.
Teachers	119	131
Administration and support	158	132
Management	17	13
	294	276
	2021	2020
	FTE.	FTE.
Teachers	104	111
Administration and support	80	68
Management	17	13
	201	192

9 Staff (continued)**(d) Higher paid staff**

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

	2021	2020
	No.	No.
£60,001 - £70,000	6	4
£70,001 - £80,000	1	2
£80,001 - £90,000	3	2
£130,001 - £140,000	1	1

(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 key management personnel benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £1,719,000 (2020: £1,722,000).

10 Central Services

The academy trust has provided central services to its academies during the year, including human resources, financial services, legal services and educational support services.

The trust charges for these services based on rates of a minimum of £40,000 or 6% of the individual schools' ESFA core income for 2020/21. The Bridge, incorporated within Frances Bardsley, has also been charged at a rate of £40,000. Additional services were provided during the year that were contributed to.

The actual amounts charged during the year were as follows:

	2021	2020
	£'000	£'000
The Frances Bardsley Academy for Girls	509	361
Benhurst Primary School	101	71
Dame Tipping CofE Primary School	44	33
Margaretting CofE Primary School	44	33
Roxwell CofE Primary School	44	33
Ford End CofE Primary School	42	-
Total	783	531

11 Related Party Transactions - Trustees' remuneration and expenses

One or more trustees has been paid remuneration or has received other benefits from employment with the academy trust. The principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment

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

Mr J R Dutnall	
Remuneration	£ 140,000 - £150,000 (2020: £135,000 - £140,000)
Employer's pension contributions	£30,000 - £35,000 (2020: £30,000 - £35,000)

No governors received reimbursements for expenses during the year ended 31 August 2021 (2020: none).

12 Trustees' and Officers' insurance

In accordance with normal commercial practice the academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the period ended 31 August 2021 was £236 (2020: £347). The cost of this insurance is included in the total insurance cost.

13 Tangible fixed assets

	Freehold Land and Buildings £'000	Leasehold Land and Buildings £'000	Furniture and Equipment £'000	Computer Equipment £'000	Total £'000
Cost					
At 1 September 2020	24,809	6,935	301	517	32,562
Additions	543	436	50	45	1,074
At 31 August 2021	<u>25,352</u>	<u>7,372</u>	<u>351</u>	<u>562</u>	33,636
Depreciation					
At 1 September 2020	2,492	140	232	465	3,329
Charged in year	372	69	33	32	506
At 31 August 2021	<u>2,863</u>	<u>209</u>	<u>265</u>	<u>497</u>	3,835
Net book value					
At 31 August 2021	<u>22,488</u>	<u>7,163</u>	<u>86</u>	<u>65</u>	29,801
At 31 August 2020	<u>22,317</u>	<u>6,795</u>	<u>69</u>	<u>52</u>	29,233

14 Debtors

	2021	2020
Trade debtors	34	36
VAT recoverable	51	137
Prepayments and accrued income	66	582
	<u>151</u>	<u>755</u>

15 Creditors: amounts falling due within one year

	2021	2020
Trade creditors	94	18
Taxation and social security	205	159
Other creditors	210	54
Accruals and deferred income	326	925
	<u>835</u>	<u>1,156</u>
Deferred income		
Deferred income at 1 September 2020	248	211
Released during the year	(248)	(211)
Resources deferred in the year	386	248
Deferred income at 31 August 2021	<u>386</u>	<u>248</u>

At the balance sheet date the academy trust was holding funds received in advance for ESFA income of £148,000 (2020: £93,000), Local Authority income of £nil (2020: £61,000), lettings income of £933 (2020: £3,000), trip income of £690 (2020: £19,000), music fee income of £9,344 (2020: £nil), SMART income of £nil (2020: £2,000), capital projects income of £nil (2020: £40,000), events income of £2,612 (2020: £12,000), educational tools income of £7,868 (2020: £13,000) and pupil parliament income of £7,347 (2020: £5,000).

16 Creditors: amounts falling due in greater than one year

	2021 £'000	2020 £'000
Other creditors	9	-
	<u>9</u>	<u>-</u>
Analysis of loans		
Wholly repayable within five years	9	-
Amounts included above	<u>9</u>	<u>-</u>

17 Funds

	Balance at 1 September 2020 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2021 £'000
Restricted general funds					
General Annual Grant (GAG)	837	10,902	(10,494)	(242)	1,003
Start Up Grant	-	25	(25)	-	-
Other DfE/ESFA grants	-	1,057	(1,057)	-	-
Pupil Premium	-	413	(413)	-	-
UIFSM	-	78	(78)	-	-
Transfer on conversion	-	(40)	(145)	185	-
Local authority grant	-	734	(734)	-	-
Pension reserve	(3,332)	-	(561)	(633)	(4,526)
	<u>(2,495)</u>	<u>13,169</u>	<u>(13,507)</u>	<u>(690)</u>	<u>(3,523)</u>
Restricted fixed asset funds					
DfE/EFA capital grants	29,233	725	(506)	349	29,801
	<u>29,233</u>	<u>725</u>	<u>(506)</u>	<u>349</u>	<u>29,801</u>
Total restricted funds	<u>26,738</u>	<u>13,894</u>	<u>(14,013)</u>	<u>(341)</u>	<u>26,278</u>
Unrestricted funds					
General funds	-	361	(254)	(107)	-
Total unrestricted funds	<u>-</u>	<u>361</u>	<u>(254)</u>	<u>(107)</u>	<u>-</u>
Total funds	<u>26,738</u>	<u>14,255</u>	<u>(14,267)</u>	<u>(555)</u>	<u>26,278</u>

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

	Balance at 1 September 2019 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2020 £'000
Restricted general funds					
General Annual Grant (GAG)	929	9,914	(9,587)	(419)	837
Start Up Grant	-	70	(70)	-	-
Other DfE/ESFA grants	-	1,003	(1,003)	-	-
Coronavirus exceptional support	-	81	(81)	-	-
Transfer on conversion	-	(89)	(16)	105	-
Local authority grant	-	950	(950)	-	-
Pension reserve	(3,117)	-	(486)	271	(3,332)
Other Income	-	596	(596)	-	-
	<u>(2,188)</u>	<u>12,525</u>	<u>(12,789)</u>	<u>(43)</u>	<u>(2,495)</u>
Restricted fixed asset funds					
DfE/ESFA capital grants	28,172	1,025	(489)	525	29,233
	<u>28,172</u>	<u>1,025</u>	<u>(489)</u>	<u>525</u>	<u>29,233</u>
Total restricted funds	<u>25,984</u>	<u>13,550</u>	<u>(13,278)</u>	<u>482</u>	<u>26,738</u>
Unrestricted funds					
General funds	-	283	(177)	(106)	-
Total unrestricted funds	<u>-</u>	<u>283</u>	<u>(177)</u>	<u>(106)</u>	<u>-</u>
Total funds	<u>25,984</u>	<u>13,833</u>	<u>(13,455)</u>	<u>376</u>	<u>26,738</u>

17 Funds (continued)

Total funds analysis by academy

	Total 2021 £'000	Total 2020 £'000
Fund balances at 31 August 2021 were allocated as follows:		
The Frances Bardsley Academy For Girls	672	519
Benhurst Primary School	177	208
Dame Tipping CofE Primary School	16	(6)
Margaretting CofE Primary School	11	38
Roxwell CofE Primary School	(41)	22
Ford End CofE Primary School	11	-
Central trust	157	56
Total before fixed assets and pension reserve	1,003	837
Restricted fixed asset fund	29,801	29,233
Pension reserve	(4,526)	(3,332)
TOTAL	26,278	26,738

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	Other costs (excluding depreciation) £'000	Total 2021 £'000
The Frances Bardsley Academy For Girls	5,815	1,193	497	734	8,239
Benhurst Primary School	1,239	496	130	264	2,129
Dame Tipping CofE Primary School	460	103	18	81	662
Margaretting CofE Primary School	357	80	26	78	541
Roxwell CofE Primary School	390	81	25	56	552
Ford End CofE Primary School	310	53	19	70	452
The Bridge	240	129	(93)	35	311
LIFE Education Trust	248	411	14	202	875
	9,059	2,546	636	1,520	13,761

18 Analysis of net assets between funds

	Unrestricted funds £'000	Restricted general funds £'000	Restricted fixed asset funds £'000	Endowment funds £'000	Total funds £'000
Fund balances at 31 August 2021 are represented by:					
Tangible fixed assets	-	-	29,801	-	29,801
Current assets	-	1,847	-	-	1,847
Current liabilities	-	(835)	-	-	(835)
Non-current liabilities	-	(9)	-	-	(9)
Pension scheme liability	-	(4,526)	-	-	(4,526)
Total net assets	-	(3,523)	29,801	-	26,278

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

Fund balances at 31 August 2020 are represented by:

	Unrestricted funds £'000	Restricted general funds £'000	Restricted fixed asset funds £'000	Total funds £'000
Tangible fixed assets	-	-	28,172	28,172
Current assets	-	1,395	-	1,395
Current liabilities	-	(466)	-	(466)
Pension scheme liability	-	(3,117)	-	(3,117)
Total net assets	-	(2,188)	28,172	25,984

19 Capital commitments

	2021	2020
	£'000	£'000
Contracted for, but not provided in the financial statements.	<u>-</u>	<u>837</u>

20 Long-term commitments, including operating leases

At 31 August 2021 the total of the Multi Academy Trust's future minimum lease payments under non-cancellable operating leases was:

	2021	2020
	£'000	£'000
Amounts due within one year	18	7
Amounts due between two and five years	<u>-</u>	<u>2</u>
	<u>18</u>	<u>9</u>

21	Reconciliation of net income/(expenditure) to net cash flow from operating activities	2021	2020
		£'000	£'000
	Net income / (expenditure) for the reporting period (as per the statement of financial activities)	(12)	378
	Adjusted for:		
	Transferred on conversion to an academy trust	40	105
	Depreciation charges	506	489
	Capital grants from DfE and other capital income	(725)	(1,025)
	Interest receivable	-	(1)
	Defined benefit pension scheme cost less contributions payable	-	486
	Defined benefit pension scheme finance cost	-	-
	Decrease/(increase)in debtors	529	(546)
	(Decrease)/increase in creditors	(180)	690
	Net cash provided by / (used in) Operating Activities	158	576
22	Cash flows from investing activities	2021	2020
		£'000	£'000
	Dividends, interest and rents from investments	-	1
	Purchase of tangible fixed assets	(1,074)	(1,550)
	Capital grants from DfE/EFA	725	1,025
	Transferred on conversion to an academy trust	145	-
	Net cash provided by / (used in) Operating Activities	(204)	(524)
23	Analysis of cash and cash equivalents	2020	2020
		£'000	£'000
	Cash in hand and at bank	1,696	1,238
	Notice deposits (less than 3 months)	-	-
	Total cash and cash equivalents	1,696	1,238

24 Transfer from Local Authority on conversion

During the year ended 31 August 2021, Ford End C of E Primary School joined the MAT. At the date of conversion to Academy status under the Academies Act 2010, the operations and assets and liabilities were transferred to the group for £29k consideration.

The transfers have been accounted for using the acquisition method. The assets and liabilities transferred were valued at their fair value and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as net incoming resources in the Statement of Financial Activities as voluntary income.

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

	Unrestricted funds £'000	Restricted general funds £'000	Restricted fixed asset funds £'000	Total £'000
LGPS pension surplus / (deficit)	-	(185)	-	(185)
Cash	-	145	-	145
Net assets / (liabilities)	-	(40)	-	(40)

25 Pension and similar obligations

The academy trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by London Borough of Havering and Essex County Council. 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 £209,195 were payable to the schemes at 31 August 2021 (2020: £27,000) and are included within creditors.

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.

TPS	2021	2020
The pension cost paid to TPS in the period amounted to	1,243,000	1,131,000

LGPS

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 £667,000 (2020: £529,000), of which employer's contributions totalled £529,000 (2020: £471,000) and employees' contributions totalled £197,000 (2020: £120,000). The agreed contribution rates for future years are 20.3% for employers and 6.5% for employees.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of an 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

	At 31 August 2021	At 31 August 2020
Rate of increase of salaries	3.75%	3.06%
Rate of increase for pensions in payment/inflation	2.90%	2.24%
Discount rate for scheme liabilities	1.65%	1.66%

Current mortality rates

	At 31 August 2021	At 31 August 2020
<i>Retiring today</i>		
Males	21.7	21.2
Females	23.9	23.7
<i>Retiring in 20 years</i>		
Males	22.9	22.7
Females	25.5	25.2

25 Pension and similar obligations (continued)

Sensitivity analysis

	At 31 August 2021	At 31 August 2020
Discount rate -0.5%	1,460	1,067
Salary increase +0.5%	65	44
CPI rate +0.5%	1,375	1,007

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

	2021 £'000	2020 £'000
Equities	4,900	3,316
Bonds	2,593	2,346
Property	1,353	1,145
Cash	454	470
Other	-	-
Total market value of assets	9,300	7,277

Amount recognised in the statement of financial activities:

	2021 £'000s	2020 £'000s
Current service cost	(1,030)	(895)
Interest income	129	121
Interest cost	(191)	(184)
Total amount recognised in the SOFA	(1,092)	(958)

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

	2021 £'000s	2020 £'000s
At 1 September 2020	10,609	9,523
Conversion of academy trusts	333	196
Current service cost	1,030	895
Interest cost	191	184
Employee contributions	138	121
Actuarial (gain)/loss	1,720	(144)
Benefits paid	(195)	(166)
At 31 August 2021	13,826	10,609

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

	2021 £'000s	2020 £'000s
At 1 September 2020	7,277	6,406
Conversion of academy trusts	148	91
Interest income	129	121
Actuarial gain/(loss)	1,272	232
Employer contributions	531	472
Employee contributions	138	121
Benefits paid	(195)	(166)
At 31 August 2021	9,300	7,277

26 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 trust has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the trust's financial regulations and normal procurement procedures.

The Trust paid £480 (2020: £1,258) to Graffham Consulting, of which Mrs Louise Douglas is a director, during 2020/21 for services related to Safeguarding Training.

The Trust acting as Dame Tipping Primary School, Margaretting Primary School and Roxwell Primary School and Dame Tipping Primary School paid £14,215 (2020: £3,355) to Wild Child Limited, a company wholly owned by Mrs Judith Dutnall, the wife of Mr Julian Dutnall, the Trust CEO and a director.

The Trust paid £509 (2020: £nil) to the NCGS of which Megan Murphy is Chief Executive and Ms Murphy is a member of the Trust's board of Directors.

27 Comparative Statement of Financial Activities

	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total 2020 £000
Income and endowments from:				
Donations and capital grants	-	-	1,025	1,025
Transfer from Local Authority on conversion	-	(89)	-	(89)
Charitable activities:				
Funding for the academy trust's educational operations	-	12,585	-	12,585
Other trading activities	282	29	-	311
Investments	1	-	-	1
Total	<u>283</u>	<u>12,525</u>	<u>1,025</u>	<u>13,833</u>
Expenditure on:				
Charitable activities:				
Academy trust educational operations	177	12,789	489	13,455
Total	<u>177</u>	<u>12,789</u>	<u>489</u>	<u>13,455</u>
Net income / (expenditure)	106	(264)	536	378
Transfers between funds	(106)	(419)	525	-
Other recognised gains/(losses):				
Actuarial (losses) / gains on defined benefit pension schemes	-	376	-	376
Net movement in funds	<u>-</u>	<u>(307)</u>	<u>1,061</u>	<u>754</u>
Reconciliation of funds				
Total funds brought forward	-	(2,188)	28,172	25,984
Total funds carried	<u>-</u>	<u>(2,495)</u>	<u>29,233</u>	<u>26,738</u>