

Registration number: 07713540

# Learning Academy Partnership (South West)

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 August 2018

Thompson Jenner LLP  
1 Colleton Crescent  
Exeter  
Devon  
EX2 4DG

## **Learning Academy Partnership (South West)**

### **Contents**

Reference and Administrative Details	1 to 2
Trustees' Report	3 to 16
Governance Statement	17 to 19
Statement on Regularity, Propriety and Compliance	20
Statement of Trustees' Responsibilities	21
Independent Auditors' Report on the Financial Statements	22 to 24
Independent Reporting Accountant's Report on Regularity	25 to 26
Statement of Financial Activities incorporating Income and Expenditure Account	27 to 28
Balance Sheet	29
Statement of Cash Flows	30
Notes to the Financial Statements	31 to 58

## **Learning Academy Partnership (South West)**

### **Reference and Administrative Details**

<b>Members</b>	EDEN (P Reeve is the representative) MARJON (I Luke is the representative) Mr Duncan Haddrell (resigned 14 December 2017) Mr Ryan Hewitt (appointed 11 October 2018)
<b>Trustees (Directors)</b>	Mrs Lynn Atkinson, Chief Executive Mr Ryan Hewitt, Chair of Board Rev Paul Ireton, Vice Chair Mr Duncan Haddrell (resigned 14 December 2017) Mrs Nicola Bidgood (resigned 10 October 2017) Mr Philip Dean Dr Mark Graves Dr Jan Myles Mr Richard Vaughton
<b>Senior Management Team</b>	Lynn Atkinson, Chief Executive Officer Tracey Cleverly, Director of Education Steve Bulmer, Director of Operations Karen Barnett, Executive Support Manager
<b>Principal and Registered Office</b>	Zealley House Suite 4 Greenhill Way Kingsteignton Newton Abbot Devon TQ12 3SB
<b>Company Registration Number</b>	07713540
<b>Auditors</b>	Thompson Jenner LLP 1 Colleton Crescent Exeter Devon EX2 4DG
<b>Bankers</b>	Lloyds Bank 51-52 Fleet Street Torquay Devon TQ2 5DW

**Learning Academy Partnership (South West)**

**Reference and Administrative Details (continued)**

**Solicitors**

Michelmores  
Woodwater House  
Pynes Hill  
Exeter  
Devon  
EX2 5WR

## **Learning Academy Partnership (South West)**

### **Trustees' Report for the Year Ended 31 August 2018**

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the period 1 September 2017 to 31 August 2018. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The Multi Academy Trust started the year operating 7 primary academies in the South West: Ilsham Church of England Academy, Ellacombe Church of England Academy, Warberry Church of England Academy, All Saints Marsh Church of England Academy, All Saints Thurlestone Church of England Academy, Charleton Church of England Academy and West Alvington Church of England Academy. Dunsford Community Primary School joined the Trust in January 2018. The combined pupil capacity of the academies is 1334. As at the school census on 17 May 2018 there were 1285 pupils on roll plus 126 nursery children who are not included in the pupil capacity.

#### **Structure, Governance and Management**

##### **Constitution**

The Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Academy Trust. The Trustees of the Learning Academy Partnership (South West) are also the directors of the charitable company for the purposes of company law. The charitable company is known as Learning Academy Partnership (South West).

Details of the trustees who served during the year are included in the Reference and Administrative Details on page 1.

##### **Members' Liability**

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

##### **Trustees' Indemnities**

Trustees benefit from indemnity insurance purchased at the Academy Trust's expense to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy Trust. Provided that any such insurance shall not extend to any claim arising from any act or omission which the Trustees knew to be a breach of trust or breach of duty or which was committed by the Trustees in reckless disregard to whether it was a breach of trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Trustees in their capacity as Trustees of the Academy Trust. The limit of this indemnity is £10.

##### **Method of Recruitment and Appointment or Election of Trustees**

The number of Trustees shall be not less than five but shall not be subject to any maximum.

The Foundation Members appoint as a Foundation Trustee the Incumbent. The Incumbent shall be a Trustee for as long as he remains in office as such. Foundation Trustees represent at least a simple majority of all the Trustees of the Company.

Future Trustees are appointed or elected, as the case may be under the Articles of Association

The term of office for any Trustee shall be two years. This time limit shall not apply to the Chief Executive Officer

## **Learning Academy Partnership (South West)**

### **Trustees' Report for the Year Ended 31 August 2018 (continued)**

or the Foundation Trustees.

When appointing new Trustees, the Board gives consideration to the skills and experience of existing Trustees in order to ensure that the Board has the necessary skills to contribute fully to the Trust's development.

#### **Policies and Procedures Adopted for the Induction and Training of Trustees**

All Trustees have access to the Trust's Induction Policy and Procedures.

The training and induction provided for new Trustees will depend upon their existing experience. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees and to keep them up to date and informed of statutory requirements and legislation. Induction tends to be done informally. In accordance with the Induction policy it is tailored specifically to the individual.

There is a Trustees' Strategy day held each year and there are training sessions to keep the Trustees updated on relevant developments impacting on their roles and responsibilities including Finance, HR, Safeguarding and Prevent.

Trustees have access to support provided by the Diocesan Board of Education and other external training providers including Academy Ambassadors.

Details of courses are circulated.

#### **Organisational Structure**

The Board of Trustees have three strategic core functions:

1. ensuring clarity of vision, ethos and strategic direction
2. holding executive leaders to account for the educational performance of the organisation and its pupils, and the performance management of staff
3. overseeing and ensuring effective financial performance.

The Board of Trustees meet at least four times a year. The Board establishes an overall framework for the governance of the Trust and determines membership, terms of reference and procedures of Committees and other groups. It receives reports including policies from its Committees for ratification. It monitors the activities of the Committees through the minutes of their meetings. The Board may from time to time establish Working Groups to perform specific tasks over a limited timescale.

The following committees meet as needed and are accountable to the Board.

- Finance, Audit/Fraud & Estates Committee
- HR/Remuneration Committee and Appeals
- Admissions Committee
- Exclusion Committee
- All Saints Teaching School Alliance Committee
- Local Governance Hub Committees: Separate Standards and Curriculum and, Community & Ethos Groups operate for each regional hub, or an individual school, where this is appropriate.

The Local Governance Committees are comprised of local representatives with the necessary skill to oversee, challenge and support academies, acting in the best interests of all young people. Parent Ambassadors and Local

## Learning Academy Partnership (South West)

### Trustees' Report for the Year Ended 31 August 2018 (continued)

Governors are represented at the Local Committee Ethos and Curriculum Group. They are appointed by the Board of Trustees and by vote.

The Trustees have devolved responsibility for day to day management of the Trust to the Chief Executive Officer, Trust Executive Team and Senior Executive Team, implementing the policies laid down by the Trustees.

The Chief Executive Officer is the Accounting Officer.

#### Arrangements for setting pay and remuneration of key management personnel

The Board of Trustees through the work of the HR Committee review the leadership scales and pay policy for the Trust. In line with the Appraisal policy a framework was set for a clear and consistent assessment of the overall performance of teachers and leaders including the CEO and for supporting their development within the context of the Trust's plan for improving educational provision and performance and the standards expected of teachers and leaders. It also sets out the process by which performance would be directly linked to pay progression. Performance and Pay recommendations of key management personnel are supported by the use of External Advice, including legal and HR expertise.

The remuneration of key educational personnel is based on evidence of sustained high quality performance with particular regard to leadership, management and pupil outcomes. The Board and HR Committee review and authorise salaries for leadership roles.

Remuneration of key support staff personnel is based on exceptional performance.

#### Trade union facility time

##### Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
0	172.92 FTE

##### Percentage of time spent on facility time

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

##### Percentage of pay bill spent on facility time

Total cost of facility time	0
Total pay bill	0
Percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time ÷ total pay bill) x 100	0

##### Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as: (total hours spent on paid trade union activities by relevant union officials during the relevant period ÷ total paid facility time hours) x 100	0
--	---

# Learning Academy Partnership (South West)

## Trustees' Report for the Year Ended 31 August 2018 (continued)

### Related Parties and other Connected Charities and Organisations

The Learning Academy Partnership South West is a Multi Academy Trust which promotes the sharing and development of outstanding practice across schools in the South West.

The Chief Executive Officer is a National Leader of Education (NLE) and Ilsham C of E Academy is a Support School (NSS) which demonstrates its commitment to school to school support, outreach work, system leadership, continuing professional development and joint practice development.

The Trust also incorporates and leads All Saints Teaching School Alliance (ASTSA). The Teaching School works closely with schools and academies across the South West. It also works alongside strategic partners including other Teaching Schools, Exeter Diocese, South Devon College, Teaching School Council South West and the University of St Mark and St John.

### Objectives and Activities

The Trust's 'Objects' are specifically restricted to the following:

In relation to all the Academies to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing, by establishing, maintaining, carrying on, managing and developing schools offering a broad and balanced curriculum and other incidental educational facilities and resources for the benefit of the community.

In relation to all Church Academies these to be conducted in accordance with the principles, practices and tenets of the Church of England both generally and in particular in relation to arranging for religious education and daily acts of worship (as required by the Master Funding Agreement) and in having regard to the advice of the Diocesan Board of Education.

But in relation to each of the Academies to recognise and support their individual ethos, whether or not designated Church of England.

### Vision, Core Values and Principles of Excellence

#### Our Mission

To transform children's lives.

#### Core Purpose

To develop a 'values led' family of exceptional schools that always put children first. Where learners excel and communities are enriched so that the life chances of more and more children are improved.

#### Core values: Collectively Empowering Excellence

**Collectively-** We are one team and we agree to work as one family

**Empowering-** We invest in each other and our communities

**Excellence-** We champion excellence and equality for all and in all that we do.

#### Learning Academy Partnership Principles of Excellence

1. **Priority - Children First** – in every action we take and decision that we make. For our children, we collectively empower excellence.
2. **Aspirational Expectations** – A Culture where every child will succeed.
3. **Excellence in Teaching and Learning** - Excellent, passionate staff transform children's lives. For our children, we collectively empower excellence.



## Learning Academy Partnership (South West)

### Trustees' Report for the Year Ended 31 August 2018 (continued)

4. **Professional Development- Investing in People** - A commitment to world class, bespoke, Continuing Professional Development. For our staff, we collectively empower excellence.
5. **Distinctiveness** - We embrace, encourage and celebrate the uniqueness of each of our schools, recognising the context of the community that it serves and the curriculum that it offers to meet those needs. For our communities, we collectively empower excellence.
6. **Leadership with Vision and Efficacy** - Working together, we deliver and achieve much more than we could ever do individually. Collective expertise, accountability and financial efficiencies add value and improve outcomes for children. For our Leaders we collectively empower excellence.

#### Objectives, Strategies and Activities

The Learning Academy Partnership (South West) is a family of inclusive and aspirational schools, working together within a multi-academy trust (MAT) with a Church of England Foundation.

We work together collectively, to empower everyone to achieve excellence. Our aim is to establish a family of outstanding schools where world class leaders place young people at the heart of everything providing genuinely transformational, world class education improving outcomes and life chances for every child. We passionately believe that every child should be taught by an outstanding teacher in an inspirational school where exceptional leaders care enough to always put children first. We are united in promoting, sharing and developing outstanding practice across each of our schools. Our motto, rooted in our core values, is simply *'Together We Empower Excellence'*. Collectively, we can and do empower excellence, through developing and empowering a network of exceptional leaders, at every level, to ensure that every school is an Exceptional School.

The Trust reviews its key objectives and strategies for achieving these objectives. The objectives are defined in the Trust Development plan and each academy has a development plan in which it details how it intends to achieve the aims and objectives.

The Trustees regularly review the Trust's performance data and the financial position. Furthermore, oversight of pupil performance is supported by the work of the Local Governance Committees.

The Trustees also review the governance structure to ensure it continues to meet the anticipated additional needs caused by the Trust's growth.

#### Public Benefit

The Trustees confirm that they have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Academy's aims and objectives and in planning its future activities.

The Trust aims to advance for the public benefit, education in each academy and provides educational services to all children in their local area and the surrounding areas. The Trust also supports children in other areas through its work as a National Support School and Teaching School.

## Learning Academy Partnership (South West)

### Trustees' Report for the Year Ended 31 August 2018 (continued)

#### Strategic Report

#### Achievements and performance Key performance indicators

<b>Pupil Numbers (Summer 2018)</b>							
<b>Ilsham</b>	<b>Ellacombe</b>	<b>ASM</b>	<b>Warberry</b>	<b>Thurlestone</b>	<b>West Alvington</b>	<b>Charleton</b>	<b>Dunsford</b>
<b>175</b>	<b>341</b>	<b>91</b>	<b>401</b>	<b>121</b>	<b>35</b>	<b>58</b>	<b>64</b>

<b>Ofsted Gradings</b>							
<b>Ilsham</b>	<b>Ellacombe</b>	<b>ASM</b>	<b>Warberry</b>	<b>Thurlestone</b>	<b>West Alvington</b>	<b>Charleton</b>	<b>Dunsford</b>
<b>Good 2018</b>	<b>Good 2018</b>	<b>Good 2018</b>	<b>Good 2018</b>	<b>Not Yet Inspected (Good 2013)</b>	<b>Not Yet Inspected (RI 2013)</b>	<b>Not Yet</b>	<b>Not Yet Inspected (Good 2016)</b>

<b>Attendance Nationals 95.8% Autumn 2017 and Spring 2018 - Released October 2018</b>							
<b>Ilsham</b>	<b>Ellacombe</b>	<b>ASM</b>	<b>Warberry</b>	<b>Thurlestone</b>	<b>West Alvington</b>	<b>Charleton</b>	<b>Dunsford</b>
<b>96.9</b>	<b>95.9</b>	<b>96.5</b>	<b>96.2</b>	<b>95.5</b>	<b>92.0</b>	<b>93.9</b>	<b>96.6</b>

<b>Early Years Foundation Stage 2018 Nationals 70%</b>							
<b>Ilsham</b>	<b>Ellacombe</b>	<b>ASM</b>	<b>Warberry</b>	<b>Thurlestone</b>	<b>West Alvington</b>	<b>Charleton</b>	<b>Dunsford</b>
<b>88%</b>	<b>73%</b>	<b>77%</b>	<b>86%</b>	<b>85%</b>	<b>75%</b>	<b>67%</b>	<b>70%</b>

<b>Year 1 Phonics Screening Check 2018 Nationals 81%</b>							
<b>Ilsham</b>	<b>Ellacombe</b>	<b>ASM</b>	<b>Warberry</b>	<b>Thurlestone</b>	<b>West Alvington</b>	<b>Charleton</b>	<b>Dunsford</b>
<b>100%</b>	<b>96%</b>	<b>91%</b>	<b>97%</b>	<b>100%</b>	<b>67%</b>	<b>89%</b>	<b>100%</b>

## Learning Academy Partnership (South West)

### Trustees' Report for the Year Ended 31 August 2018 (continued)

Key Stage One Attainment 2018 - nationals in brackets								
Subject	Ilsham	Ellacombe	ASM	Warberry	Thurlestone	West Alvington	Charleton	Dunsford
<b>Reading (76%)</b>	92%	83%	79%	88%	82%	60%	73%	86%
<b>Writing (68%)</b>	92%	75%	79%	83%	77%	60%	73%	86%
<b>Maths (75%)</b>	92%	79%	79%	90%	82%	80%	73%	86%

Key Stage Two Attainment 2018 - nationals in brackets								
Subject	Ilsham	Ellacombe	ASM	Warberry	Thurlestone	West Alvington	Charleton	Dunsford
<b>Reading (75%)</b>	92%	95%	93%	85%	94%	100%	71%	100%
<b>Writing (78%)</b>	92%	85%	80%	87%	89%	67%	71%	78%
<b>Maths (76%)</b>	88%	95%	87%	85%	89%	100%	57%	78%
<b>RWMA (64%)</b>	88%	85%	80%	70%	83%	67%	57%	78%

Key Stage Two Progress Measures								
Subject	Ilsham	Ellacombe	ASM	Warberry	Thurlestone	West Alvington	Charleton	Dunsford
<b>Reading</b>	2.0	3.8	4.4	2.4	1.7	11.9	3	2.11
<b>Writing</b>	-1.9	1.1	1.8	1.8	2.3	3	1.5	0.43
<b>Maths</b>	4.2	5.7	2.6	0.9	-0.8	8.3	-7.33	0.83

## Learning Academy Partnership (South West)

### Trustees' Report for the Year Ended 31 August 2018 (continued)

Progress Percentiles								
Percentile	Ilsham	Ellacombe	ASM	Warberry	Thurlestone	West Alvington	Charleton	Dunsford
Top 5%	Maths	Maths	Reading			Reading Maths		
Next 20%	Reading	Reading Writing	Writing Maths	Reading Writing	Reading Writing	Writing	Reading Writing	Reading
Next 15%				Maths				
Middle 20%								Writing Maths
Next 15%					Maths			
Next 20%	Writing							
Bottom 5%							Maths	

The Trust continues to focus on all our academies within the partnership being judged as at least Good at Ofsted and 'Outstanding' in SIAMs for church schools.

Other notable achievements across the Trust:

All Saints Marsh C of E Academy was graded as Requires Improvement when it joined the Trust in 2015. Seven terms after conversion the academy was graded as a 'Good' Provider by Ofsted.

Ellacombe C of E Academy, Ilsham C of E Academy and Warberry C of E Academy continue to be a 'Good' provider after their Ofsted inspections.

SIAMs inspections took place across the Trust and the Outstanding grade was achieved at Warberry, Thurlestone and Ilsham.

West Alvington C of E Academy received a visit from a DfE Educational Adviser. The purpose of the visit was to ascertain whether the academy had made improvements since joining the Trust and that the academy was on track to be graded as a 'Good' provider at the next inspection. The visit confirmed that the academy is on track and the impact of the school improvement strategies provided by the Trust were ensuring that the academy was making good progress.

Both Ilsham C of E Academy and Ellacombe C of E Academy had their EYFS provision recognised and were awarded an Area of Excellence by Challenge Partners. This means their practice will be shared nationally. Ilsham was also recognised for the quality of feedback in lessons and this was also recognised as an Area of Excellence.

The Learning Academy Partnership was awarded 250K SSIF 1 funding and has led a region wide phonics project which has impacted on 60 schools in the South West. The phonics expertise and track record was recognised when both Ilsham and Ellacombe we invited to apply to become an English Hub.

## Learning Academy Partnership (South West)

### Trustees' Report for the Year Ended 31 August 2018 (continued)

Ilsham C of E Academy was successful in its application to become an English Hub for the region which means that they have been selected, based on strong outcomes, to support up to 170 schools in developing Phonics and Early Reading. This is a two year designation at present,

The strong phonics results were sustained, across the Trust, with all academies achieving at least 90% and the Trust percentage was 96%.

Ellacombe C of E Academy achieved record results in KS2 reading and moved from 52% in 2017 to 95% in 2018 and closing the gap through 90% of PP children achieved EXS. 56% of the cohort achieved the higher pass mark. This was as a result of the Trust SLE support and development for leaders.

As a Trust, 2017-18 produced combined Trust results which were well above nationals for all Key Stages and for Pupil Premium pupils in all Key Stages.

Ilsham C of E Academy achieved Gold in the RE Quality Mark assessment. This demonstrates the excellent quality teaching and learning within RE.

The trust was successful in its application for another Maths Mastery Specialist teacher with the Jurassic Maths Hub. The Trust now has two Maths Mastery Specialist Teachers.

The Trust Maths Lead was awarded the NCETM CPD Lead accreditation which has further strengthened the support available to staff within the Trust. One of the Maths Mastery Specialist Teachers has also been accredited as a CPD Lead by the NCETM

Two teachers have become Specialist Leaders of Education (Maths and English) and are supporting schools with the Teaching School Alliance and the Trust.

The Executive Head of the Torquay Hub has been designated as a National Leader of Education (NLE). The Trust now has two NLEs who are able to offer support both across and outside of the Trust.

#### **All Saints Teaching School Alliance**

Ilsham C of E Academy was awarded Teaching School status in 2014. The Teaching School is called All Saints Teaching School Alliance (ASTSA). There are 23 Alliance Partners for 2017 with nine new schools joining since 2016.

The ASTSA Strategic Group (Alliance Heads, Torbay LA, Diocese, Plymouth Marjon) ensure that the teaching school delivers on the core values: Collaboration and Transformation. The strategic group shape the direction of the alliance.

During 2017-18 All Saints Teaching School was successful in funding for a number of DfE projects which included:

- A second year of DfE Phonics Partnership Funding
- 250K SSIF 1 funding for Phonics. This project involved 5 TSAs, over 60 schools and 4 Local Authorities.
- 490K SSIF 1 funding to Close the Gap in KS2 Maths. This project involved 6 TSAs, over 40 schools and spanned 4 Local Authorities.
- 5K Maths Hub funding to deliver the Maths Hub EYFS Maths project in the South Devon Area.
- 10K Equality and Diversity in Leadership funding to support local schools in creating and growing more female leaders.

In addition to the funded projects ASTSA continued to provide National Leader of Education support, leadership support through deployment of SLEs and a comprehensive CPD programme.

## **Learning Academy Partnership (South West)**

### **Trustees' Report for the Year Ended 31 August 2018 (continued)**

Partnership working has increased and ASTSA is now represented on the Torbay Local Education Board and is part of the School to School Support Board in Devon. Partnership working has also begun with South Devon College.

#### **Phonics Funding and Impact**

Both phonics projects focused on creating sustainable change through effective leadership. Through the project over 20 Specialist Leaders of Education were trained in how to support leaders raise attainment in phonics and 60 schools were provided with support. The impact was across the South West region.

#### **Maths SSIF Funding Impact**

This is a two year project which concludes in 2019. Year one impact has been on confidence and skill levels of Specialist Leaders of Education in how best to support schools. Subject leaders have been the focus of the project in order to leave sustainable change in the schools engaged in the project. Each DfE evaluation has been graded as effective.

#### **School to School Support**

Three additional Specialist Leaders in Education have been recruited which has increased the capacity to support schools. The Teaching School Alliance has a range of system leaders who are able to support schools in the region.

#### **School Direct: Teacher Training**

2017-18 cohort all completed the programme and graduated with at least Good. 12 trainees were recruited for 2018-19.

#### **Going Concern**

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the 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**

The majority of the Trust's income is obtained from the DfE via the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2018 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

The largest grant is the General Annual Grant which is restricted to educational activities. This totalled £5,159k during 2017/18 for the 8 academies Ilsham C of E Academy, Ellacombe C of E Academy, Warberry C of E Academy, All Saints Marsh C of E Academy, All Saints Thurlestone C of E Academy, Charleton C of E Academy, West Alvington C of E Academy and Dunsford Community Academy. The pupil premium grant totalled £488k. Universal Infant Free School Meals Grant totalled £188k. A number of smaller grants are received with similar restrictions surrounding their use.

The Trust also receives grants for fixed assets from the DfE which 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 useful life of the assets concerned, as defined in the Trust's accounting policies.

The Trust also receives funding from Torbay Council and Devon County Council to support children with Special Educational Needs. It also received funding to support the nursery provision. Such grants are shown on the

## **Learning Academy Partnership (South West)**

### **Trustees' Report for the Year Ended 31 August 2018 (continued)**

Statement of Financial Activities as restricted income.

In the 2017/18 year the academies also received funding relating to Teaching School, NSS Bursary, School Strategic Improvement Fund (Phonics and Maths), Maths Mastery

During the year ended 31 August 2018, total expenditure (excluding restricted fixed assets funds and pensions reserves, but including costs associated with a restructure) of £7,804k was covered by retained reserves brought forward of £185k and recurrent grant funding from the DfE, together with other incoming resources of £7,619k. The excess of expenditure over income for the year excluding restricted fixed asset funds and pensions reserves, but including the costs of a restructure, was £185k.

At 31 August 2018, the Trust's reserves (excluding fixed asset funds and pensions reserve) were £694k.

Following the clarification of the guidance included in the Academies Accounts Direction 2016/17 the Trust removed the land and buildings considered to be ultimately under the control of the Diocese resulting in the lower Restricted Fixed Asset Fund in 2016/17. This accounting adjustment does not impact the Academy Trust's operating ability or sustainability.

The Trust has taken on the deficit in the Local Government Pension Scheme in respect of its non-teaching staff transferred on conversion. The deficit as at 31<sup>st</sup> August 2018 is £2,121k and is incorporated within the Balance Sheet with details in Note 25 to the financial statements.

Key financial policies adopted or reviewed during the year include the Finance Policy which lays out the framework for financial management, including financial responsibilities of the Board, Trust Executive Team, Heads, Managers, budget holders and other staff, as well as delegated authority for spending.

Trustees have adopted an internal audit programme and appointed Devon Audit Partnership to undertake a programme of internal checks on financial controls. During the year, the Trustees received a comprehensive report from the internal auditors which contained no matters of significance.

#### **Reserves Policy**

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

The Trustees have determined that the appropriate level of free cash reserves should be £250,000. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance. The Trust's current level of reserves (total funds less the amount held in fixed assets and the restricted pension fund) is £694k of which £663k is free reserves.

A total of £31k (excluding fixed asset fund and pension fund) is restricted and is not therefore available for general purposes of the academy trust.

The defined benefit pension scheme reserve has a negative balance. The effect of the deficit position of the pension scheme is that the Academy Trust is paying higher employer's pension contributions over a period of years. The higher employers' pension contributions will be met from the Academy Trust's budgeted annual income. Whilst the deficit will not be immediately eliminated, there should be no actual cash flow deficit on the fund, nor any direct impact on the free reserves of the academy Trust.

## **Learning Academy Partnership (South West)**

### **Trustees' Report for the Year Ended 31 August 2018 (continued)**

#### **Investment Policy**

All funds surplus to immediate requirements may be invested in accordance with the Trust's Investment Policy Statement. Our aim is to spend the public monies with which we are entrusted for the direct education benefit of pupils as is prudent. The Trust does not consider the investment of surplus funds as a primary activity, rather it is the result of good stewardship as and when circumstances allow.

Due to the nature of funding, the Trust may at times hold cash balances surplus to its short term requirements. The Trustees have authorised the opening of additional short term bank investment accounts or invested in individual fixed income securities such as Certificates of Deposit, U.K Treasury Bonds, and other similar instruments with an average duration of less than one year to take advantage of higher interest rates. No other form of investment is authorised.

Trustees are committed to ensuring that all funds under their control are managed in such a way as to maximise return whilst minimising risk. Any investment shall therefore be with providers covered by the Financial Services Compensation Scheme. Day to day management of the surplus funds is delegated to the Chief Finance Officer and the Finance Manager in accordance with the Trust's Investment Policy Statement

#### **Principal Risks and Uncertainties**

The Trustees regularly review the risks to the Trust and have a Risk Management Policy and Risk Register.

**Governance** - The Trustees have recognised that the Trust's growth is a significant risk to the success and future development of the Trust. The Trustees reviewed and changed the Articles of Association with effect from 1 September 2016 and adapted the governance structure of the Trust to ensure that the Board has the necessary skills to contribute fully to the Trust's development. The Board has also put in place a scalable Governance structure in geographical hubs. The number of schools within the hubs is expected to grow, so is the number of governance hubs. The hubs are supported by Local Governance Committees which report to the Trust Board.

**Financial** - the Trust is funded by Government funding through the ESFA on the same basis as other academies and manages the budgets accordingly. In the current financial climate, it is uncertain of future funding to be received from the Government. The Trust demonstrates rigorous financial planning.

**Safeguarding and Child Protection** - the Trust continues to ensure the highest standards are maintained in the area of selection and monitoring staff, the operation of Safeguarding and Child Protection policies and procedures and Health & Safety.

**Reputational** - the continuing success of the Trust is dependent on continuing to attract pupils in sufficient numbers by maintaining the highest educational standards. To mitigate this risk Trustees, ensure that pupil success and achievement are closely monitored.

The Trust also identifies outstanding leaders to meet the Trusts succession planning needs.

#### **Fundraising**

The Trust employs the following approach to fundraising:

Each year each academy selects 1/2 charities to raise money for. During the course of the year events take place and all money raised is then given to the nominated charities at the end of the year.

Other fundraising done on behalf of the Trust is undertaken on an ad-hoc basis and carried out by Trust employees. During 2017/18 no additional fundraising took place.

The Trust has not engaged the services of professional fundraisers during 2017/18. The Trust has also not worked with commercial participators or professional fundraisers as the level of fundraising during 2017/18 was minimal.



## **Learning Academy Partnership (South West)**

### **Trustees' Report for the Year Ended 31 August 2018 (continued)**

Any fundraising would conform to recognised standards and be monitored. Any complaints regarding fundraising would be dealt with by the Chief Executive.

#### **Plans for Future Periods**

The core purpose of our Trust is to continue to work in partnership with our families, local and wider communities. We share a determination that all our academies will be outstanding, in its widest sense, and never again will an academy in our partnership be vulnerable or graded as less than consistently good.

We designed the partnership structure to grow through clear systems of educational and business leadership with strategic governance. We believe that succession planning, at all levels, is key to growing our capacity and quality to ensure every school is an exceptional school. Central to this goal is that, together we must empower, grow and retain excellent leaders and teachers within our Trust, so that we continue to build capacity, empowering more schools, and transforming the lives of more children in order to truly excel, as a self-sustaining, world class partnership.

We have a track record of successful MAT collaboration and bringing about sustained and rapid improvement which has in turn generated additional capacity and strength through welcoming new schools into our MAT to secure our continuing success and future sustainability. We are accredited as a strong academy sponsor by the Department for Education (DfE) and the Regional Schools Commissioner (RSC) and as a successful and credible partner for schools wishing to join our successful, collaborative Multi-Academy Trust.

We will continue to grow and develop All Saints Teaching School Alliance, working with other Teaching Schools across the South West.

For the period 2017-19 we were awarded a £491,950 grant as part of the Strategic School Improvement Fund (SSIF). We are the project lead for a collaborative project with six Teaching School Alliances to improve outcomes and close the gap in KS2 Maths.

All Saints Teaching School was also successful in a second (SSIF) bid and a grant was awarded of £255,600 building on the previous Phonics Partnership grant received from the DfE. This project sees a collaborative project of five Teaching School Alliances to improve phonics outcomes.

We have also identified a suitable site for a new Free School in Paignton. This will be called St Michael's Church of England Academy and the DfE have entered into the pre-opening phase. The site has been identified as the old Tower House Independent School in Fisher Street and the new Church of England Free School will open in September 2020.

#### **Funds Held as Custodian Trustee on Behalf of Others**

The academies within the Trust do not hold funds on behalf of others.

**Learning Academy Partnership (South West)**

**Trustees' Report for the Year Ended 31 August 2018 (continued)**

**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.

Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 20 December 2018 and signed on the board's behalf by:

.....

Mrs Lynn Atkinson

Trustee

20 December 2018

## Learning Academy Partnership (South West)

### Governance Statement

#### Scope of Responsibility

As Trustees we acknowledge we have overall responsibility for ensuring that the Learning Academy Partnership (South West) has an effective and appropriate system of control, financial and otherwise. Such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss.

The Board of Trustees has delegated the day-to-day responsibility to the Chief Executive, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between the Learning Academy Partnership (South West) 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 4 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustee Name	Attended	of a possible
Mr Duncan Haddrell (Chair) Resigned November 2017	0	1
Mr Ryan Hewitt Chair from November 2017	4	4
Mrs Lynn Atkinson (CEO)	3	4
Dr Jan Myles (Vice Chair)	2	4
Reverend Paul Ireton (Vice Chair)	3	4
Dr Mark Graves	2	4
Mr Philip Dean	2	4
Mr Richard Vaughton	3	4

The Finance/Audit Committee is a sub-committee of the main Board of Trustees. The committee met regularly to consider the matters within its remit, including budgetary and financial matters, and to consider the internal auditor's reports.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr Duncan Haddrell (Resigned November 2017)	1	1
Mrs Lynn Atkinson	3	3
Dr Mark Graves	3	3
Mr Philip Dean	3	3

#### Value for Money Review

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

- Through monitoring decisions around staffing levels across the Trust. Recruiting new teachers through School Direct as part of All Saints Teaching School. Staff have also transferred between academies enabling best practice to be shared and providing leadership opportunities.

## **Learning Academy Partnership (South West)**

### **Governance Statement (continued)**

- The Trust has grown during the year from 7 to 8 academies. There have been efficiencies in services and contracts for the new schools joining the Trust. With all academies benefiting from the central operational services team.
- There is continuing emphasis on staff development with CPD provided through the Teaching School. We also provide continuing in house professional development with the Trust developing future leaders.
- A procurement network is in place to ensure all academies within the Trust benefit from savings enabled by scale purchase.

### **The Purpose of the System of Internal Control**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in the Learning Academy Partnership (South West) for the period 1 September 2017 to 31 August 2018 and up to the date of approval of the annual report and financial statements.

### **Capacity to Handle Risk**

The Board of Trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Trust's significant risks that has been in place for the period 1 September 2017 to 31 August 2018 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

### **The Risk and Control Framework**

The 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/Audit & Estates 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 Devon Audit Partnership as internal auditor

## Learning Academy Partnership (South West)

### Governance Statement (continued)

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

- Governance, Accounting and Financial Control
- Accounting and Financial Control - Anti Fraud
- Internal Financial Control - Investments
- Internal Financial Control - Purchases & Payments
- Internal Financial Control - Salaries, Wages and Expenses - including the control around the new payroll system
- Safer Recruitment and DBS Single Central Record

A comprehensive reports was provided to the Board of Trustees, through the Finance/Audit committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

#### Review of Effectiveness

As Accounting Officer the Chief Executive 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 Devon Audit Partnership
- the work of the external auditor
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance/Audit Committee and a plan to ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on 20 December 2018 and signed on its behalf by:

.....

Mr Ryan Hewitt

Chair of Trustees

.....

Mrs Lynn Atkinson

Accounting Officer

**Learning Academy Partnership (South West)**

**Statement on Regularity, Propriety and Compliance**

As Accounting Officer of Learning Academy Partnership (South West) I have considered my responsibility to notify the academy trust Governing Body and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2017.

I confirm that I and the academy trust Governing Body are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2017.

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 Governing Body and ESFA.

.....  
Mrs Lynn Atkinson, Chief Executive  
Accounting officer

Date:.....

## **Learning Academy Partnership (South West)**

### **Statement of Trustees' Responsibilities**

The Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the and the financial statements in accordance with the Annual 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 apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018;
- 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

The Trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from the 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 on ..... and signed on its behalf by:

.....  
Mrs Lynn Atkinson  
Trustee

## **Learning Academy Partnership (South West)**

### **Independent Auditor's Report on the Financial Statements to the Members of Learning Academy Partnership (South West)**

#### **Opinion**

We have audited the financial statements of Learning Academy Partnership (South West) (the 'Academy') for the year ended 31 August 2018, which comprise the Statement of Financial Activities incorporating Income and Expenditure Account, Balance Sheet, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy's affairs as at 31 August 2018 and of its results for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2015 and Academies Accounts Direction 2017 to 2018.

#### **Basis for opinion**

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

#### **Conclusions relating to going concern**

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

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

#### **Other information**

The Trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.



## **Learning Academy Partnership (South West)**

### **Independent Auditor's Report on the Financial Statements to the Members of Learning Academy Partnership (South West) (continued)**

#### **Opinion on other matters prescribed by the Companies Act 2006**

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

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the has been prepared in accordance with applicable legal requirements.

#### **Matters on which we are required to report by exception**

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Annual Report and financial statements.

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 of Trustees remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

#### **Responsibilities of Trustees**

As explained more fully in the Statement of Trustees' Responsibilities [set out on page 21], the Trustees 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'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 or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

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

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 purpose of expressing an opinion on the effectiveness of the Academy's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.

## **Learning Academy Partnership (South West)**

### **Independent Auditor's Report on the Financial Statements to the Members of Learning Academy Partnership (South West) (continued)**

- 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 Academy'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 Academy 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Academy to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Academy audit. We remain solely responsible for our audit opinion.

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

#### **Use of our report**

This report is made solely to the Academy's Trustees, 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's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Academy and its Trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

.....  
Simon Lewis (Senior Statutory Auditor)  
For and on behalf of Thompson Jenner LLP, Statutory Auditor

1 Colleton Crescent  
Exeter  
Devon  
EX2 4DG

## **Learning Academy Partnership (South West)**

### **Independent Reporting Accountant's Report on Regularity to Learning Academy Partnership (South West) and the Education & Skills Funding Agency**

In accordance with the terms of our engagement letter dated 16 May 2017 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2017 to 2018, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Learning Academy Partnership (South West) during the period 1 September 2017 to 31 August 2018 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 Learning Academy Partnership (South West) and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we may state to Learning Academy Partnership (South West) and the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Learning Academy Partnership (South West) and the ESFA, for our work, for this report, or for the conclusion we have formed.

#### **Respective responsibilities of the Governing Body's accounting officer and the reporting accountant**

The Accounting Officer is responsible, under the requirements of the Governing Body's funding agreement with the Secretary of State for Education dated 30 March 2012 and the Academies Financial Handbook extant from 1 September 2017, 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 2017 to 2018. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year from 1 September 2017 to 31 August 2018 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 2017 to 2018 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw to our conclusion includes:

- Inspection and review of documentation providing evidence of governance procedures.
- Evaluation of the system of internal control for authorisation and approval.
- Performing substantive tests on relevant transactions.

**Learning Academy Partnership (South West)**

**Independent Reporting Accountant's Report on Regularity to Learning Academy Partnership (South West) and the Education & Skills Funding Agency (continued)**

**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 year from 1 September 2017 to 31 August 2018 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

.....

Simon Lewis

For and on behalf of Thompson Jenner LLP, Chartered Accountants

1 Colleton Crescent

Exeter

Devon

EX2 4DG

Date:.....

## Learning Academy Partnership (South West)

### Statement of Financial Activities for the Year Ended 31 August 2018 (including Income and Expenditure Account)

Note	Unrestricted Funds £ 000	Restricted General Funds £ 000	Restricted Fixed Asset Funds £ 000	2017/18 Total £ 000	
<b>Income and endowments from:</b>					
Voluntary income					
Donations and capital grants	2	6	81	1,141	1,228
Transfer from local authority on conversion		14	(140)	2,761	2,635
<i>Charitable activities:</i>					
Funding for the Academy trust's educational operations	3	78	6,959	-	7,037
Teaching schools		58	-	-	58
Other trading activities	4	265	153	-	418
Investments	5	5	-	-	5
<b>Total</b>		426	7,053	3,902	11,381
<b>Expenditure on:</b>					
<i>Charitable activities:</i>					
Academy trust educational operations	7	109	7,440	329	7,878
Teaching schools	27	51	722	-	773
Net income/(expenditure)		266	(1,109)	3,573	2,730
Transfers between funds		(368)	368	-	-
<b>Other recognised gains and losses</b>					
Actuarial gains on defined benefit pension schemes	25	-	618	-	618
Net movement in (deficit)/funds		(102)	(123)	3,573	3,348
<b>Reconciliation of funds</b>					
Total funds/(deficit) brought forward at 1 September 2017		765	(1,967)	2,026	824
Total funds/(deficit) carried forward at 31 August 2018		663	(2,090)	5,599	4,172

## Learning Academy Partnership (South West)

### Statement of Financial Activities for the Year Ended 31 August 2017 (including Income and Expenditure Account)

	Note	Unrestricted Funds £ 000	Restricted General Funds £ 000	Restricted Fixed Asset Funds £ 000	2016/17 Total £ 000
<b>Income and endowments from:</b>					
Voluntary income					
Donations and capital grants	2	11	72	790	873
Transfer from local authority on conversion		114	-	178	292
<i>Charitable activities:</i>					
Funding for the Academy trust's educational operations	3	27	5,609	-	5,636
Teaching schools		90	-	-	90
Other trading activities	4	168	5	-	173
Investments	5	4	-	-	4
<b>Total</b>		<b>414</b>	<b>5,686</b>	<b>968</b>	<b>7,068</b>
<b>Expenditure on:</b>					
<i>Charitable activities:</i>					
Academy trust educational operations	7	65	6,481	8,481	15,027
Teaching schools	27	82	46	-	128
Net income/(expenditure)		267	(841)	(7,513)	(8,087)
Transfers between funds		(8)	(194)	202	-
<b>Other recognised gains and losses</b>					
Actuarial gains on defined benefit pension schemes	25	-	235	-	235
Net movement in funds/(deficit)		259	(800)	(7,311)	(7,852)
<b>Reconciliation of funds</b>					
Total funds/(deficit) brought forward at 1 September 2016		506	(1,167)	9,337	8,676
Total funds/(deficit) carried forward at 31 August 2017		765	(1,967)	2,026	824

## Learning Academy Partnership (South West)

### (Registration number: 07713540) Balance Sheet as at 31 August 2018

	Note	2018 £ 000	2017 £ 000
<b>Fixed assets</b>			
Intangible assets	12	53	28
Tangible assets	13	5,248	1,428
		5,301	1,456
<b>Current assets</b>			
Stocks	14	9	7
Debtors	15	374	649
Cash at bank and in hand		2,190	1,441
		2,573	2,097
Creditors: Amounts falling due within one year	16	(1,581)	(648)
Net current assets		992	1,449
Total assets less current liabilities		6,293	2,905
Net assets excluding pension liability		6,293	2,905
Pension scheme liability	25	(2,121)	(2,081)
Net assets including pension liability		4,172	824
<b>Funds of the Academy:</b>			
<b>Restricted funds</b>			
Restricted general fund		31	114
Restricted fixed asset fund		5,599	2,026
Restricted pension fund		(2,121)	(2,081)
		3,509	59
<b>Unrestricted funds</b>			
Unrestricted general fund		663	765
Total funds		4,172	824

The financial statements on pages 27 to 58 were approved by the Trustees, and authorised for issue on ..... and signed on their behalf by:

.....  
Mrs Lynn Atkinson  
Trustee

## Learning Academy Partnership (South West)

### Statement of Cash Flows for the Year Ended 31 August 2018

	Note	2018 £ 000	2017 £ 000
<b>Cash flows from operating activities</b>			
Net cash provided by/(used in) operating activities	21	1,020	(293)
Cash flows from investing activities	22	<u>(271)</u>	<u>356</u>
Change in cash and cash equivalents in the year		749	63
Cash and cash equivalents at 1 September		<u>1,441</u>	<u>1,378</u>
Cash and cash equivalents at 31 August	23	<u><u>2,190</u></u>	<u><u>1,441</u></u>



## Learning Academy Partnership (South West)

### Notes to the Financial Statements for the Year Ended 31 August 2018

#### 1 Accounting policies

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

##### **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 2017 to 2018 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

##### **Going concern**

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

##### **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 no 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 in full when there is an unconditional entitlement to the grant. Unspent amounts of capital grants are reflected in the balance sheet in the restricted fixed asset fund. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended.

##### **Sponsorship income**

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

## Learning Academy Partnership (South West)

### Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

#### 1 Accounting policies (continued)

##### *Donations*

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

##### *Other income*

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

##### *Donated goods, facilities and services*

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

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

##### *Transfer on conversion*

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

##### *Transfer of existing academies into the trust*

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

##### *Donated fixed assets*

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

## Learning Academy Partnership (South West)

### Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

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

All resources expended are inclusive of irrecoverable VAT.

##### ***Expenditure on raising funds***

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

##### ***Charitable activities***

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

##### **Intangible fixed assets**

Intangible assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably. Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment. Amortisation is provided on intangible fixed assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

<b>Asset class</b>	<b>Amortisation method and rate</b>
Software	20% straight line

## Learning Academy Partnership (South West)

### Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

#### 1 Accounting policies (continued)

##### 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 on a straight-line basis over its expected useful lives, per the table below.

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.

<b>Asset class</b>	<b>Depreciation method and rate</b>
Leasehold improvements	2% straight line
Furniture and equipment	33% straight line
Computer equipment	33% straight line
Buildings	2% straight line

##### Liabilities

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

##### Provisions

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

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

##### 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.

## **Learning Academy Partnership (South West)**

### **Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)**

#### **1 Accounting policies (continued)**

##### **Taxation**

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

Accordingly, the academy trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

##### **Pension 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. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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

##### **Fund accounting**

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

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

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

##### **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.

## Learning Academy Partnership (South West)

### Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

#### 1 Accounting policies (continued)

##### *Critical accounting estimates and assumptions*

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (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 31/08/2018. 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.

#### 2 Donations and capital grants

	<b>Unrestricted funds £ 000</b>	<b>Restricted funds £ 000</b>	<b>Restricted fixed asset funds £ 000</b>	<b>2017/18 Total £ 000</b>	<b>2016/17 Total £ 000</b>
<b>Other voluntary income</b>					
Educational trips and visits	-	58	-	58	53
Capital grants	-	-	1,141	1,141	781
Other donations	6	23	-	29	39
	<u>6</u>	<u>81</u>	<u>1,141</u>	<u>1,228</u>	<u>873</u>

## Learning Academy Partnership (South West)

### Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

#### 3 Funding for the Academy Trust's educational operations

	Unrestricted funds £ 000	Restricted funds £ 000	2017/18 Total £ 000	2016/17 Total £ 000
<b>DfE/ESFA revenue grants</b>				
Pupil Premium	-	488	488	451
PE and Sports	-	133	133	47
NSS Bursary	-	6	6	6
UIFSM	-	188	188	161
Teaching School	-	40	40	40
NCTL School to School Support	-	-	-	33
General Annual Grant	-	5,159	5,159	4,410
Phonics	-	2	2	13
Start Up	-	25	25	75
Regional Growth Fund	-	-	-	85
SSIF Maths	-	274	274	-
SIFF Phonics	-	256	256	-
	<u>-</u>	<u>6,571</u>	<u>6,571</u>	<u>5,321</u>
<b>Other government grants</b>				
LA Nursery Funding	-	240	240	138
Special Educational Needs	-	108	108	68
LA Planned Pupil Growth	-	36	36	42
Paignton Free School	-	-	-	30
Local Council rates relief	-	3	3	-
	<u>-</u>	<u>387</u>	<u>387</u>	<u>278</u>
<b>Non-government grants and other income</b>				
Other income	<u>78</u>	<u>1</u>	<u>79</u>	<u>37</u>
Total grants	<u><u>78</u></u>	<u><u>6,959</u></u>	<u><u>7,037</u></u>	<u><u>5,636</u></u>

## Learning Academy Partnership (South West)

### Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

#### 4 Other trading activities

	Unrestricted funds £ 000	Restricted funds £ 000	2017/18 Total £ 000	2016/17 Total £ 000
Other sales	265	153	418	173

#### 5 Investment income

		Unrestricted funds £ 000	2017/18 Total £ 000	2016/17 Total £ 000
Short term deposits		5	5	4

#### 6 Expenditure

	Non Pay Expenditure			2017/18 Total £ 000	2016/17 Total £ 000
	Staff costs £ 000	Premises £ 000	Other costs £ 000		
<b>Academy's educational operations</b>					
Direct costs	4,528	164	581	5,273	12,536
Allocated support costs	1,575	313	717	2,605	2,491
Teaching School	174	-	599	773	128
	6,277	477	1,897	8,651	15,155

#### Net income/(expenditure) for the year includes:

	2017/18 £ 000	2016/17 £ 000
(Gain)/loss on disposal of fixed assets	-	8,272



## Learning Academy Partnership (South West)

### Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

#### 7 Charitable activities

	<b>2017/18</b> <b>£ 000</b>	<b>2016/17</b> <b>£ 000</b>
Direct costs - educational operations	5,273	12,536
Support costs - educational operations	2,605	2,491
Teaching school	773	128
	<b>8,651</b>	<b>15,155</b>

	<b>Educational operations</b> <b>£ 000</b>	<b>2017/18</b> <b>Total</b> <b>£ 000</b>	<b>2016/17</b> <b>Total</b> <b>£ 000</b>
<b>Analysis of support costs</b>			
Support staff costs	1,575	1,575	1,545
Premises costs	313	313	334
Other support costs	707	707	598
Governance costs	10	10	14
Total support costs	<b>2,605</b>	<b>2,605</b>	<b>2,491</b>

## Learning Academy Partnership (South West)

### Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

#### 8 Staff

##### Staff costs

	2018 £ 000	2017 £ 000
<b>Staff costs during the year were:</b>		
Wages and salaries	4,555	3,792
Social security costs	396	321
Operating costs of defined benefit pension schemes	1,177	1,161
	6,128	5,274
Supply staff costs	74	38
Staff restructuring costs	75	-
	6,277	5,312
		<b>2018 £ 000</b>
<b>Staff restructuring costs comprise:</b>		
Redundancy payments		29
Severance payments		46
		75

##### Non statutory/non-contractual staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £46,494 (2017: £Nil). Individually, the payments were:

Non-statutory payments £11,250 made on 31/8/18

Non-statutory payments £15,010 made on 31/8/18

Non-statutory payments £20,234 made on 31/8/18

##### Staff numbers

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

	2017/18 No	2016/17 No
<b>Charitable Activities</b>		
Teachers	68	57
Administration and support	167	157
Management	12	10
	247	224

## Learning Academy Partnership (South West)

### Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

#### 8 Staff (continued)

##### Higher paid staff

The number of employees whose emoluments exceeded £60,000 was:

	2018 No	2017 No
£60,001 - £70,000	3	2
£70,001 - £80,000	3	2
£120,001 - £130,000	-	1
£130,001 - £140,000	1	-

Included within the above staff numbers are 2 members of staff who, as a result of settlement payments (disclosed earlier in this note), received salaries exceeding £60k.

##### Key management personnel

The key management personnel of the Academy Trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer national insurance and pension contributions) received by key management personnel for their services to the Academy Trust was £440,815 (2017: £423,452).

#### 9 Central services

The Academy Trust has provided the following central services to its academies during the year:  
Finance, HR, Premises, IT, Marketing and Strategic advice.

#### 10 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, and not in respect of their role as trustees. The value of trustees' remuneration and other benefits was as follows:

Mrs Lynn Atkinson (Trustee):

Remuneration: £130,000 - £135,000 (2017 - £125,000 - £130,000)

Employer's pension contributions: £20,000 - £25,000 (2017 - £20,000 - £25,000)

The above remuneration comprises basic pay, with employer's pension contributions shown separately.

During the year ended 31 August 2018, travel and subsistence expenses totalling £1,207 (2017 - £1,553) were reimbursed or paid directly to 3 trustees (2017 - 3).

Other related party transactions involving the trustees are set out in note 26.

## **Learning Academy Partnership (South West)**

### **Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)**

#### **11 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 year ended 31 August 2018 was £555 (2017 - £1,326).

The cost of this insurance is included in the total insurance cost.

## Learning Academy Partnership (South West)

### Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

#### 12 Intangible fixed assets

	<b>Software £ 000</b>	<b>Total £ 000</b>
<b>Cost</b>		
At 1 September 2017	40	40
Additions	39	39
At 31 August 2018	79	79
<b>Amortisation</b>		
At 1 September 2017	12	12
Charge for the year	14	14
At 31 August 2018	26	26
<b>Net book value</b>		
At 31 August 2018	53	53
At 31 August 2017	28	28

#### 13 Tangible fixed assets

	<b>Leasehold land and buildings £ 000</b>	<b>Furniture and fixtures £ 000</b>	<b>Plant and equipment £ 000</b>	<b>Assets under construction £ 000</b>	<b>Total £ 000</b>
<b>Cost</b>					
At 1 September 2017	836	444	534	207	2,021
Additions	423	38	22	895	1,378
Inherited assets	2,703	18	36	-	2,757
Transfers	207	-	-	(207)	-
At 31 August 2018	4,169	500	592	895	6,156
<b>Depreciation</b>					
At 1 September 2017	38	286	269	-	593
Charge for the year	59	105	151	-	315
At 31 August 2018	97	391	420	-	908
<b>Net book value</b>					
At 31 August 2018	4,072	109	172	895	5,248
At 31 August 2017	798	158	265	207	1,428

## Learning Academy Partnership (South West)

### Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

#### 14 Stock

	<b>2018</b>	<b>2017</b>
	<b>£ 000</b>	<b>£ 000</b>
Books and stationery	<u>9</u>	<u>7</u>

#### 15 Debtors

	<b>2018</b>	<b>2017</b>
	<b>£ 000</b>	<b>£ 000</b>
Trade debtors	3	2
VAT recoverable	29	56
Prepayments	68	110
Accrued grant and other income	<u>274</u>	<u>481</u>
	<u>374</u>	<u>649</u>

#### 16 Creditors: amounts falling due within one year

	<b>2018</b>	<b>2017</b>
	<b>£ 000</b>	<b>£ 000</b>
Trade creditors	104	39
Other taxation and social security	108	93
Other creditors	(1)	2
Accruals	1,047	269
Deferred income	232	162
Pension scheme creditor	<u>91</u>	<u>83</u>
	<u>1,581</u>	<u>648</u>

	<b>2018</b>	<b>2017</b>
	<b>£ 000</b>	<b>£ 000</b>
<b>Deferred income</b>		
Deferred income at 1 September 2017	162	100
Resources deferred in the period	232	162
Amounts released from previous periods	<u>(162)</u>	<u>(100)</u>
Deferred income at 31 August 2018	<u>232</u>	<u>162</u>

At the balance sheet date, the Trust was holding funds received in advance for Universal Infant Free School Meals, SSIF grant relating to Autumn 2018, rates relief received early, and some small amounts relating to trip income, consultancy income and rental income.

## Learning Academy Partnership (South West)

### Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

#### 17 Funds

	Balance at 1 September 2017 £ 000	Incoming resources £ 000	Resources expended £ 000	Gains, losses and transfers £ 000	Balance at 31 August 2018 £ 000
<b>Restricted general funds</b>					
General Annual Grant	73	5,160	(5,601)	368	-
Pupil Premium	-	488	(488)	-	-
Special Educational Needs	-	109	(109)	-	-
LA Nursery Funding	-	240	(240)	-	-
Trips and visits	-	58	(58)	-	-
PE and Sports	-	133	(133)	-	-
School Funds	7	7	-	-	14
NSS Bursary	-	6	(6)	-	-
UIFSM	-	188	(188)	-	-
Teaching School	-	40	(40)	-	-
Start Up	-	25	(25)	-	-
Other income	-	14	(14)	-	-
Paignton School Support	30	-	(30)	-	-
Phonics	4	2	-	-	6
Planned Pupil Growth	-	36	(36)	-	-
SSIF	-	676	(676)	-	-
Pre-school fund	-	11	-	-	11
	<u>114</u>	<u>7,193</u>	<u>(7,644)</u>	<u>368</u>	<u>31</u>
<b>Restricted fixed asset funds</b>					
Inherited Fixed Asset Fund	247	2,761	(183)	-	2,825
DfE/ ESFA Capital Grants	1,209	1,141	(22)	-	2,328
Capital Expenditure from GAG	511	-	(111)	-	400
TDA	22	-	-	-	22
Sport England	10	-	(10)	-	-
LA Capital Funding	18	-	(3)	-	15
Private sector sponsorship	9	-	-	-	9
	<u>2,026</u>	<u>3,902</u>	<u>(329)</u>	<u>-</u>	<u>5,599</u>
<b>Restricted pension funds</b>					
Pension Reserve	<u>(2,081)</u>	<u>(140)</u>	<u>(518)</u>	<u>618</u>	<u>(2,121)</u>
Total restricted funds	59	10,955	(8,491)	986	3,509
<b>Unrestricted funds</b>					
Unrestricted general funds	<u>765</u>	<u>426</u>	<u>(160)</u>	<u>(368)</u>	<u>663</u>

## Learning Academy Partnership (South West)

### Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

#### 17 Funds (continued)

	<b>Balance at 1 September 2017 £ 000</b>	<b>Incoming resources £ 000</b>	<b>Resources expended £ 000</b>	<b>Gains, losses and transfers £ 000</b>	<b>Balance at 31 August 2018 £ 000</b>
Total funds	824	11,381	(8,651)	618	4,172

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

	<b>Balance at 1 September 2016 £ 000</b>	<b>Incoming resources £ 000</b>	<b>Resources expended £ 000</b>	<b>Gains, losses and transfers £ 000</b>	<b>Balance at 31 August 2017 £ 000</b>
<b>Restricted general funds</b>					
General Annual Grant	417	4,410	(4,552)	(202)	73
Pupil Premium	-	451	(451)	-	-
Special Educational Needs	-	68	(68)	-	-
LA Nursery Funding	-	138	(138)	-	-
Trips and visits	-	52	(60)	8	-
PE and Sports	-	47	(47)	-	-
School Funds	12	6	(11)	-	7
EYFS Network	6	-	(6)	-	-
NSS Bursary	-	6	(6)	-	-
UIFSM	-	161	(161)	-	-
Teaching School	-	40	(40)	-	-
Sponsor Capacity Bid	65	-	(65)	-	-
Early Years	4	-	(4)	-	-
Start Up	17	75	(92)	-	-
School to School Support	-	33	(33)	-	-
NCTL School Direct	1	-	(1)	-	-
Torbay Council Troubled Families	15	-	(15)	-	-
Other income	3	20	(23)	-	-
Regional Growth Fund	-	85	(85)	-	-
Paignton School Support	-	30	-	-	30
Phonics	-	13	(9)	-	4
Sponsorship	-	4	(4)	-	-
Planned Pupil Growth	-	42	(42)	-	-
Teaching School Additional grant	-	5	(5)	-	-
	<u>540</u>	<u>5,686</u>	<u>(5,918)</u>	<u>(194)</u>	<u>114</u>



## Learning Academy Partnership (South West)

### Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

#### 17 Funds (continued)

	Balance at 1 September 2016 £ 000	Incoming resources £ 000	Resources expended £ 000	Gains, losses and transfers £ 000	Balance at 31 August 2017 £ 000
<b>Restricted fixed asset funds</b>					
Inherited Fixed Asset Fund	8,448	178	(8,379)	-	247
DfE/ ESFA Capital Grants	440	781	(12)	-	1,209
Capital Expenditure from GAG	385	-	(76)	202	511
TDA	23	-	(1)	-	22
Sport England	20	-	(10)	-	10
LA Capital Funding	21	-	(3)	-	18
Private sector sponsorship	-	9	-	-	9
	<u>9,337</u>	<u>968</u>	<u>(8,481)</u>	<u>202</u>	<u>2,026</u>
<b>Restricted pension funds</b>					
Pension Reserve	<u>(1,707)</u>	<u>-</u>	<u>(609)</u>	<u>235</u>	<u>(2,081)</u>
Total restricted funds	8,170	6,654	(15,008)	243	59
<b>Unrestricted funds</b>					
Unrestricted general funds	<u>506</u>	<u>414</u>	<u>(147)</u>	<u>(8)</u>	<u>765</u>
Total funds	<u><u>8,676</u></u>	<u><u>7,068</u></u>	<u><u>(15,155)</u></u>	<u><u>235</u></u>	<u><u>824</u></u>

## Learning Academy Partnership (South West)

### Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

#### 17 Funds (continued)

##### *General Annual Grant*

Funds received from the ESFA under the General Annual Grant arrangements for the recurrent expenditure of the Academy as defined in the Funding Agreement.

##### *Other ESFA/DfE Revenue Grants*

Funds received from the ESFA for:

Rates - refund of non-domestic rates.

Pupil Premium - funds received to raise the attainment of disadvantaged pupils and close the attainment gap between them and their peers.

PE and Sports Grant - funds to make additional and sustainable improvements to the quality of physical education, activity and sports offered.

Universal Infant Free School Meals (UIFSM) - grant provided by the ESFA to support schools to deliver the legal requirement to offer free school meals to all reception, year 1 and year 2 pupils.

##### *Local Authority - Special Educational Needs (SEN)*

Funding received from the ESFA via the Local Authority to support individual students with a SEN Statement.

##### *Local Authority - Nursery Funding*

Funding provided to support free nursery hours.

##### *Trips and visits*

Funds raised for student trips and visits.

##### *School funds*

Funds restricted for specific uses within each school.

##### *NSS Bursary*

Funding to cover the costs of the NSS to include the recruiting of staff to increase capacity and to cover travel costs for meetings and training events.

##### *Teaching School*

To enable the teaching school to build the leadership and administrative capacity to lead the alliance.

##### *Start Up*

Funds provided by the DfE to support the costs of converting from the LA to academy status.

##### *Other restricted income*

Funds provided with specific restrictions.

##### *Paignton Free School*

Funds to support the set up and development of a new free school in Paignton.

##### *Phonics*

To support the set up and delivery of the Phonics Partnership allowing for the assessment of quality of teaching, learning and assessment. Developing subject knowledge and skills and building key relationships with partners.

##### *Planned Pupil Growth*

Funds to be expended on the educational operations of the academy to allow for additional staffing to support the increase in pupil numbers in the academy.

## Learning Academy Partnership (South West)

### Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

#### 17 Funds (continued)

##### *Sponsor Capacity Bid & Regional Growth Fund*

To secure the sustainability of the current team and educational model. To allow for building capacity to be built ahead of need. To allow for improvements to the IT infrastructure.

##### *School to School Support*

Funding to support school improvement by working with underperforming maintained schools and academies.

##### *Troubled Families Grant is from the LA*

Given to academies to help fund support for troubled families, which are defined as those who:

- Are involved in crime and anti-social behaviour
- Have children not in school
- Have an adult on out of work benefits
- Cause high costs to the public purse

##### *SSIF Grant*

###### Phonics

This grant has been provided by the ESFA to enable Specialist Leaders in Education to support leaders to raise attainment in phonics.

###### Maths

This grant has been provided by the ESFA to build the confidence and skill levels of Specialist Leaders in Education in how best to support schools.

##### *Pre-school Fund*

Funds provided for the benefit of the pre-school.

#### **Analysis of academies by fund balance**

The Trust operates GAG pooling. As a result, no schools carry forward funds into the next financial year. All schools are fully supported by the Trust.

## Learning Academy Partnership (South West)

### Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

#### 17 Funds (continued)

##### Analysis of academies by cost

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

	<b>Teaching and Educational Support Staff Costs £ 000</b>	<b>Other Support Staff Costs £ 000</b>	<b>Educational Supplies £ 000</b>	<b>Other Costs (excluding Depreciation) £ 000</b>	<b>Total 2018 £ 000</b>
All Saints Marsh C of E Academy	354	56	26	54	490
Charleton C of E Academy	211	28	12	27	278
Dunsford Primary School	203	19	23	83	328
Ellacombe C of E Academy	1,213	167	47	219	1,646
Ilsham C of E Academy	484	45	28	84	641
All Saints' Thurlestone C of E Academy	369	108	43	84	604
Warberry C of E Academy	1,243	115	59	204	1,621
West Alvington C of E Academy	249	28	17	26	320
Central services	-	1,268	11	342	1,621
Academy Trust	<u>4,326</u>	<u>1,834</u>	<u>266</u>	<u>1,123</u>	<u>7,549</u>
				<b>Total</b>	
					<b>2017 £ 000</b>
All Saints Marsh C of E Academy					565
Charleton C of E Academy					137
Dunsford Primary School					-
Ellacombe C of E Academy					1,305
Ilsham C of E Academy					504
All Saints' Thurlestone C of E Academy					429
Warberry C of E Academy					1,403
West Alvington C of E Academy					129
Central services					<u>1,795</u>
Academy Trust					<u>6,267</u>

## Learning Academy Partnership (South West)

### Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

#### 18 Analysis of net assets between funds

Fund balances at 31 August 2018 are represented by:

	Unrestricted funds £ 000	Restricted general funds £ 000	Restricted fixed asset funds £ 000	Total funds £ 000
Intangible fixed assets	-	-	53	53
Tangible fixed assets	-	-	5,248	5,248
Current assets	663	1,612	298	2,573
Current liabilities	-	(1,581)	-	(1,581)
Pension scheme liability	-	(2,121)	-	(2,121)
<b>Total net assets</b>	<b>663</b>	<b>(2,090)</b>	<b>5,599</b>	<b>4,172</b>

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

	Unrestricted funds £ 000	Restricted general funds £ 000	Restricted fixed asset funds £ 000	Total funds £ 000
Intangible fixed assets	-	-	28	28
Tangible fixed assets	-	-	1,428	1,428
Current assets	765	762	570	2,097
Current liabilities	-	(648)	-	(648)
Pension scheme liability	-	(2,081)	-	(2,081)
<b>Total net assets</b>	<b>765</b>	<b>(1,967)</b>	<b>2,026</b>	<b>824</b>

#### 19 Capital commitments

	2018 £ 000	2017 £ 000
Contracted for, but not provided in the financial statements	194	728

#### 20 Commitments under operating leases

##### *Operating leases*

At 31 August 2018 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

	2018 £ 000	2017 £ 000
Amounts due within one year	70	74
Amounts due between one and five years	123	202
	<b>193</b>	<b>276</b>

## Learning Academy Partnership (South West)

### Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

#### 21 Reconciliation of net income/(expenditure) to net cash inflow/(outflow) from operating activities

	<b>2018</b>	<b>2017</b>
	<b>£ 000</b>	<b>£ 000</b>
Net income/(expenditure)	2,730	(8,087)
Amortisation	14	8
Depreciation	315	201
Capital grants from DfE and other capital income	(3,758)	(968)
Interest receivable	(5)	(4)
Defined benefit pension scheme cost less contributions payable	325	353
Defined benefit pension scheme obligation inherited	140	220
Defined benefit pension scheme finance cost	53	36
Increase in stocks	(2)	(3)
Decrease/(increase) in debtors	275	(511)
Increase in creditors	933	190
Loss on disposal of tangible fixed assets	-	8,272
	1,020	(293)
Net cash provided by/(used in) Operating Activities	1,020	(293)

#### 22 Cash flows from investing activities

	<b>2018</b>	<b>2017</b>
	<b>£ 000</b>	<b>£ 000</b>
Dividends, interest and rents from investments	5	4
Purchase of intangible fixed assets	(39)	(18)
Purchase of tangible fixed assets	(1,378)	(420)
Capital funding received from sponsors and others	1,141	790
	(271)	356
Net cash (used in)/provided by investing activities	(271)	356

#### 23 Analysis of cash and cash equivalents

	<b>2018</b>	<b>2017</b>
	<b>£ 000</b>	<b>£ 000</b>
Cash at bank and in hand	2,190	1,441
Total cash and cash equivalents	2,190	1,441

## **Learning Academy Partnership (South West)**

### **Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)**

#### **24 Members' liability**

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

#### **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 Devon County Council. Both are multi-employer defined benefit schemes.

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

Contributions amounting to £(91,351) (2017 - £(82,684)) were payable to the schemes at 31 August and are included within creditors.

#### **Teachers' Pension Scheme**

##### **Introduction**

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations (2010) and, from 1 April 2014, by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis - these contributions along with those made by employers are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

##### **Valuation of the Teachers' Pension Scheme**

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. 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 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014.

The key elements of the valuation and subsequent consultation are:

## Learning Academy Partnership (South West)

### Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

#### 25 Pension and similar obligations (continued)

- employer contribution rates set at 16.48% of pensionable pay (including a 0.08% employer administration charge)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%.

The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The next valuation of the TPS is currently underway based on April 2016 data, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The employer's pension costs paid to TPS in the period amounted to £636,721 (2017: £504,231). A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

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

#### Local government pension scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2018 was £399,000 (2017 - £325,000), of which employer's contributions totalled £294,000 (2017 - £238,000) and employees' contributions totalled £105,000 (2017 - £87,000). The agreed contribution rates for future years are 15.8 per cent for employers and 5.5 - 9.9 per cent for employees.

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

#### Principal actuarial assumptions

	2018	2017
	%	%
Rate of increase in salaries	3.80	4.20
Rate of increase for pensions in payment/inflation	2.30	2.70
Discount rate for scheme liabilities	2.70	2.60
Inflation assumptions (CPI)	2.30	2.70
RPI increases	<u>3.30</u>	<u>3.60</u>

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



## Learning Academy Partnership (South West)

### Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

#### 25 Pension and similar obligations (continued)

	<b>2018</b>	<b>2017</b>
<b>Retiring today</b>		
Males retiring today	23.50	23.40
Females retiring today	25.60	25.50
<b>Retiring in 20 years</b>		
Males retiring in 20 years	25.80	25.70
Females retiring in 20 years	28.00	27.90
<b>Sensitivity analysis</b>		
	<b>2018</b>	<b>2017</b>
	<b>£000</b>	<b>£000</b>
Discount rate +0.1%	4,314.00	3,684.00
Discount rate -0.1%	4,539.00	3,877.00
Mortality assumption – 1 year increase	4,568.00	3,901.00
Mortality assumption – 1 year decrease	4,287.00	3,661.00
CPI rate +0.1%	4,530.00	3,864.00
CPI rate -0.1%	4,323.00	3,696.00

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

	<b>2018</b>	<b>2017</b>
	<b>£ 000</b>	<b>£ 000</b>
Equities	1,391	1,005
Gilts	71	53
Other bonds	45	42
Property	208	148
Cash and other liquid assets	35	40
Other	554	410
Total market value of assets	2,304	1,698

The actual return on scheme assets was £120,000 (2017 - £154,000).

## Learning Academy Partnership (South West)

### Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

#### 25 Pension and similar obligations (continued)

##### Amounts recognised in the statement of financial activities

	2017/18 £ 000	2016/17 £ 000
Current service cost	898	810
Interest cost	53	36
Admin expenses	1	1
	952	847
Total amount recognized in the SOFA	952	847

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

	2017/18 £ 000	2016/17 £ 000
At start of period	3,779	2,768
Transferred in on existing academies joining the trust	238	396
Current service cost	758	590
Interest cost	104	65
Employee contributions	105	87
Actuarial (gain)/loss	(549)	(120)
Benefits paid	(10)	(7)
	4,425	3,779
At 31 August	4,425	3,779

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

	2017/18 £ 000	2016/17 £ 000
At start of period	1,698	1,061
Transferred in on existing academies joining the trust	98	176
Interest income	51	29
Actuarial gain/(loss)	68	114
Employer contributions	294	238
Employee contributions	105	87
Benefits paid	(10)	(7)
	2,304	1,698
At 31 August	2,304	1,698

#### 26 Related party transactions

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

## Learning Academy Partnership (South West)

### Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

#### 26 Related party transactions (continued)

##### Expenditure related party transactions

During the year the academy made the following related party transactions:

##### Christ Church, Ellacombe

(Reverend Paul Ireton, Trustee, is the Priest in Charge)

During the year there were transactions totalling £Nil (2017 - £2,000) in relation to the rental of the Church.

In entering into the transaction the academy trust has complied with the requirements of the Academies Financial Handbook 2017.

At the balance sheet date the amount due (to)/from Christ Church, Ellacombe was £Nil (2017 - £2,000).

##### S Chambers

(sister of Mr S Bulmer, the Director of Operations)

S Chambers was employed by the trust as a teaching assistant. S Chambers has now left employment of the trust. However, her appointment was originally made in open competition and S Bulmer was not involved in the decision making process regarding appointment. S Chambers was paid within the normal pay scale for her role throughout her employment, and received no special treatment as a result of her relationship to an officer of the trust.

In entering into the transaction the academy trust has complied with the requirements of the Academies Financial Handbook 2017.

At the balance sheet date the amount due to S Chambers was £Nil (2017 - £Nil).

#### 27 Teaching school trading account

	2017/18 £ 000	2016/17 £ 000
<b>Income</b>		
<b>Direct Income</b>		
Other income	722	46
<b>Other Income</b>		
Fundraising and other trading activities	<u>58</u>	<u>90</u>
Total Income	780	136
Grants included in Funding for Educational Operations	<u>(722)</u>	<u>(46)</u>
Teaching School income	<u>58</u>	<u>90</u>
<b>Expenditure</b>		
<b>Direct costs</b>		
Direct staff costs	151	90
Other direct costs	<u>575</u>	<u>-</u>
Total direct costs	<u>726</u>	<u>90</u>

## Learning Academy Partnership (South West)

### Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

#### 27 Teaching school trading account (continued)

	2017/18 £ 000	2016/17 £ 000
<b>Other costs</b>		
Support staff costs	23	15
Other support costs	24	24
Total other costs	47	39
Total Expenditure	773	129
Net result excluding Grants included elsewhere	(715)	(39)
<b>Add back:</b>		
Grants included in Funding for Educational Operations (see note 3)	722	46
Surplus from all sources	7	7
Teaching school balances at 1 September 2017	7	-
Teaching school balances at 31 August 2018	14	7

#### 28 Conversion to an academy trust

On 1 January 2018 the Dunsford Primary School converted to academy status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Learning Academy Partnership (South West) from the Devon County Council Local Authority for £Nil consideration.

The transfer has been accounted for as a combination that is in substance a gift. 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 Donations - transfer from local authority on conversion.

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

	Unrestricted fund £ 000	Restricted general fund £ 000	Restricted fixed asset fund £ 000	Total £ 000
Tangible fixed assets				
Leasehold land and buildings	-	-	2,703	2,703
Other tangible fixed assets	-	-	54	54
Budget surplus on LA funds	14	-	4	18
LGPS pension deficit	-	(140)	-	(140)
Net assets/(liabilities)	14	(140)	2,761	2,635