

**LDBS FRAYS ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**ANNUAL REPORT AND ACCOUNTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**



# LDBS FRAYS ACADEMY TRUST

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# LDBS FRAYS ACADEMY TRUST

## REFERENCE AND ADMINISTRATIVE DETAILS

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### Members

The Bishop of Willesden  
I Woolf  
R Young  
K Buckler

### Trustees

A Brett  
K Buckler (Chair of Trustees)  
C Cole (Executive Headteacher & Accounting Officer)  
J Duncan  
I Woolf  
D Dean (Resigned 21 July 2019)  
R Hughes (Resigned 19 July 2019)  
A Belapurka (Appointed 6 September 2019)  
S Carroll (Appointed 1 September 2019)  
G Walker (Appointed 1 September 2019)

### Senior management team

- Chief Executive / Executive Headteacher	C Cole
- Chief Operating Officer	J Gaffney
- Head of School – Cowley St Laurence	D Davies
- Head of School – Laurel Lane	S Voisey
- Head of School – St Matthews	L Barr
- Head of School – St Martin's	R Gumbs
- Head of Finance	R Ahmad

### Company secretary

C Mosdell

### Company registration number

08335073 (England and Wales)

### Principal and registered office

Cowley St Laurence C of E Primary School  
Worcester Road  
Cowley  
Uxbridge  
Middlesex  
UB8 3TH

### Academies operated

Cowley St Laurence CofE Primary School  
Laurel Lane Primary School  
St Matthew's CofE Primary School  
St Martin's CofE Primary School

### Location

Cowley  
West Drayton  
Yiewsley  
West Drayton

### Heads of School

D Davies  
S Voisey  
L Barr  
R Gumbs

### Independent auditor

Alliotts  
Friary Court  
13-21 High Street  
Guildford  
Surrey  
GU1 3DL

**LDBS FRAYS ACADEMY TRUST**

**REFERENCE AND ADMINISTRATIVE DETAILS**

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<b>Solicitors</b>	Winkworth Sherwood Minerva House Montague Close London SE1 9BB
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# **LDBS FRAYS ACADEMY TRUST**

## **TRUSTEES' REPORT**

### ***FOR THE YEAR ENDED 31 AUGUST 2019***

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The Trustees present their annual report together with the accounts and auditor's report of the charitable company for the year 1 September 2018 to 31 August 2019. The annual report serves the purposes of both a Trustees' report, and a Directors' report under company law.

#### **Structure, governance and management**

##### Constitution

The Frays Academy Trust (from here known simply as the 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 Trust.

The Trustees of LDBS Frays Academy Trust are also the Directors of the Charitable Company for the purposes of company law. The Charitable Company is known as Frays Academy Trust. Details of the Trustees who served during the year, and to the date these accounts are approved, are included in the Reference and Administrative Details on page 1.

As at 31 August 2019 the Trust was made up of 4 academies. Cowley St Laurence Primary School and St Matthew's Primary School converted to academies on 1 February 2013 and were joined by Laurel Lane Primary School on 1 April 2013. St Martin's Primary School joined the Trust as a newly opened academy on 1 September 2015. The Trust also operates a 2-year-old provision within Laurel Lane called The Pond and a Special Resource Provision, "The Oasis", within St Martin's Primary School. The academies provide high quality education to children of primary school age in Cowley, Yiewsley and West Drayton in accordance with the Trust's objective as set out in its Articles of Association.

##### 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

The Trust has taken out professional indemnity insurance which provides cover for Trustees (Directors) and Governors regarding liabilities arising from acts of neglects, errors and/or omissions committed in good faith. Such qualifying third party indemnity insurance remains in force at the date of approving this report.

##### Method of recruitment and appointment or election of Trustees

The number of Trustees shall not be less than three but (unless otherwise determined by ordinary resolution) shall not be subject to any maximum. The members shall appoint such number of Trustees as they decide, provided they appoint at least two Trustees. The Trustees shall appoint one Trustee who is a member of the clergy in the Church of England.

##### Policies and procedures adopted for the induction and training of Trustees

The training and induction provided for new governors and Trustees is in accordance with our policies. Where necessary, training is provided for by a Service Level Agreement (SLA) with the Local Authority under Governance Services or by independent companies depending on the need. Governors' training sessions are held regularly throughout the school year.

All new governors and Trustees are given a tour of the Trust academies and a chance to meet with staff and students. All governors are provided with copies of policies, procedures, minutes, accounts, budget plans and other documents that they need to undertake their role as governors.

##### Organisational structure

See Appendix 3: Organisational Structure for details of our governing structure how our teaching and learning is led and our management structure.

# LDBS FRAYS ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2019

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

The Trust's policies on Pay and Appraisal detail very clearly the process for setting performance management targets, the review of those targets and pay aligned to the performance reviews. Line managers are responsible for the review of the performance and pay of individual staff and the Board of Trustees are responsible for reviewing the performance of the Executive Headteacher. A Pay Committee has been established across the Trust to receive reports from senior leaders in order to scrutinise reasons for pay progression and consider supporting evidence. Schools HR Co-operative provides advice, guidance and support to the when setting salaries. The Trust continues to operate from the School Teachers Pay and Conditions and, for support staff, the National Joint Council (NJC) pay conditions.

#### Trade union facility time

##### *Relevant union officials*

Number of employees who were relevant union officials during the relevant period

Full-time equivalent employee number

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

Percentage of time

0%

1%-50%

51%-99%

100%

Number of employees

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

Total cost of facility time

Total pay bill

6,447,012

Percentage of the total pay bill spent on facility time

##### *Paid trade union activities*

Time spent on paid trade union activities as a percentage of total paid facility time hours

#### Related parties and other connected charities and organisations

The Trust is affiliated with the London Diocese Board of Schools (LDBS) and buys in/receives support from both the LDBS and the London Borough of Hillingdon. The Trust also provides support to outer borough schools in the areas of curriculum development, staff training and raising standards through the CEO's role.

#### **Objectives and activities**

##### Objects and aims

The Trust's objectives, as set out in its Articles of Association, are specifically restricted to the following: to advance education for the public benefit in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing academies. To offer a broad and balance curriculum. Any academy which is designated as having a Church of England character shall offer a broad and balanced curriculum conducted in accordance with the principles, practices and tenets of the Church of England both generally and in particularly for religious education and daily acts of worship (as required by the Funding Agreement). Also in having regard for the advice and considering directives issued by the London Diocesan Board for Schools.

##### Objectives, strategies and activities

The vision is for each of the schools in the Trust to become Outstanding.



# **LDBS FRAYS ACADEMY TRUST**

## **TRUSTEES' REPORT (CONTINUED)**

### **FOR THE YEAR ENDED 31 AUGUST 2019**

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Frays Academy Trust is a Church of England multi-academy trust affiliated to the London Diocesan Board for Schools (LDBS), the educational arm of the Diocese of London. The Trust is committed to delivering excellent primary education for children in Cowley, Yiewsley, West Drayton and Wokingham and to enabling our children, their families and our staff to flourish and realise their God-given potential. Our founding principles are Christian, based on the teachings of Jesus and the core belief that every person is loved and accepted by God, uniquely created in his image and given gifts and talents to be nurtured. The Bible (Proverbs 22 v6) states 'Train a child in the way they should go; even when they are old they will not depart from it.'

We will realise these principles in an inclusive and open way, and we welcome both church schools and schools without a religious foundation into full membership of the Trust. In all our academies, every child will be given the opportunity to flourish in a health, safe and secure environment and to have their individual skills, talents and spiritual development nourished so that they bloom and prosper.

The Trust will enable all pupils to achieve and develop the skills, knowledge and understanding necessary for Secondary Education and beyond. The Trust will inspire excellence through high quality leadership, good and outstanding teaching as well as a highly creative curriculum. The learning culture within each Trust academy will inspire children to succeed academically and encourage pupils to aspire to reach their full potential.

At the foundation of our vision is a commitment to providing the highest quality, individualised, professional development for staff. The Trust will invoke high quality leaders of learning in order to provide an enriched curriculum for our pupils of today and tomorrow.

Within each academy in the Trust there are specific values, which are reviewed annually. The overall values of the Trust are:

- Equality to ensure that all pupils receive an outstanding education;
- Openness to be willing to adapt and change to respond to the needs of the school community;
- Honesty to critically evaluate leadership and teaching to ensure that the best possible provision can be developed in the Trust academies;
- Responsibility and accountability to ensure that leaders have high aspirations for all pupils in our Trust academies;
- Challenge to test our educational thinking to understand that there are always routes to improving provision within our academies;
- Partnership and support to enable all our academies to work jointly together, to critically analyse our work and support School Improvement.

Our Trust will support learners to reach and exceed expected standards of attainment and will be a leader of educational change in the wider community.

#### **Aims**

Our learners will:

- achieve high expectations;
- understand and celebrate the diversity of their community;
- develop resilience and a love of learning; and
- take an important role in being a positive impact on their community.

Our staff will:

- dedicate themselves to achieving the best outcomes for all learners;
- have a clear understanding of their roles and responsibilities and be accountable for their impact;
- develop their skills and knowledge in pursuit of the highest standards;
- work together to develop outstanding practice; and be committed to lifelong learning.

# **LDBS FRAYS ACADEMY TRUST**

## **TRUSTEES' REPORT (CONTINUED)**

### **FOR THE YEAR ENDED 31 AUGUST 2019**

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Our leaders will:

- deploy their resources to secure best value and high outcomes for pupils;
- adopt robust ways of tracking the progress of pupils;
- support and challenge their teams to achieve sustained and sustainable improvement;
- be highly effective leaders of teaching and learning; and
- set high expectations for teaching and learning and expect all pupils and staff to achieve challenging targets.

Our schools will:

- have an inspiring curriculum;
- deliver teaching and learning that is consistently good and outstanding;
- raise levels of attainment and aspiration for all, which is above the national expectations;
- be supportive and create a caring environment for staff, learners and their families;
- have an inclusive, high quality learning environment;
- maintain safe environments where adults are dedicated to protecting the rights of pupils to a high quality education and life chances.

#### Public benefit

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

## **Strategic report**

### **Achievements and performance**

See Appendices 1 & 2: Outcome for schools in Frays Trust 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 the Board of Trustees continues to adopt the going concern basis in preparing the accounts. Further details regarding the adoption of the going concern basis can be found in the statement of accounting policies.

#### **Financial review**

The Trust has been pro-actively focussed on its in year deficit and reduced its in year deficit from £371,223 in 2017/18 to £139,425 in 2018/19 before an actuarial loss of £1,137,000 relating to the defined benefit pension scheme was incurred in the year ended 31 August 2019.

The total income of the Trust was £9,510,674 (2018: £9,383,366).

Most of the Trust's income is obtained from the Education & Skills Funding Agency (ESFA) in the form of grants. The grants received from the DfE and other government bodies during the year ended 31 August 2019 and the associated expenditure are shown as restricted funds in the statement of financial activities.

Principal revenue funding from the ESFA amounted to £7,354,085 (2018: £7,761,451) and revenue funding from the London Borough of Hillingdon amounted to £1,569,250 (2018: £1,377,141).

A high percentage of this funding is spent on wages and salaries and support costs to delivery the academies' primary objective of the provision of education.

The Trust also receives grants for fixed assets from the ESFA. In accordance with the Academies Accounts Direction such grants are shown in the statement of financial activities as restricted income within the fixed assets fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful economic life of the assets concerned. Capital grants received from the ESFA were £337,554 (relating to £12,060 DFC & £325,494 Condition Improvement Fund (CIF)) (2018: £31,440). The related expenditure was treated as buildings repairs and maintenance.



# **LDBS FRAYS ACADEMY TRUST**

## **TRUSTEES' REPORT (CONTINUED)**

### **FOR THE YEAR ENDED 31 AUGUST 2019**

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#### Reserves policy

The Trust free reserves (unrestricted) position is £1,277,201 this is a historical reserve, that has been built up over the years to meet the increasingly changing financial climate we are in. The reserves policy addresses the following risks:

The Trust 3 year forecast shows a deficit position at 2022 of £1,248,560. This forecast is based on three factors within Hillingdon schools which are:

- Falling pupils numbers within 2 schools in Hillingdon. The pupil numbers have fallen by 43 in one school which equates to a reduction of income of £135,002. Forecasting forward with this trend predicted to continue.
- The increase in pupils with SEN who receive no funding, however need 1:1 support: one school with diseconomies funding is due to end in 2021 and pupil number predictions show a downturn in number.
- The Local Authority Minimum Funding Guarantee (MFG) slowly decreasing over the years.

Other factors affecting the reserve level are:

- Capital projects which may require the Trust to use reserves for the increasingly higher contributions to ensure funding applications are successful.
- Schools joining the Trust have come with no reserves.

As at 31 August 2019 the Trust had total funds of £9,657,247. This comprised £11,188,640 in restricted fixed assets funds, a negative restricted pension deficit reserve in respect of the LGPS of £3,825,000, and £2,293,607 of other reserves (being the amount of restricted general funds (excluding pension reserve) and unrestricted funds).

The policy of the Trust is to accumulate reserves to cover the following key areas:

- planned capital expenditure in excess of capital funding;
- to meet the Trust's asset management plans for the following two years;
- a contingency for income protection to ensure the Trust has a balanced budget in year and for following years for all the Trust schools. The medium term financial plan is that no school will have in-year deficits going forward.

#### Investment policy

Under its Articles of Association, the Trust has the power to invest any funds not immediately required for the furtherance of its objects while ensuring that due regard is made to ensure that any investments are prudent and suitable to its needs.

The Trust has selected a low risk investment of 32 days as an initial step to generate higher return on cash balances. The investment policy states the notice period required to request funds and how interest will be distributed. However, in balancing risk against return, the Trust policy is geared more towards avoiding risk than to maximising return.

#### Principal risks and uncertainties

The Trust maintains a risk register identifying the major risks to which it is exposed and identifying actions and procedures to mitigate those risks. This register and actions arising from it are monitored by the Audit Committee. The register is also actively monitored on a regular and frequent basis in individual academies by their respective Senior Leadership Teams.

The Trust's reports that the financial and internal controls conform to guidelines issued by the Education & Skills Funding Agency (ESFA) and that improvements to the wider framework of systems dealing with business risk management strategy continue to be made and formally documented.

# **LDBS FRAYS ACADEMY TRUST**

## **TRUSTEES' REPORT (CONTINUED)**

### **FOR THE YEAR ENDED 31 AUGUST 2019**

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The Trust assesses the principal risks and uncertainties as follows:

- Staff retention: the Trust is proactive in staff development and retention and uses both staff survey feedback and exit interview data to inform improvements.
- Material decreases in income affecting provision. The budget meets needs with further work planned to increase efficiencies, the Trust cash flow is healthy and long-term planning predicts it will remain so.
- To ensure admission places are filled throughout the year. Continuous marketing of places and the new school (St Martin's) is monitored weekly.

The Trust monitors financial performance through its governance structure which includes Board, Strategic Action & Resources Group (SARG) and Federated Governing Bodies. The Trust Board and sub-committees' financial reports and presented termly to each committee.

The Head of Finance carries out additional scrutiny of financial data on a monthly basis and this is signed off by the Chief Operating Officer.

Each Federated Governing Body has a Finance & Resource Committee (F&R) which meets on a termly basis, whose remit includes the maintenance of sufficient reserves to meet projected expenditure. In view of the short term budget, the reserves reflect a healthy position.

The Trust has planned more resources and development for the Central Unit but also investment into the individual academies to attain higher achievements for the future.

The Trust provides access to two pension schemes for staff: Teachers' Pension Scheme (TPS) and the Local Government Pension Scheme (LGPS). The TPS is a centrally managed scheme, where the government are responsible for any deficits; the LGPS is administered locally. For both TPS & LGPS there is a risk that remains for the Trust. The percentage contributions can rise following a three year valuation carried out by LGPS actuaries.

The LGPS scheme is in deficit and to reduce this deficit the Trust has set its employer contribution rate at 24.9% which would be expected to fund the deficit in approximately 15 years.

Our pension liability, valued in line with FRS 102, continues to cause concern for the Trust as it does with all other academies in the UK. Note 19 to the accounts explains these commitments more clearly and shows that at 31 August 2019 there was a potential deficit of £3,825,000.

#### **Fundraising**

The academy trust does not use any external fundraisers. All fundraising undertaken during the year was monitored by the Trust.

#### **Plans for future periods**

The Trust Board has agreed a robust 3 year strategy plan for 2019-22 areas and this is set out in the Trust Strategic Plan. The strategic plan for 19/20 is very detailed and reported on at Board meetings.

The Strategic plan identifies the following aims:

- By 2021, the Frays Academy Trust will provide 2,400 high quality primary school places for pupils aged 3 to 11 in the five schools currently in the Trust. The provision will allow for all pupils to make outstanding progress.
- The Early Years Foundation Stage in each school including in the provision for two year olds, will be 'Centres of Excellence', which will enable the lowest attaining pupils to leave the early years ready prepared for Key Stage 1.
- The Trust is considering offering Secondary places.
- By end of 2020, the Trust will consider 2 schools joining.

# **LDBS FRAYS ACADEMY TRUST**

## **TRUSTEES' REPORT (CONTINUED)**

***FOR THE YEAR ENDED 31 AUGUST 2019***

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### **Auditor**

In so far as the Trustees are aware:

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

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 19.12.19 and signed on its behalf by:



K Buckler

Chair of Trustees

# LDBS FRAYS ACADEMY TRUST

## GOVERNANCE STATEMENT

**FOR THE YEAR ENDED 31 AUGUST 2019**

### Scope of responsibility

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

The board of Trustees has delegated the day-to-day responsibility to the Executive Headteacher, 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 LDBS Frays Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

### Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 8 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustees	Meetings attended	Out of possible
A Brett	8	8
K Buckler (Chair of Trustees)	8	8
C Cole (Executive Headteacher & Accounting Officer)	8	8
J Duncan	5	8
I Woolf	8	8
D Dean (Resigned 21 July 2019)	6	8
R Hughes (Resigned 19 July 2019)	6	8
A Belapurka (Appointed 6 September 2019)	0	0
S Carroll (Appointed 1 September 2019)	0	0
G Walker (Appointed 1 September 2019)	0	0

The Board undertakes a self-evaluation each year. During the last academic year the Board reviewed how it operated and recommended to Members to adopt a flatter structure as reflected in Appendix 3 to the Trustees Report. This was agreed at the Annual General Meeting. As a result the Articles and Schemes of Delegation were revised with the new Articles reflecting a skills based model and allowing for five members. Using the skills based model there was successful recruitment for new Directors who bring further legal, educational and business experience to the Board. Board have a schedule of reports from the CEO which identify progress against milestones in the Strategic Plan and provides data on pupil outcomes. Management accounts are reviewed monthly by the Chair and each Board meeting is provided with financial data. The Risk Register is reviewed by Board each term. At the end of each Board meeting Directors are asked to evaluate the impact of the meeting.

The Strategic Action & Resources Group is a sub-committee of the main Board of Trustees. Its purpose is to:

- monitor finance at a strategic level;
- add value for money;
- business plan, including a five year plan for estate management;
- oversee all regulatory matters.



**LDBS FRAYS ACADEMY TRUST**

**GOVERNANCE STATEMENT (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2019**

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Attendance at meetings in the year was as follows:

<b>Trustees</b>	<b>Meetings attended</b>	<b>Out of possible</b>
A Brett	5	5
C Cole (Executive Headteacher & Accounting Officer)	5	5
J Duncan	4	5
D Dean (Resigned 21 July 2019)	3	5
R Hughes (Resigned 19 July 2019)	3	5

The Audit Committee is a sub-committee of the main Board of Trustees. Its purpose is to:

- review the Trust risk register;
- review all matters of Audit & Internal Controls;
- ensure the Trust internal services meet or exceeds the standards specified in the Government Internal Audit Manual.

Attendance at meetings in the year was as follows:

<b>Audit committee members</b>	<b>Meetings attended</b>	<b>Out of possible</b>
D Green (Chair)	4	4
I Woolf	4	4
L Kssis	3	4
H Mehta	4	4
<i>Attendees</i>		
C Cole (Executive Headteacher and Accounting officer)	4	4
J Gaffney (Chief Operating Officer)	4	4
R Ahmad (Head of Finance)	4	4

**Review of value for money**

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

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

- ensuring the Trust works closely with its academies. The Heads of School and Senior leaders on a monthly basis to share ideas, good practice and discuss issues. This method of collaboration has had a massive effect on the education outcomes within the Trust.
- The Trust leadership groups review expenditure within each budget heading termly, the strengthening of governance and financial oversight has improved across the trust and expenditure challenged and discussed with the best value principles in mind.
- The Head of Finance/Finance Bursars strive to find best value in purchasing and use a number of established consortia. Large building works are placed via the Academies' consultants who are part of the London Diocesan Board of Schools who apply Best Value principles within a safe legal framework.

# **LDBS FRAYS ACADEMY TRUST**

## **GOVERNANCE STATEMENT (CONTINUED)**

### **FOR THE YEAR ENDED 31 AUGUST 2019**

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#### **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 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 LDBS Frays Academy Trust for the period 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and accounts.

#### **Capacity to handle risk**

The Board of Trustees has reviewed the key risks to which the 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 2018 to 31 August 2019 and up to the date of approval of the annual report and accounts. 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 Strategic Action & Resources Group 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 not to appoint an internal auditor. However the Trustees have appointed Alliotts, the external auditor, to perform additional checks.

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

- bank and cash management;
- income;
- purchasing;
- payroll; and
- month end.

On a termly basis, the auditor reports to the Board of Trustees through the Audit Committee on the operation of the systems of control and on the discharge of the financial responsibilities of the Board of Trustees.

No material failures or weaknesses were identified during the year as a result of the extended assurance work.

#### **Review of effectiveness**

As accounting officer the Executive Headteacher has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by the work of the external auditor.



# **LDBS FRAYS ACADEMY TRUST**

## **GOVERNANCE STATEMENT (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2019**

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

Approved by order of the Board of Trustees on 12.12.19 and signed on its behalf by:



K Buckler  
Chair of Trustees



C Cole  
Executive Headteacher & Accounting Officer

# **LDBS FRAYS ACADEMY TRUST**

## **STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE**

**FOR THE YEAR ENDED 31 AUGUST 2019**


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

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

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

C Cole  
Accounting Officer

  
10.12.19

# **LDBS FRAYS ACADEMY TRUST**

## **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

**FOR THE YEAR ENDED 31 AUGUST 2019**

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

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

In preparing these accounts, the Trustees are required to:

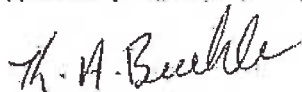
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting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

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

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

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

Approved by order of the members of the Board of Trustees on 16.12.19 and signed on its behalf by:



K Buckler  
Chair of Trustees

# LDBS FRAYS ACADEMY TRUST

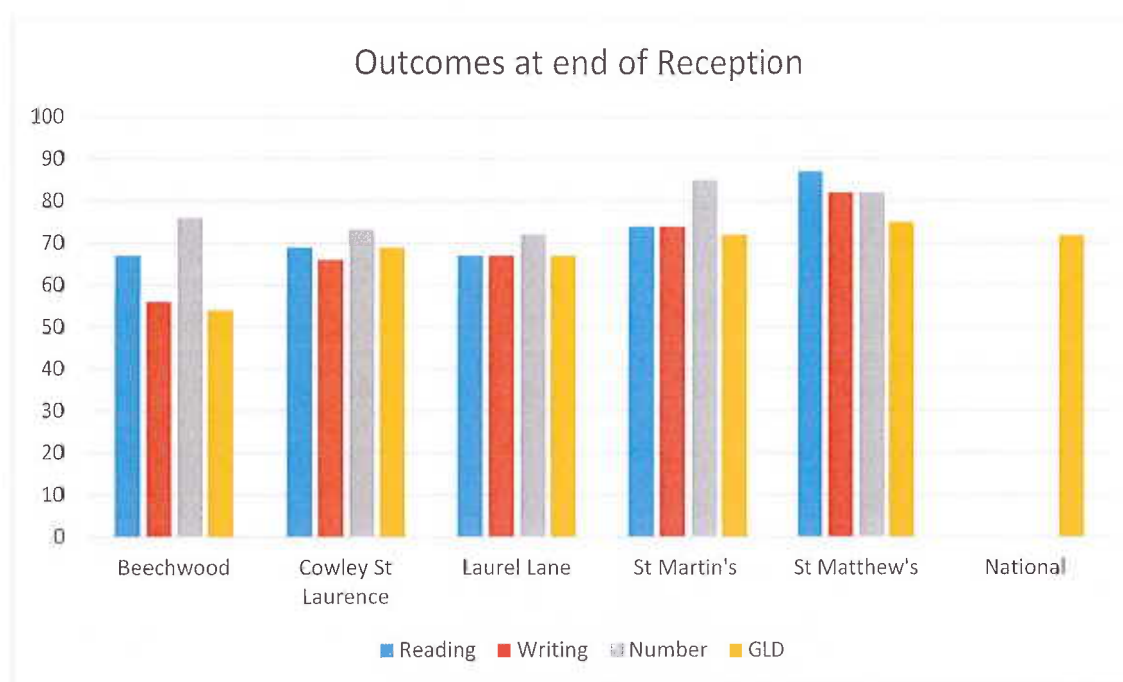
## APPENDIX 1

FOR THE YEAR ENDED 31 AUGUST 2019

### Appendix 1: Performance of Schools in the LDBS Frays Academy Trust

#### Section 1: Trust Outcomes

##### Early Years



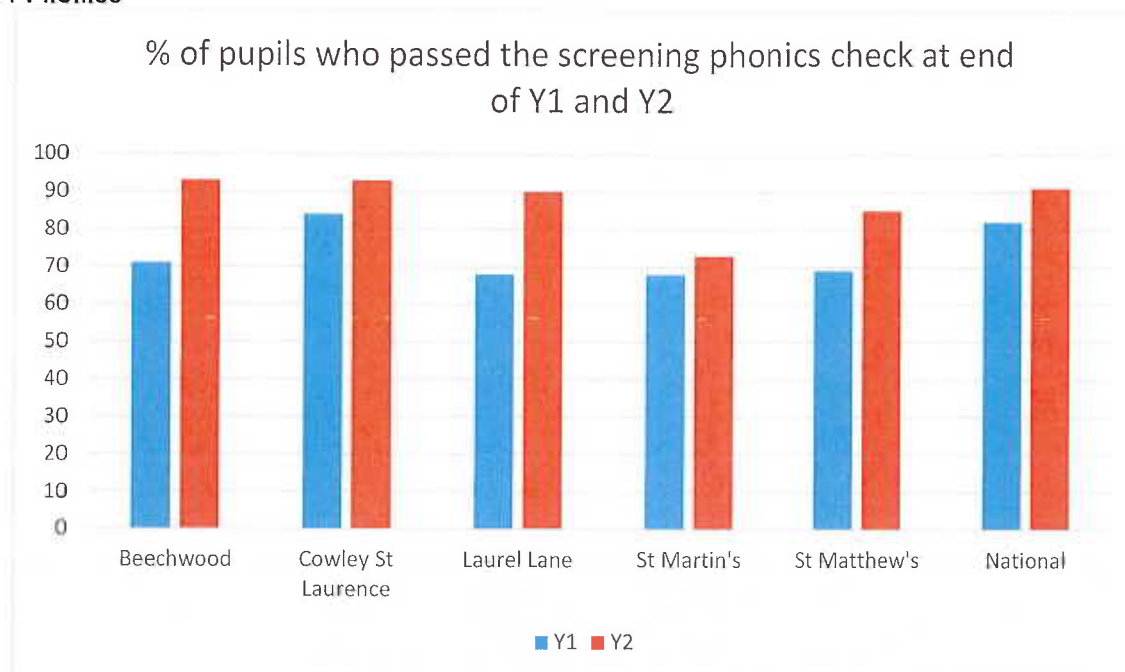
Outcomes at the end of Reception were broadly in line in all schools apart from Beechwood Primary.

# LDBS FRAYS ACADEMY TRUST

## APPENDIX 1

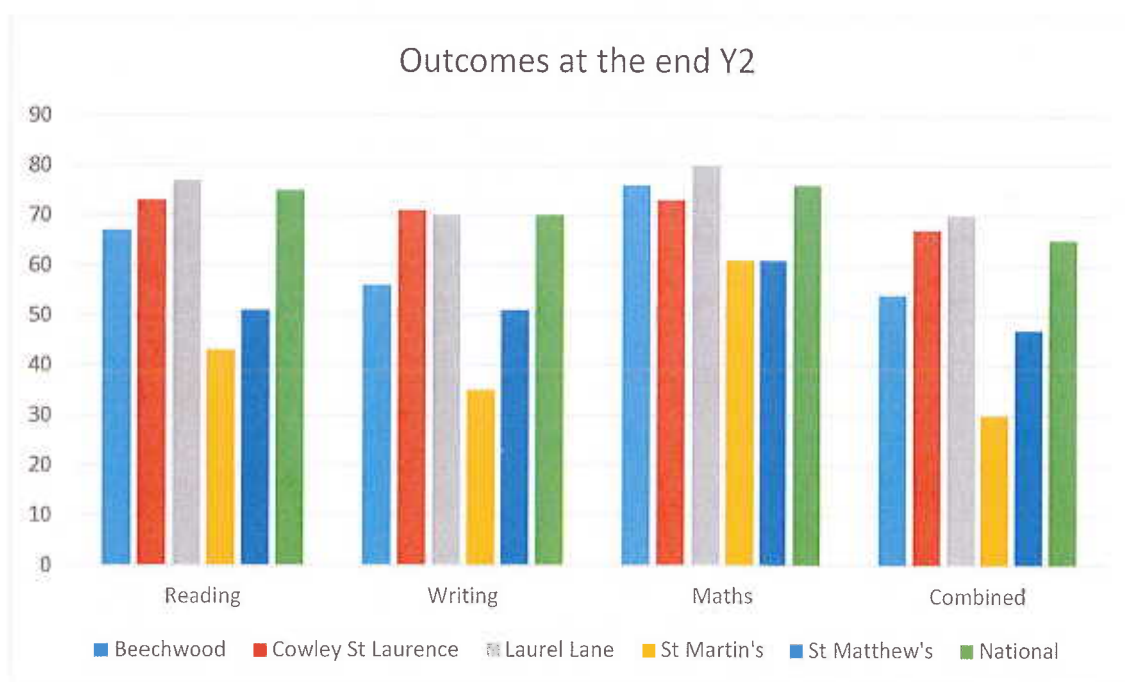
FOR THE YEAR ENDED 31 AUGUST 2019

### Year 1 Phonics



Attainment was below the national average in 4 out of 5 schools at the end of Y1. Outcomes improved by the time pupils left Y2 with pupils catching up and with 4 out of 5 schools broadly reaching the national average.

### End of Y2 outcomes



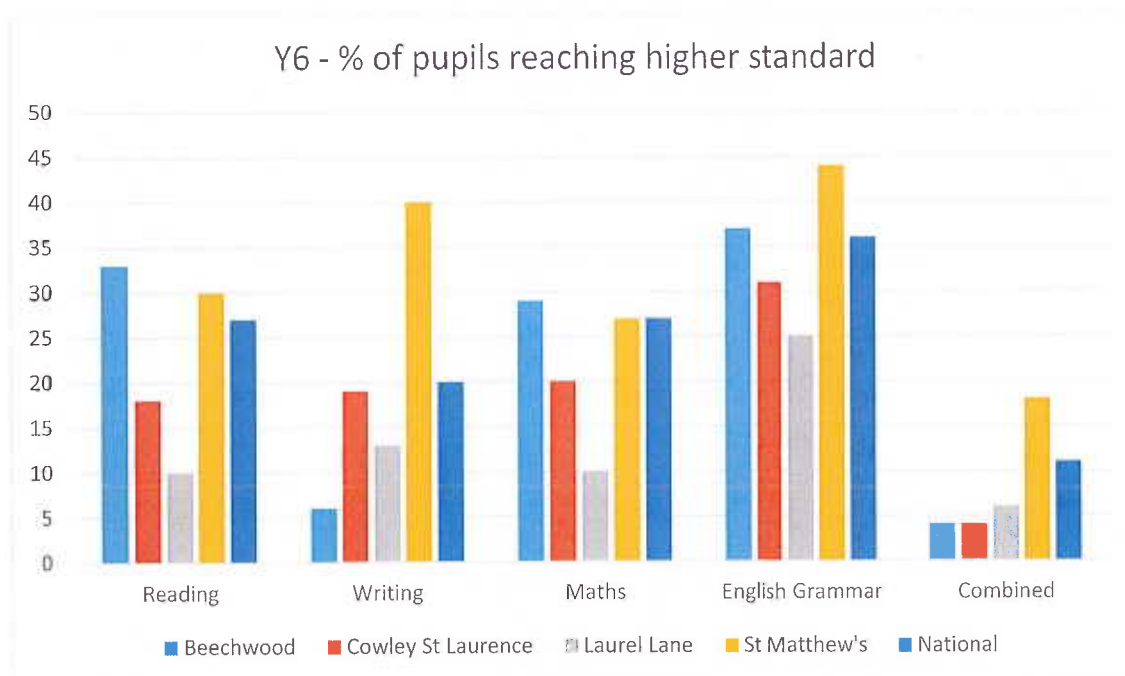
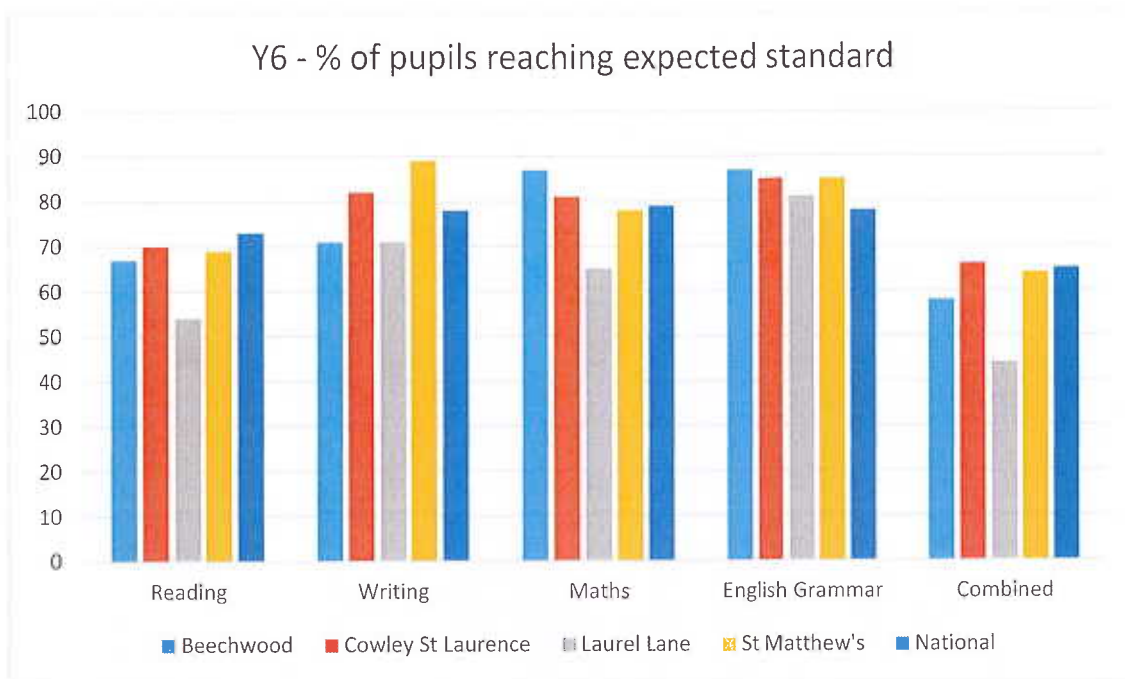
Attainment was below the national average in 3 out of 5 schools. Attainment in Cowley St Laurence was broadly in line with Laurel Lane above.

# LDBS FRAYS ACADEMY TRUST

## APPENDIX 1

FOR THE YEAR ENDED 31 AUGUST 2019

### End of Y6 outcomes

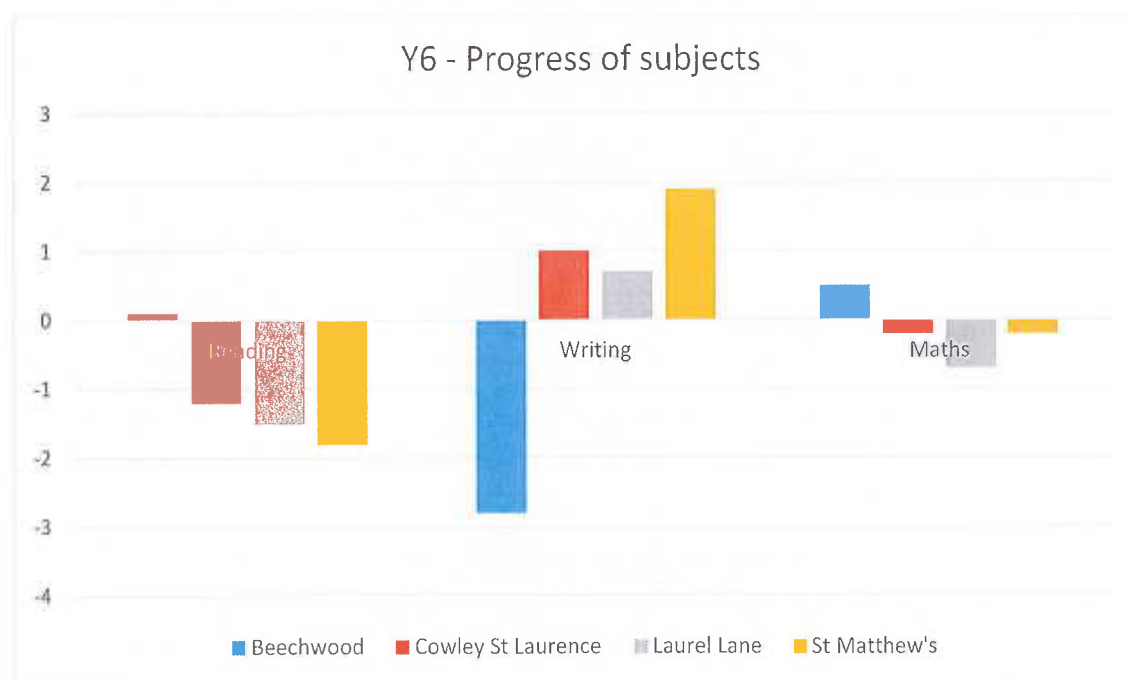
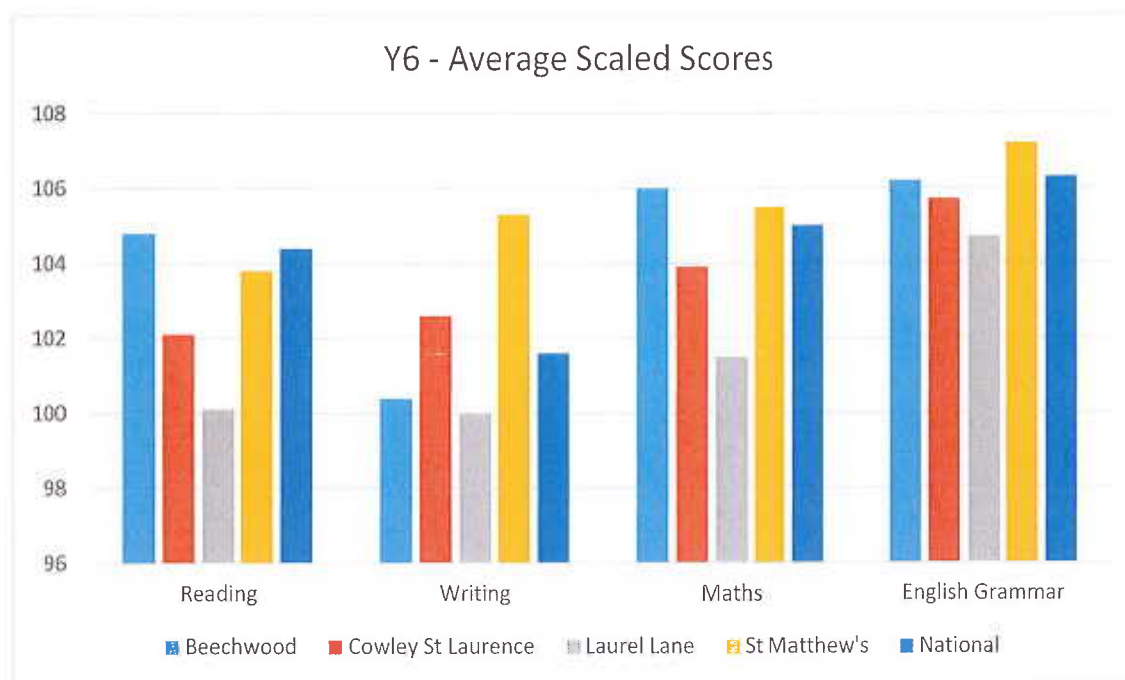




# LDBS FRAYS ACADEMY TRUST

## APPENDIX 1

FOR THE YEAR ENDED 31 AUGUST 2019



Outcomes were not as strong as predicted, particularly in Reading where they were weaker than other subjects. Writing for 3 out of 4 schools was above the national average. This was due to a focus on improving Writing. We have recognised Reading and the development of the Teaching of Phonics is a key priority in the Trust's Strategic Plan for 2019-20.

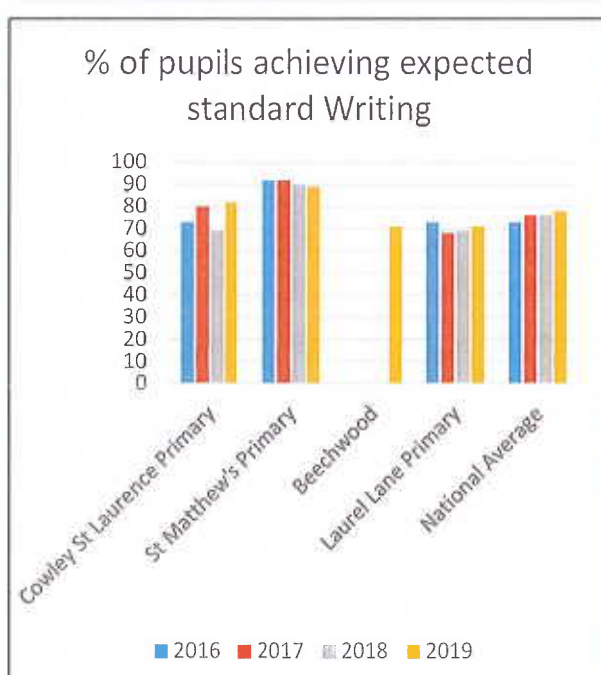
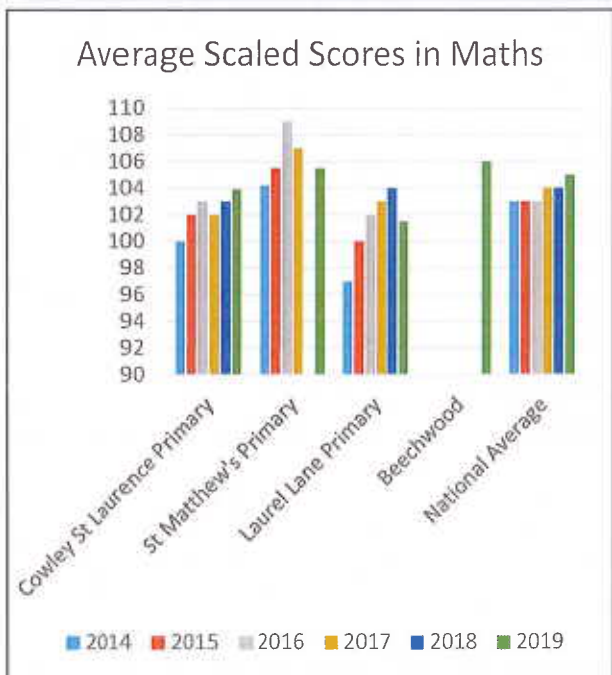
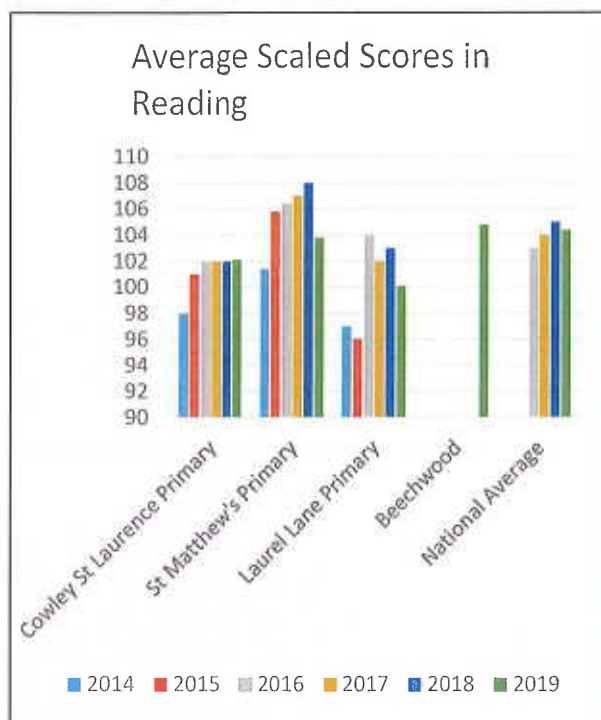
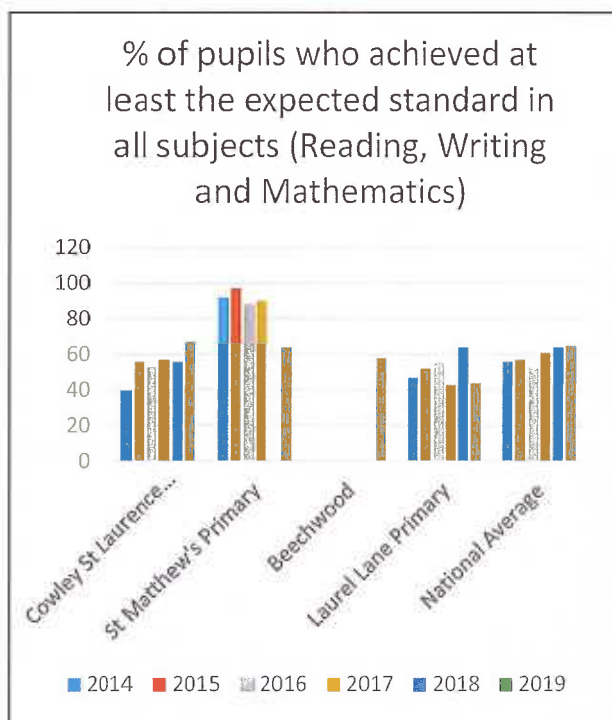
# LDBS FRAYS ACADEMY TRUST

## APPENDIX 1

FOR THE YEAR ENDED 31 AUGUST 2019

### Section 2 School Outcomes

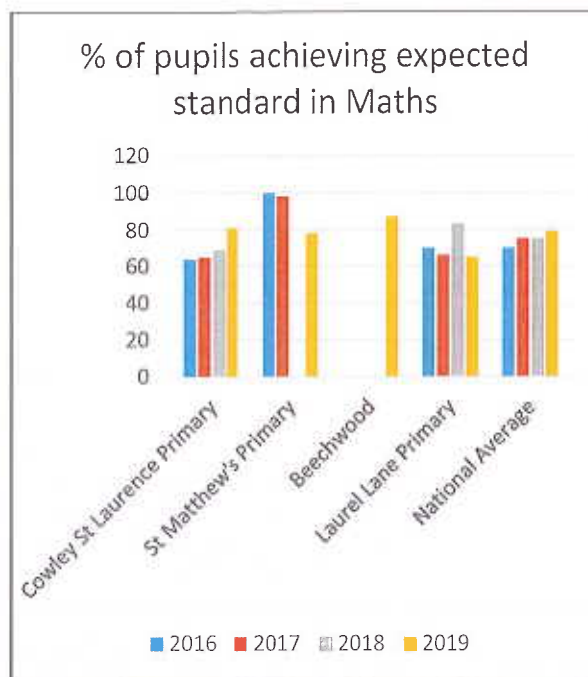
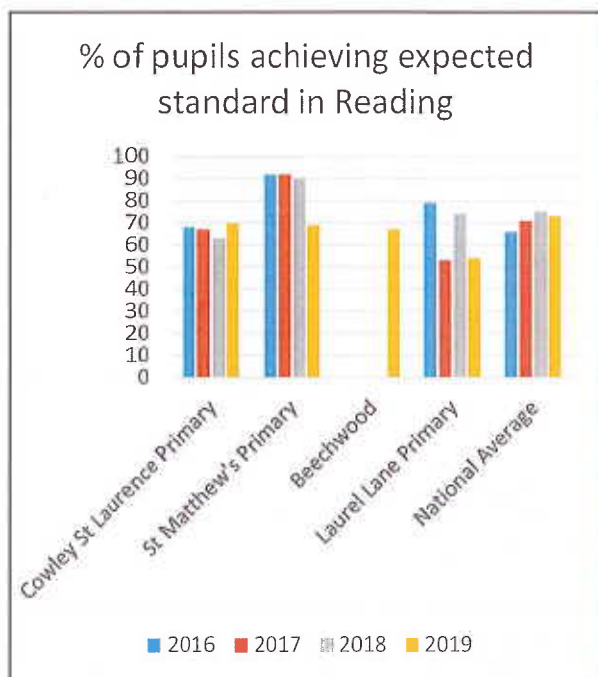
Key Stage 2 (Year 6, who left in July 2019)



# LDBS FRAYS ACADEMY TRUST

## APPENDIX 1

**FOR THE YEAR ENDED 31 AUGUST 2019**



# LDBS FRAYS ACADEMY TRUST

## APPENDIX 2

### FOR THE YEAR ENDED 31 AUGUST 2019

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#### Appendix 2: Improvement Measures of in Schools in the Trust

The individual plans for each school contributed to the improvements in achievement across the schools in the Trust.

##### Cowley St Laurence Primary School

1. Improve the quality of teaching and learning in KS1

Quality of teaching and learning in Key Stage 1 improved in 2018-19. The percentage of pupils reaching the expected standard at the end of Y2 was in line with national averages; the combined figure was slightly higher than in 2018. On average, pupils at end of Y2 have made more than expected progress. Quality of teaching and learning has been judged to be good across the key stage with outstanding teaching across Y2. Phonics were above the national average this year for the first time.

2. To improve the outcomes of pupils in Writing

Pupils reached national averages in Writing in KS1 and KS2. Work in books shows that pupils are making better progress in Writing, particularly in Key Stage 1. The evidence in books in Y2 is some of the strongest evidence of progress across the Trust in Key Stage 1. 'Slow Writing' is making an impact in Y4 and Y5 although there is still some way to go to ensure that this is fully embedded next year.

3. To narrow the attainment gap between disadvantaged pupils and their peers

In Reading and Maths Pupil Premium pupils and those entitled to free school meals outperformed their peers. SEN pupils have made strong progress, particularly in Writing.

##### Laurel Lane Primary School

1. To improve the quality of teaching and learning

Teaching was judged as good during the year and validated by external school improvement partner. Not enough outstanding teaching developed in the school, and this will need to be a focus for next year.

2. To improve attendance

Attendance was lower than the previous year. This does include the number of fixed exclusions which the school has had to implement during year. Exclusion figures put the school above the national average.

3. To improve the number of pupils achieving greater depth.

% of Y6 pupils across all subject areas remained below the national average. There had been improvements in Writing with 15% of pupils achieving greater depth (8% in the previous year).

##### St Martin's Primary School

1. Improve the quality of teaching and learning

Quality of teaching and learning has improved over the summer term. The SIP report for June (on DB Primary) makes direct reference to this: *'This was a positive visit. There were clear improvements seen around the school.'* However, whilst there have been improvements, the teaching is not always secure enough to ensure good progress for all pupils. This is evident in outcomes at end of Key Stage 1 and the phonics results, which were below the national averages.

2. To develop leadership and management

The new Head worked very effectively with the Trust's interim school improvement lead to bring about improvements to the quality of teaching and learning. Leaders are also working well with the new Head to secure improvements. Quality of teaching and learning has improved, and outcomes are better than expected in Key Stage 1 and phonics results

# **LDBS FRAYS ACADEMY TRUST**

## **APPENDIX 2**

### ***FOR THE YEAR ENDED 31 AUGUST 2019***

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(although still low). Progress rates across the school in Y1, 2 and 3 are lower than other schools in the Trust. However, the outcomes in Early Years have been maintained and are in line with national averages for 2019.

#### **3. To improve outcomes for SEND pupils**

Pupils with Education and Health Care Plans (EHCP) made better progress than their peers on the whole. SEND pupils without EHCPs did not make as much progress.

#### **4. To improve attendance**

Attendance has remained below the national average.

#### **St Matthew's Primary School**

##### **1. Improve the quality of leadership and management**

A new Head, Deputy and SENDCo were appointed during the summer term. During the year, the quality of teaching and learning improved from 38% to 80% good or better. There is still a gap in leading Early Years from September as the recruitment drive failed to make a successful appointment. Training for middle and senior leaders had been successful in improving the quality of teaching and learning. Although this is yet to impact outcomes at the end of Key Stage 1 and 2, there is clearly evidence of pupils making better progress in the school.

##### **2. Improve the quality of teaching and learning**

Quality of teaching and learning has continued to improve during the term. The external School Improvement Partner's monitoring visit in April stated that teaching is on the 'cusp' of good. Leaders are able to triangulate this in the school.

# **LDBS FRAYS ACADEMY TRUST**

## **APPENDIX 2**

### ***FOR THE YEAR ENDED 31 AUGUST 2019***

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Early Years outcomes have improved with the support from the Trust leader. Outcomes in Reception are marginally above the national average for 2018.

Quality of learning in books is stronger in Y3 (quality assured by 'Grow Education') than judged through lesson observations.

During the teaching and learning review, improvements were seen in five lessons which promoted stronger learning.

The school met the milestones set in the plan.

#### **3. Improve the outcomes of Pupils in Key Stage 1**

Attainment at end of Key Stage 1 was below the national average. In 2019 however, on average, pupils have made stronger progress than expected, in particular in one class. This is due to their low starting points and the weak achievement of this cohort of pupils last year.

Pupils in current Y1 have made on average expected progress across the year, although slightly lower in Writing. In comparison to pupils in Y1 last year, pupils have made double the amount of progress.

#### **Beechwood Primary School**

##### **1. Improve the effectiveness of leadership and management**

A new Headteacher was appointed to begin working in the school from September 2019. A new Phase Leader was also appointed to KS1 and two teaching leads were appointed in Early Years and Key Stage 2. Outcomes were improved at the end of Key Stage 2 and Early Years on the previous year.

##### **2. To accelerate progress in Reading, Writing and Math's for all pupils**

Outcomes in July 2019 were strong in Math's at end of Key Stage 2 this year, and the best yet, putting the school above the national averages. Reading was much lower. Quality of teaching and learning improved in Y3, 4 and 5 and this is having a more positive impact on outcomes.

Outcomes at the end of Y2 are looking better than previous years but still below the national averages.

The quality of teaching and learning is continuing to improve across the school. A key aspect of this is the strong network that has been developed with another local school. The impact is very evident in classroom planning and organisation in Y4/5.

##### **3. To develop consistency of behaviour across the school**

Behaviour in the school is now much stronger. This is particularly because expectations for behaviour are stronger in the school and provision for SEND pupils is more appropriate to their needs.



# **LDBS FRAYS ACADEMY TRUST**

## **APPENDIX 2**

### **FOR THE YEAR ENDED 31 AUGUST 2019**

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#### **Section 3: Trust improvement**

The Trust's Strategic Plan for 2018-19 set key targets for each of our schools to achieve, which were linked clearly to the plan.

#### **Evaluation of impact of targets in the Trust's Strategic Plan 2018-19**

##### **Strand 1: Leadership Development**

- Leadership capacity has improved in the Trust during last academic year with the appointment of Head and Deputy at St Matthew's and a Deputy at St Martin's
- Quality of teaching and learning improved across the Trust during the year
- New Head in post in Cowley St Laurence through succession planning and internal recruitment
- Appointment of a new Key Stage 2 leader at St Matthew's and appointment of a 'shadow' Phase Leader at Laurel Lane, also for Key Stage 2
- New leaders were successfully inducted into post by range of professional development during the year
- I am in the process of looking at the following data and will analyse this once it is available:
- Outcomes at end of Early Years across the Trust are strong
- Outcomes across the Trust at end of Key Stage 1 are weaker
- Outcomes in phonics across the Trust are low, apart from one school. This is targeted as a key area for development in the new Strategic Plan
- Outcomes in Key Stage 2 SATs were broadly in line with national averages in Cowley St Laurence and St Matthew's Primary Schools but below in Laurel Lane Primary
- We have stronger capacity in the Trust to improve further with Heads and Deputies that are now well established in role. Phase Leaders are adding strength to capacity and improving outcomes in three of our schools
- Early Years leaders – this is where we are short of capacity with a new appointment at St Martin's and a vacancy at St Matthew's. We will use the Trust's Early Years leader to provide professional development and support for the Early Years leaders and to develop new future leaders.

##### **Strand 2: High Quality Teaching**

Teaching and learning at the end of the last academic year was 70% good or better and 18% outstanding. The amount of good teaching has improved as a result of the support from leaders in the Trust and the programme of professional development that has taken place in schools and across the Trust.

##### **Strand 3: Curriculum**

All schools have now revised their curriculum intent and planning in preparation for September. Book scrutiny across the Trust shows a mixed picture in terms of development of the wider curriculum, the sequencing and progression of lessons across a topic. With the introduction of the revised curriculum for September, Heads expect to see this improve and is being built into the monitoring and evaluation cycle of the Trust.

# LDBS FRAYS ACADEMY TRUST

## APPENDIX 2

### FOR THE YEAR ENDED 31 AUGUST 2019

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#### Strand 4: Early Years as 'Centres of Excellence'

- The data across the Trust shows that, SEND pupils in Y6 have made progress in line with their peers.
- Progress rates of SEND pupils in Y4 and Y5 are still not strong enough. This strand remains a high priority in the new Strategic Plan.

#### Strand 5: Early Years as 'Centres of Excellence'

- 92% of teaching and learning has been judged as good or better and 8% outstanding in classes in the Early Years
- 71% of pupils achieved a good level of development across the Trust
- On average, 53% of pupils in Reception made more than expected progress in Reading, Writing and Number, with 11% of pupils making another six months progress

#### Strand 6: Attendance

School	2018	2019	Evaluation (comparison against last year)
Laurel Lane	95.2%	94.3%	-0.9%
St Matthew's	97%	96.7%	-0.3%
St Martin's	94.3%	94.4%	+0.1%
Cowley St Laurence	96.2%	95.3%	-0.9%

Attendance in schools was not as strong as last with one school being above the national average of 95.8%. Attendance will remain as a key priority in the new strategic plan.

#### Strand 7: Governance

Governor training took place on a termly basis focused on:

- Difference between day to day management and governance
- Safeguarding
- Assessment and monitoring of SATs
- Exclusions

#### Strand 8: Marketing and Communication

The marketing and communication strategy had set out to improve pupil numbers. Whilst there had been an improved picture in number of pupils applying for places in Reception at St Martin's and Laurel Lane Primary Schools, broadly the picture across schools in other year groups remained similar. We noted as a positive that St Matthew's Primary remains comparatively full and oversubscribed in Reception and therefore the number of applications has not been affected by the OfSTED judgement of requiring improvement.

#### Strand 9: Preparing the Trust for 'Growth'

- Beechwood Primary School joined Frays on 1<sup>st</sup> September 2019
- We have begun to undertake due diligence with Keep Hatch Primary School
- The Trust received a MAT Development and Improvement Grant during the previous academic year to support growth which has led to the training and development of leaders across the Trust to support practitioners in improving practice in the classroom

# **LDBS FRAYS ACADEMY TRUST**

## **APPENDIX 2**

### **FOR THE YEAR ENDED 31 AUGUST 2019**

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#### **Section 4: Safeguarding**

The Trust has continued to ensure high priority has been placed on safeguarding of children. In response to this, the following has been either introduced or implemented during the year:

- Safeguarding Policy has been revised to take account of the changes introduced
- All Governors in the Trust have completed training on Safeguarding
- All Governors have signed to state they have read part one of the 'Keeping Children Safe in Education' 2016 statutory guidance.
- Each school's Single Central Record has been updated to reflect best practice and has been checked on a termly basis for compliance
- Each Governing Body monitors the implementation of the Safeguarding Policy on a termly basis. A full Safeguarding audit and report is put together on a termly basis, which is submitted to the Board of Directors.

#### **Section 5: Performance Management in the Trust**

The Trust's policies on Pay and Appraisal detail very clearly the process for setting performance management targets, the review of those targets and the pay aligned to the performance reviews. Line managers are responsible for the review of performance and pay of individual staff and the Board of Directors are responsible for review of performance of the Executive Headteacher. A Pay Committee has been established across the Trust to receive reports from senior leaders in order to scrutinise reasons for pay progression and consider supporting evidence. Schools HR Co-operative provide advice, guidance and support to the Trust when setting salaries. The Trust continue to operate from the School Teachers Pay and Conditions.

# LDBS FRAYS ACADEMY TRUST

## APPENDIX 3

### FOR THE YEAR ENDED 31 AUGUST 2019

#### Appendix 3: Frays Academy Trust Organisational Structure

##### Governance Structure



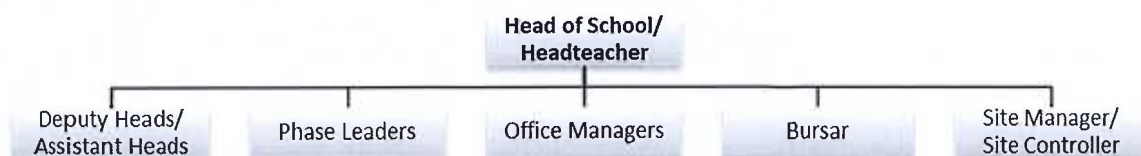
##### Senior Leadership Structure



##### Operational Structure



##### Typical School Leadership Structure Each school has a variation of this structure



*Our Hillingdon schools have additional roles which are: Admissions Officer, Family Support Manager and Director of Sport, reporting in to a Hillingdon Head of School.*

# **LDBS FRAYS ACADEMY TRUST**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LDBS FRAYS ACADEMY TRUST**

**FOR THE YEAR ENDED 31 AUGUST 2019**

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### **Opinion**

We have audited the accounts of LDBS Frays Academy Trust for the year ended 31 August 2019 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the accounts, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019 issued by the Education & Skills Funding Agency.

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2019 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019.

### **Basis for opinion**

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

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

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

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

### **Other information**

The Trustees are responsible for the other information, which comprises the information included in the annual report other than the accounts and our auditor's report thereon. Our opinion on the accounts does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.



# **LDBS FRAYS ACADEMY TRUST**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LDBS FRAYS ACADEMY TRUST (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2019**

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

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

- the information given in the Trustees' report including the incorporated strategic report for the financial year for which the accounts are prepared is consistent with the accounts; and
- the Trustees' report including the incorporated strategic report have been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report, including the incorporated strategic report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the accounts are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of Trustees**

As explained more fully in the statement of Trustees' responsibilities, the Trustees are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

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

### **Auditor's responsibilities for the audit of the accounts**

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

A further description of our responsibilities for the audit of the accounts is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.



# LDBS FRAYS ACADEMY TRUST

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LDBS FRAYS ACADEMY TRUST (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2019**

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### Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Stephen Meredith BA FCA DChA (Senior Statutory Auditor)  
for and on behalf of Alliotts

10/12/19

Chartered Accountants  
Statutory Auditor

Friary Court  
13-21 High Street  
Guildford  
Surrey  
GU1 3DL

# **LDBS FRAYS ACADEMY TRUST**

## **INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO LDBS FRAYS ACADEMY TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY**

***FOR THE YEAR ENDED 31 AUGUST 2019***

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In accordance with the terms of our engagement letter dated 14 March 2019 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2018 to 2019, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by LDBS Frays Academy Trust during the period 1 September 2018 to 31 August 2019 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to LDBS Frays Academy Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the LDBS Frays Academy Trust and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than LDBS Frays Academy Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

### **Respective responsibilities of LDBS Frays Academy Trust's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of LDBS Frays Academy Trust's funding agreement with the Secretary of State for Education dated 30 August 2012 and the Academies Financial Handbook, extant from 1 September 2018, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

### **Approach**

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

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

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

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

# **LDBS FRAYS ACADEMY TRUST**

## **INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO LDBS FRAYS ACADEMY TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2019**

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The work undertaken to draw to our conclusion includes:

- analytical review of the Trust's general activities to ensure that they are within the Trust's framework of authorities;
- consideration of the evidence supporting the accounting officer's statement on regularity, propriety and compliance;
- review of the general control environment for the Trust on financial statements and on regularity;
- sample testing of expenditure transactions to ensure the activity is permissible within the Trust's framework of authority;
- confirmation that a sample of expenditure has been appropriately authorised in accordance with the Trust's delegated authorities;
- formal representations obtained from the governing body and the accounting officer acknowledging the responsibilities, including disclosing all non-compliance with laws and regulations specific to the authorising framework;
- confirmation that any extra-contractual payments such as severance and compensation payments have been appropriately authorised;
- review of credit card expenditure for any indication of personal use by staff, Executive Headteacher or Trustees;
- review of specific terms of grant funding within the funding agreement;
- review of related party transactions for connections with the Executive Headteacher or Trustees;
- review of income received in accordance with the activities permitted within the Trust's charitable objectives.

### **Conclusion**

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2018 to 31 August 2019 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



**Reporting Accountant**

Alliotts

Dated: 10/12/19

# LDBS FRAYS ACADEMY TRUST

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2019

	Notes	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total 2019 £	Total 2018 £
<b>Income and endowments from:</b>						
Donations and capital grants	3	18,732	310,474	30,527	359,733	48,709
Charitable activities:						
- Funding for educational operations	4	6,188	9,000,881	-	9,007,069	9,258,742
- Funding for teaching school	24	-	50,000	-	50,000	60,000
Other trading activities	5	52,087	34,179	-	86,266	14,745
Investments	6	7,606	-	-	7,606	1,170
<b>Total</b>		<b>84,613</b>	<b>9,395,534</b>	<b>30,527</b>	<b>9,510,674</b>	<b>9,383,366</b>
<b>Expenditure on:</b>						
Raising funds	7	5,901	-	-	5,901	6,427
Charitable activities:						
- Educational operations	9	-	9,364,966	236,174	9,601,140	9,723,092
- Teaching School	24	-	43,058	-	43,058	25,070
<b>Total</b>	<b>7</b>	<b>5,901</b>	<b>9,408,024</b>	<b>236,174</b>	<b>9,650,099</b>	<b>9,754,589</b>
<b>Net income/(expenditure)</b>		<b>78,712</b>	<b>(12,490)</b>	<b>(205,647)</b>	<b>(139,425)</b>	<b>(371,223)</b>
Transfers between funds	17	-	202,472	(202,472)	-	-
<b>Other recognised gains/(losses)</b>						
Actuarial (losses)/gains on defined benefit pension schemes	19	-	(1,137,000)	-	(1,137,000)	518,000
<b>Net movement in funds</b>		<b>78,712</b>	<b>(947,018)</b>	<b>(408,119)</b>	<b>(1,276,425)</b>	<b>146,777</b>
<b>Reconciliation of funds</b>						
Total funds brought forward		1,198,489	(1,861,576)	11,596,759	10,933,672	10,786,895
Total funds carried forward		1,277,201	(2,808,594)	11,188,640	9,657,247	10,933,672

# LDBS FRAYS ACADEMY TRUST

## STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2019

Comparative year information Year ended 31 August 2018	Notes	Unrestricted	Restricted funds:		Total
		Funds	General	Fixed asset	2018
		£	£	£	£
<b>Income and endowments from:</b>					
Donations and capital grants	3	17,269	-	31,440	48,709
Charitable activities:					
- Funding for educational operations	4	-	9,258,742	-	9,258,742
- Funding for teaching school	24	-	60,000	-	60,000
Other trading activities	5	14,745	-	-	14,745
Investments	6	1,170	-	-	1,170
<b>Total</b>		<b>33,184</b>	<b>9,318,742</b>	<b>31,440</b>	<b>9,383,366</b>
<b>Expenditure on:</b>					
Raising funds	7	6,427	-	-	6,427
Charitable activities:					
- Educational operations	9	-	9,388,698	334,394	9,723,092
- Teaching School	24	-	25,070	-	25,070
<b>Total</b>	<b>7</b>	<b>6,427</b>	<b>9,413,768</b>	<b>334,394</b>	<b>9,754,589</b>
<b>Net income/(expenditure)</b>		<b>26,757</b>	<b>(95,026)</b>	<b>(302,954)</b>	<b>(371,223)</b>
Transfers between funds	17	-	(322,000)	322,000	-
<b>Other recognised gains/(losses)</b>					
Actuarial gains on defined benefit pension schemes	19	-	518,000	-	518,000
<b>Net movement in funds</b>		<b>26,757</b>	<b>100,974</b>	<b>19,046</b>	<b>146,777</b>
<b>Reconciliation of funds</b>					
Total funds brought forward		1,171,732	(1,962,550)	11,577,713	10,786,895
Total funds carried forward		1,198,489	(1,861,576)	11,596,759	10,933,672



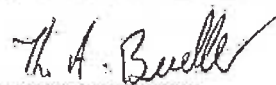
# LDBS FRAYS ACADEMY TRUST

## BALANCE SHEET

AS AT 31 AUGUST 2019

	Notes	2019 £	£	2018 £	£
<b>Fixed assets</b>					
Tangible assets	13		11,082,924		11,264,774
<b>Current assets</b>					
Debtors	14	609,414		453,654	
Cash at bank and in hand		2,427,280		2,552,833	
		3,036,694		3,006,487	
<b>Current liabilities</b>					
Creditors: amounts falling due within one year	15	(637,371)		(959,589)	
<b>Net current assets</b>			2,399,323		2,046,898
<b>Net assets excluding pension liability</b>			13,482,247		13,311,672
Defined benefit pension scheme liability	19		(3,825,000)		(2,378,000)
<b>Net assets</b>			9,657,247		10,933,672
<b>Funds of the Trust:</b>					
<b>Restricted funds</b>	17				
- Fixed asset funds			11,188,640		11,596,759
- Restricted income funds			1,016,406		516,424
- Pension reserve			(3,825,000)		(2,378,000)
<b>Total restricted funds</b>			8,380,046		9,735,183
<b>Unrestricted income funds</b>	17		1,277,201		1,198,489
<b>Total funds</b>			9,657,247		10,933,672

The accounts on pages 34 to 57 were approved by the Trustees and authorised for issue on 10.12.19 and are signed on their behalf by:



K Buckler

Chair of Trustees

Company Number 08335073

# LDBS FRAYS ACADEMY TRUST

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2019

	Notes	2019 £	£	2018 £	£
<b>Cash flows from operating activities</b>					
Net cash (used in)/provided by operating activities	20		(166,970)		734,496
<b>Cash flows from investing activities</b>					
Dividends, interest and rents from investments		7,606		1,170	
Capital grants from DfE Group		88,135		31,440	
Purchase of tangible fixed assets		(54,324)		(178,000)	
<b>Net cash provided by/(used in) investing activities</b>			41,417		(145,390)
<b>Net (decrease)/increase in cash and cash equivalents in the reporting period</b>			(125,553)		589,106
Cash and cash equivalents at beginning of the year			2,552,833		1,963,727
<b>Cash and cash equivalents at end of the year</b>			2,427,280		2,552,833

# **LDBS FRAYS ACADEMY TRUST**

## **NOTES TO THE FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED 31 AUGUST 2019**

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#### **1 Accounting policies**

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

##### **1.1 Basis of preparation**

The accounts of the Trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2018 to 2019 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

LDBS Frays Academy Trust meets the definition of a public benefit entity under FRS 102.

##### **1.2 Going concern**

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

##### **1.3 Income**

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

###### Grants

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

General Annual Grant is recognised in full in the statement of financial activities in the period for which it is receivable, and any abatement in respect of the period is deducted from income and recognised as a liability.

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

###### Sponsorship income

Sponsorship income provided to the Trust which amounts to a donation is recognised in the statement of financial activities in the period in which it is receivable (where there are no performance-related conditions), where the receipt is probable and it can be measured reliably.

###### Donations

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

# LDBS FRAYS ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

---

### 1 Accounting policies

#### Other income

Other income, including the hire of facilities, is recognised in the period it is receivable and to the extent the 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 accounts until they are sold. This income is recognised within 'Income from other trading activities'.

#### Donated fixed assets

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

### 1.4 Expenditure

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

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

All resources expended are inclusive of irrecoverable VAT.

#### Expenditure on raising funds

This includes all expenditure incurred by the 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 Trust's educational operations, including support costs and costs relating to the governance of the Trust apportioned to charitable activities.

### 1.5 Tangible fixed assets and depreciation

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

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

# **LDBS FRAYS ACADEMY TRUST**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

### **FOR THE YEAR ENDED 31 AUGUST 2019**

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#### **1 Accounting policies**

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 life, as follows:

Land and buildings	50 years
Leasehold improvements	50 years
Computer equipment	3 years
Fixtures, fittings & equipment	5-10 years

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

#### **1.6 Liabilities**

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

#### **1.7 Leased assets**

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

#### **1.8 Financial instruments**

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

##### Financial assets

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

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

##### Financial liabilities

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

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

#### **1.9 Taxation**

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

#### **1.10 Pensions benefits**

Retirement benefits to employees of the Trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes and the assets are held separately from those of the Trust.



# **LDBS FRAYS ACADEMY TRUST**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

### **FOR THE YEAR ENDED 31 AUGUST 2019**

---

#### **1 Accounting policies**

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

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

##### **1.11 Fund accounting**

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the 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 Department for Education Group.

#### **2 Critical accounting estimates and areas of judgement**

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

##### Critical accounting estimates and assumptions

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

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

# LDBS FRAYS ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

### 3 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
Capital grants	-	337,554	337,554	31,440
Other donations	18,732	3,447	22,179	17,269
	<u>18,732</u>	<u>341,001</u>	<u>359,733</u>	<u>48,709</u>

### 4 Funding for the Trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
<b>DfE / ESFA grants</b>				
General annual grant (GAG)	-	6,376,106	6,376,106	6,055,734
Start up grants	-	175,000	175,000	-
Other DfE group grants	-	802,979	802,979	1,705,717
	<u>-</u>	<u>7,354,085</u>	<u>7,354,085</u>	<u>7,761,451</u>
<b>Other government grants</b>				
Local authority grants	-	1,345,099	1,345,099	1,377,141
Special educational projects	-	224,151	224,151	-
	<u>-</u>	<u>1,569,250</u>	<u>1,569,250</u>	<u>1,377,141</u>
<b>Other funding</b>				
Teaching School income	-	50,000	50,000	60,000
Other incoming resources	6,188	77,546	83,734	120,150
	<u>6,188</u>	<u>127,546</u>	<u>133,734</u>	<u>180,150</u>
<b>Total funding</b>	<u>6,188</u>	<u>9,050,881</u>	<u>9,057,069</u>	<u>9,318,742</u>

### 5 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
Hire of facilities	3,589	-	3,589	2,709
Other income	48,498	34,179	82,677	12,036
	<u>52,087</u>	<u>34,179</u>	<u>86,266</u>	<u>14,745</u>

# LDBS FRAYS ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

### 6 Investment income

	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
Short term deposits	7,606	-	7,606	1,170

### 7 Expenditure

	Staff costs £	Non Pay Expenditure Premises £	Other £	Total 2019 £	Total 2018 £
Expenditure on raising funds					
- Direct costs	-	-	5,901	5,901	6,427
Academy's educational operations					
- Direct costs	6,051,360	-	416,093	6,467,453	6,055,088
- Allocated support costs	1,427,143	986,849	719,695	3,133,687	3,668,004
Teaching School					
- Direct costs	43,058	-	-	43,058	25,070
	7,521,561	986,849	1,141,689	9,650,099	9,754,589

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

	2019 £	2018 £
Fees payable to auditor for:		
- Audit	11,500	13,000
- Other services	10,880	18,000
Operating lease rentals	-	15,000
Depreciation of tangible fixed assets	236,174	334,394
Net interest on defined benefit pension liability	69,000	67,000

### 8 Central services

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

- management and financial services;
- legal and professional services;
- audit and accountancy.

The Trust charges for these services at an equal flat rate of based on the expected amount required for running each academy.

# LDBS FRAYS ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2019

#### 8 Central services

The amounts charged during the year were as follows:

	2019 £	2018 £
Cowley St Laurence CofE Primary School	200,000	202,000
Laurel Lane Primary School	200,000	202,000
St Martin's CofE Primary School	128,800	74,000
St Matthew's CofE Primary School	200,000	202,000
	<u>728,800</u>	<u>680,000</u>

#### 9 Charitable activities

All from restricted funds:

##### Direct costs

Educational operations

Teaching School

##### Support costs

Educational operations

	2019 £	2018 £
Educational operations	6,467,453	6,055,088
Teaching School	43,058	25,070
Support costs		
Educational operations	3,133,687	3,668,004
	<u>9,644,198</u>	<u>9,748,162</u>

	Teaching School £	Educational operations £	Total 2019 £	Total 2018 £
<b>Analysis of support costs</b>				
Support staff costs	-	1,426,051	1,426,051	1,266,920
Depreciation	-	236,174	236,174	334,394
Technology costs	-	110,306	110,306	160,076
Premises costs	-	750,675	750,675	1,276,291
Other support costs	-	561,905	561,905	589,277
Governance costs	-	48,576	48,576	41,046
	<u>-</u>	<u>3,133,687</u>	<u>3,133,687</u>	<u>3,668,004</u>

# LDBS FRAYS ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

### 10 Staff

#### Staff costs

Staff costs during the year were:

	2019 £	2018 £
Wages and salaries	4,937,196	4,728,517
Social security costs	432,315	427,000
Pension costs	1,074,286	1,077,014
Amounts paid to employees	6,443,797	6,232,531
Agency staff costs	1,050,798	714,207
Staff restructuring costs	26,966	24,000
Amounts paid to staff	7,521,561	6,970,738
Staff development and other staff costs	58,880	49,612
Total staff expenditure	7,580,441	7,020,350

Staff restructuring costs comprise:

Severance payments	26,966	24,000
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#### Staff numbers

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

	2019 Number	2018 Number
Teachers	66	66
Administration and support	159	157
Management	3	3
	228	226

The number of persons employed, expressed as a full time equivalent, was as follows:

	2019 Number	2018 Number
Teachers	62	59
Administration and support	78	116
Management	3	3
	143	178



# LDBS FRAYS ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

### 10 Staff

#### Higher paid staff

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

	2019 Number	2018 Number
£60,001 - £70,000	3	2
£70,001 - £80,000	2	1
£90,001 - £100,000	-	1
£110,001 - £120,000	1	1
£150,001 - £160,000	1	-

#### Key management personnel

The key management personnel of the Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Trust was £766,528 (7 employees) (2018: £541,348 to 5 employees).

### 11 Trustees' remuneration and expenses

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

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

C Cole (Executive Headteacher and trustee):

- Remuneration £155,000 - £160,000 (2018: £145,000 - £150,000)
- Employer's pension contributions £25,000 - £30,000 (2018: £20,000 - £25,000)

During the year, travel and subsistence payments totalling £932 (2018: £742) were reimbursed or paid directly to 1 trustee (2018: 1 trustee).

Other related party transactions involving the Trustees are set out within the related parties note.

### 12 Trustees and officers insurance

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

# LDBS FRAYS ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

### 13 Tangible fixed assets

	Land and buildings	Leasehold improvements	Computer equipment	Fixtures, fittings & equipment	Total
	£	£	£	£	£
<b>Cost</b>					
At 1 September 2018	10,139,459	1,074,000	1,008,919	1,223,440	13,445,818
Additions	12,320	-	34,661	7,343	54,324
Disposals	-	-	(3,572)	-	(3,572)
At 31 August 2019	10,151,779	1,074,000	1,040,008	1,230,783	13,496,570
<b>Depreciation</b>					
At 1 September 2018	334,510	42,000	840,404	964,130	2,181,044
On disposals	-	-	(3,572)	-	(3,572)
Charge for the year	101,801	10,000	75,323	49,050	236,174
At 31 August 2019	436,311	52,000	912,155	1,013,180	2,413,646
<b>Net book value</b>					
At 31 August 2019	9,715,468	1,022,000	127,853	217,603	11,082,924
At 31 August 2018	9,804,949	1,032,000	168,515	259,310	11,264,774

### 14 Debtors

	2019 £	2018 £
Trade debtors	7,140	2,777
VAT recoverable	109,596	137,669
Prepayments and accrued income	492,678	313,208
	609,414	453,654

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

	2019 £	2018 £
Trade creditors	225,327	303,241
Other taxation and social security	108,167	103,164
Accruals and deferred income	303,877	553,184
	637,371	959,589

# LDBS FRAYS ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2019

16	Deferred income	2019 £	2018 £
	Deferred income is included within:		
	Creditors due within one year	122,341	127,976
	Deferred income at 1 September 2018	127,976	85,000
	Released from previous years	(127,976)	(85,000)
	Resources deferred in the year	122,341	127,976
	<b>Deferred income at 31 August 2019</b>	<b>122,341</b>	<b>127,976</b>

At the balance sheet date the Trust was holding funds received in advance for Universal Infant Free School Meals and Devolved Formula Capital grants.

17	Funds	Balance at 1 September 2018 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2019 £
	<b>Restricted general funds</b>					
	General Annual Grant (GAG)	481,494	6,376,106	(6,058,066)	-	799,534
	Start up grants	-	175,000	-	-	175,000
	Other DfE / ESFA grants	-	1,110,006	(1,312,478)	202,472	-
	Other government grants	-	1,569,250	(1,569,250)	-	-
	Teaching School	34,930	50,000	(43,058)	-	41,872
	Other restricted funds	-	115,172	(115,172)	-	-
	Pension reserve	(2,378,000)	-	(310,000)	(1,137,000)	(3,825,000)
		<u>(1,861,576)</u>	<u>9,395,534</u>	<u>(9,408,024)</u>	<u>(934,528)</u>	<u>(2,808,594)</u>
	<b>Restricted fixed asset funds</b>					
	Inherited on conversion	9,306,319	-	(82,020)	367,859	9,592,158
	DfE group capital grants	1,407,440	30,527	(33,412)	(484,895)	919,660
	Capital expenditure from GAG	753,000	-	(120,742)	(84,949)	547,309
	Local authority capital grants	130,000	-	-	(487)	129,513
		<u>11,596,759</u>	<u>30,527</u>	<u>(236,174)</u>	<u>(202,472)</u>	<u>11,188,640</u>
	<b>Total restricted funds</b>	<u>9,735,183</u>	<u>9,426,061</u>	<u>(9,644,198)</u>	<u>(1,137,000)</u>	<u>8,380,046</u>
	<b>Unrestricted funds</b>					
	General funds	<u>1,198,489</u>	<u>84,613</u>	<u>(5,901)</u>	<u>-</u>	<u>1,277,201</u>
	<b>Total funds</b>	<u>10,933,672</u>	<u>9,510,674</u>	<u>(9,650,099)</u>	<u>(1,137,000)</u>	<u>9,657,247</u>

# **LDBS FRAYS ACADEMY TRUST**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2019**

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### **17 Funds**

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

#### General annual grant

This includes all monies received from the ESFA to carry out the objectives of the Trust. It includes the School Budget Share. Under the funding agreement with the Secretary of State, the Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2019.

#### Pension reserve

This represents the negative reserve in respect of the liability on the LGPS defined benefit pension scheme.

#### Other DfE/ESFA grants

Other grants include funding received from the DfE and ESFA for specific purposes.

#### Fixed asset funds

The fixed asset fund includes grants received from the DfE and other sources to finance the development and building of the academy and other tangible fixed assets, and the annual charges for depreciation of these assets.

#### Unrestricted funds

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

# LDBS FRAYS ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2019

#### 17 Funds

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

	Balance at 1 September 2017 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2018 £
<b>Restricted general funds</b>					
General Annual Grant (GAG)	584,450	6,055,734	(5,836,690)	(322,000)	481,494
Other DfE / ESFA grants	-	1,705,717	(1,705,717)	-	-
Other government grants	-	1,377,141	(1,377,141)	-	-
Teaching School	-	60,000	(25,070)	-	34,930
Other restricted funds	-	120,150	(120,150)	-	-
Pension reserve	(2,547,000)	-	(349,000)	518,000	(2,378,000)
	<u>(1,962,550)</u>	<u>9,318,742</u>	<u>(9,413,768)</u>	<u>196,000</u>	<u>(1,861,576)</u>
<b>Restricted fixed asset funds</b>					
Transfer on conversion	9,640,713	-	(334,394)	-	9,306,319
DfE group capital grants	1,053,000	31,440	-	323,000	1,407,440
Capital expenditure from GAG	727,000	-	-	26,000	753,000
Local authority capital grants	157,000	-	-	(27,000)	130,000
	<u>11,577,713</u>	<u>31,440</u>	<u>(334,394)</u>	<u>322,000</u>	<u>11,596,759</u>
<b>Total restricted funds</b>	<u>9,615,163</u>	<u>9,350,182</u>	<u>(9,748,162)</u>	<u>518,000</u>	<u>9,735,183</u>
<b>Unrestricted funds</b>					
General funds	<u>1,171,732</u>	<u>33,184</u>	<u>(6,427)</u>	<u>-</u>	<u>1,198,489</u>
<b>Total funds</b>	<u>10,786,895</u>	<u>9,383,366</u>	<u>(9,754,589)</u>	<u>518,000</u>	<u>10,933,672</u>



# LDBS FRAYS ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2019

#### 17 Funds

##### Total funds analysis by academy

	2019 £	2018 £
Fund balances at 31 August 2019 were allocated as follows:		
Cowley St Laurence CofE Primary School	310,532	309,665
Laurel Lane Primary School	651,469	517,498
St Martin's CofE Primary School	183,452	189,660
St Matthew's CofE Primary School	634,970	490,776
Central services	513,184	207,314
Total before fixed assets fund and pension reserve	2,293,607	1,714,913
Restricted fixed asset fund	11,188,640	11,596,759
Pension reserve	(3,825,000)	(2,378,000)
Total funds	9,657,247	10,933,672

##### Total cost analysis by academy

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

	Teaching and educational support staff £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2019 £	Total 2018 £
Cowley St Laurence CofE Primary School	1,562,394	241,166	108,560	211,515	2,123,635	2,405,000
Laurel Lane Primary School	1,608,510	217,162	93,018	536,253	2,454,943	2,466,000
St Martin's CofE Primary School	1,171,073	148,808	70,875	260,182	1,650,938	1,440,000
St Matthew's CofE Primary School	1,420,754	229,122	81,278	330,569	2,061,723	2,422,000
Central services	391,658	348,792	2,389	116,001	742,839	612,000
	6,154,389	1,185,050	356,120	1,454,520	9,034,078	9,345,000

# LDBS FRAYS ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2019

#### 18 Analysis of net assets between funds

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
<b>Fund balances at 31 August 2019 are represented by:</b>				
Tangible fixed assets	-	-	11,082,924	11,082,924
Current assets	1,277,201	1,653,777	105,716	3,036,694
Creditors falling due within one year	-	(637,371)	-	(637,371)
Defined benefit pension liability	-	(3,825,000)	-	(3,825,000)
<b>Total net assets</b>	<b>1,277,201</b>	<b>(2,808,594)</b>	<b>11,188,640</b>	<b>9,657,247</b>
	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
<b>Fund balances at 31 August 2018 are represented by:</b>				
Tangible fixed assets	-	-	11,264,774	11,264,774
Current assets	1,199,502	1,475,000	331,985	3,006,487
Creditors falling due within one year	(1,013)	(958,576)	-	(959,589)
Defined benefit pension liability	-	(2,378,000)	-	(2,378,000)
<b>Total net assets</b>	<b>1,198,489</b>	<b>(1,861,576)</b>	<b>11,596,759</b>	<b>10,933,672</b>

#### 19 Pension and similar obligations

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

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2012, and that of the LGPS related to the period ended 31 March 2016.

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

##### Teachers' Pension Scheme

##### Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for 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.

# LDBS FRAYS ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2019

#### 19 Pension and similar obligations

##### 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:

- 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 September 2019.

The employer's pension costs paid to the TPS in the period amounted to £357,889 (2018: £346,000).

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

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

##### Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 24.9% for employers and 5.5 to 12.5% 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.

Total contributions made	2019 £	2018 £
Employer's contributions	474,000	455,000
Employees' contributions	119,000	109,000
Total contributions	593,000	564,000

# LDBS FRAYS ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2019

#### 19 Pension and similar obligations

Principal actuarial assumptions	2019 %	2018 %
Rate of increase in salaries	2.7	2.8
Rate of increase for pensions in payment/inflation	2.3	2.4
Discount rate for scheme liabilities	1.8	2.5

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

	2019 Years	2018 Years
Retiring today		
- Males	21.7	22.6
- Females	23.7	24.6
Retiring in 20 years		
- Males	22.4	24.0
- Females	25.0	26.5

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

	2019 £	2018 £
Discount rate + 0.1%	(217,000)	(147,000)
Discount rate - 0.1%	217,000	147,000
Mortality assumption + 1 year	300,000	300,000
Mortality assumption - 1 year	(300,000)	(300,000)
CPI rate + 0.1%	187,000	187,000
CPI rate - 0.1%	(187,000)	(187,000)

The Trust's share of the assets in the scheme	2019 Fair value £	2018 Fair value £
Equities	1,729,000	1,816,000
Bonds	1,288,000	703,000
Property	405,000	351,000
Other assets	258,000	59,000
Total market value of assets	3,680,000	2,929,000

The actual return on scheme assets was £214,000 (2018: £102,000).

# LDBS FRAYS ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

### 19 Pension and similar obligations

Amount recognised in the Statement of Financial Activities	2019 £	2018 £
Current service cost	674,000	737,000
Past service cost	41,000	-
Interest income	(90,000)	(64,000)
Interest cost	159,000	131,000
	<u>784,000</u>	<u>804,000</u>
Total operating charge		

Changes in the present value of defined benefit obligations	2019 £	2018 £
At 1 September 2018	5,307,000	4,855,000
Current service cost	674,000	737,000
Interest cost	159,000	131,000
Employee contributions	119,000	109,000
Actuarial loss/(gain)	1,261,000	(480,000)
Benefits paid	(56,000)	(45,000)
Past service cost	41,000	-
	<u>7,505,000</u>	<u>5,307,000</u>
At 31 August 2019		

Changes in the fair value of the Trust's share of scheme assets	2019 £	2018 £
At 1 September 2018	2,929,000	2,308,000
Interest income	90,000	64,000
Actuarial gain	124,000	38,000
Employer contributions	474,000	455,000
Employee contributions	119,000	109,000
Benefits paid	(56,000)	(45,000)
	<u>3,680,000</u>	<u>2,929,000</u>
At 31 August 2019		



# LDBS FRAYS ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2019

#### 20 Reconciliation of net expenditure to net cash flow from operating activities

	2019 £	2018 £
Net expenditure for the reporting period (as per the statement of financial activities)	(139,425)	(371,223)
Adjusted for:		
Capital grants from DfE and other capital income	(337,554)	(31,440)
Investment income receivable	(7,606)	(1,170)
Defined benefit pension costs less contributions payable	241,000	282,000
Defined benefit pension scheme finance cost	69,000	67,000
Depreciation of tangible fixed assets	236,174	334,394
Decrease/(increase) in debtors	93,659	(169,654)
(Decrease)/increase in creditors	(322,218)	624,589
<b>Net cash (used in)/provided by operating activities</b>	<b>(166,970)</b>	<b>734,496</b>

#### 21 Commitments under operating leases

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

	2019 £	2018 £
Amounts due within one year	6,081	9,000
Amounts due in two and five years	10,135	21,000
	<b>16,216</b>	<b>30,000</b>

#### 22 Related party transactions

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

##### Expenditure related party transactions

Mr I. Woolf is also a director of Grow Education Partners Limited, a company that provided project management and survey services in the period to the Trust totalling £882 (2018: £225) to cover employee costs.

# LDBS FRAYS ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

### 23 Members' liability

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

24 Teaching School trading account	2019		2018	
	£	£	£	£
<b>Direct income</b>				
Other external funding		50,000		60,000
<b>Direct costs</b>				
Direct staff costs	43,058		25,070	
<b>Total operating costs</b>		(43,058)		(25,070)
<b>Surplus from teaching school</b>		6,942		34,930
Teaching School balances at 1 September 2018		34,930		-
<b>Teaching School balances at 31 August 2019</b>		41,872		34,930