



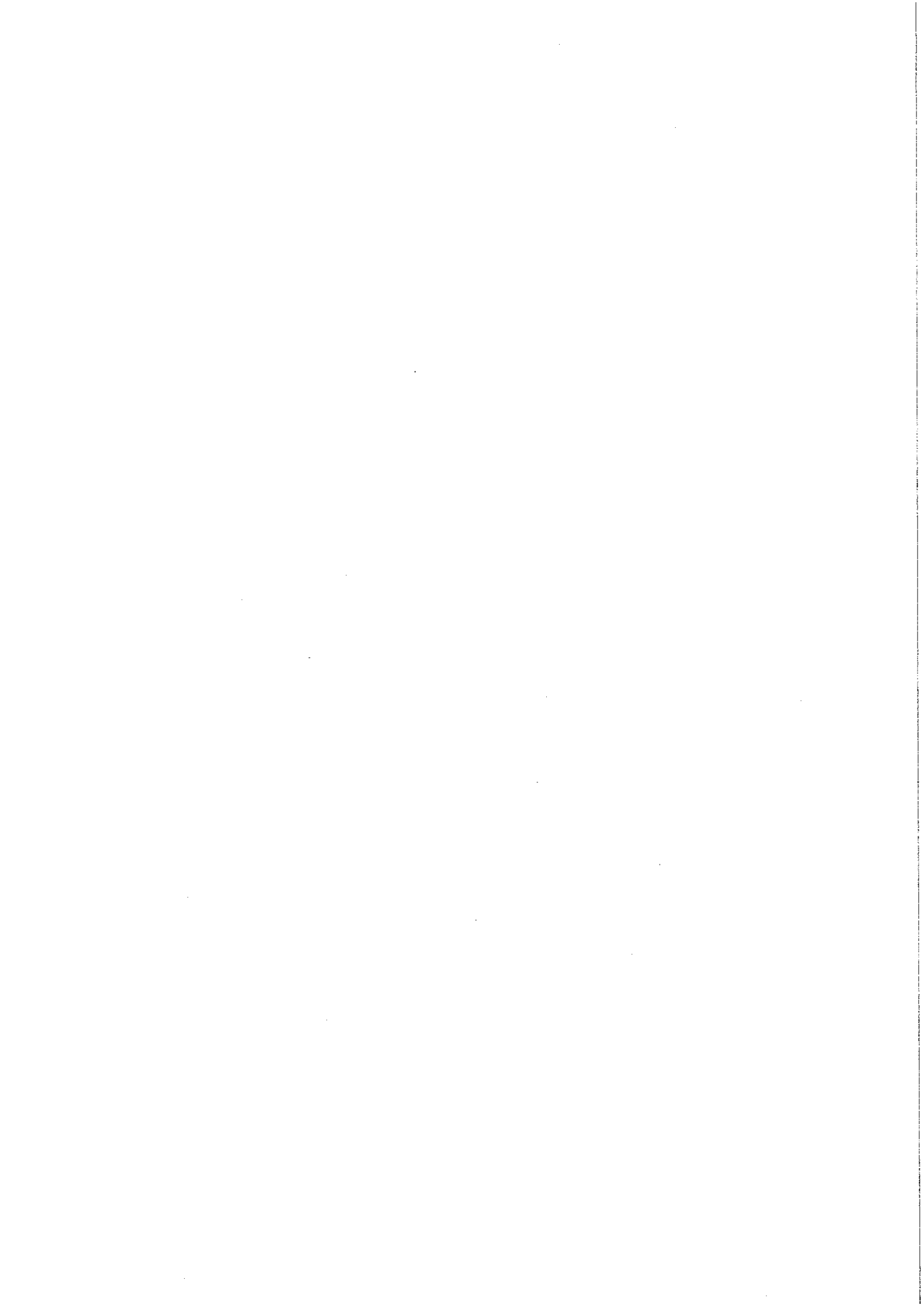
Abingdon Learning Trust

(A Company Limited by Guarantee)

Annual Report and Financial Statements

Year ended 31 August 2019





ABINGDON LEARNING TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2019

Reference and Administrative Details

Members

C Wilmshurst, Chair
D Batchelor
P Brooks
L Fathers resigned 15/11/2018
E Newson commenced 02/11/2018
T Stock commenced 02/11/2018
L Fathers resigned 16/11/2018

Trustees

J Hopkins, Chair
I Behling commenced 02/11/2018
J Browning
L Fathers commenced 16/11/2018
I Middleton
M Nga
J Craig commenced 02/11/2018
J Duffy resigned 16/12/2018
R Hawkins resigned 07/12/2018
M Lay resigned 15/07/2019

Company Secretary

Blake Morgan Secretarial Services,
New Kings Court, Tollgate,
Chandlers Ford, Eastleigh,
Hampshire, SO53 3LG

Senior Management Team

Chief Executive Officer
Chief Finance Officer
ALT Business Manager
ALT Head of Finance
ALT Head of HR
Headteacher John Mason School
Headteacher Fitzharrys School
Headteacher Rush Common School

Dr Fiona Hammans
Mrs Zoe Bratt
Mrs Rhian Wyatt
Mrs Romaine Young
Mrs Carole McKivitt
Mrs Sarah Brinkley
Mr Jonathan Dennett
Mrs Jacquie Stevenson

**ABINGDON LEARNING TRUST
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**TRUSTEES' REPORT
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Company Name	Abingdon Learning Trust
Principal and Registered Office	Hendred Way Abingdon OX14 2AW
Company Registration Number	07931886
Independent Auditor	James Cowper Kreston 2 Communication Road Greenham Business Park Greenham Newbury RG19 6AB
Bankers	Lloyds Bank 8 Ock Street Abingdon OX14 5AP
Solicitors	Blake Morgan Seacourt Tower West Way Oxford OX2 0FB

ABINGDON LEARNING TRUST
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2019

The Trustees present their annual report together with the financial statements 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.

The Academy Trust operates as an academy for pupils aged 4 to 19 serving a catchment area in north Abingdon. Abingdon Learning Trust operates 1 primary and 2 secondary academies in Abingdon, Oxfordshire. Its academies have a combined pupil capacity of 2436 and had a roll of 1913 in the school census of 24 January 2019.

Structure, Governance and Management

Constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Academy Trust. The Trustees of Abingdon Learning Trust are also the directors of the charitable company for the purposes of company law. The charitable company operates as Abingdon Learning Trust and was incorporated in England, United Kingdom.

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 3.

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 opted into the Department for Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects Trustees and Officers from claims arising from negligent acts, errors or omissions occurring whilst on academy 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 membership.

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2019

Method of Recruitment and Appointment or Election of Trustees

The Members may appoint by ordinary resolution up to 18 Trustees. The total number of Trustees, including the Chief Executive Officer if they so choose to act as Trustee under Article 57, who are employees of the Academy Trust, shall not exceed one third of the total number of Trustees. Members have decided not to appoint the CEO as a Trustee in order to keep separation and ensure accountability, reflecting good practice as a Trust.

Under Article 100 Trustees have appointed Local Governing Bodies (known as Local Academy Boards (LAB)) for each Academy in the Trust. Terms of reference (determined by the Trustees under Article 101), set the constitution of the LABs with Trustees appointing up to 12 Governors with a further 2 Staff Governors (including the Headteacher as an ex-officio appointment and 1 position elected by staff) and up to 2 parent governors (Article 101A).

LAB Parent Governors are usually elected but can, if the number of parents, or individuals exercising parental responsibility, standing for election is less than the number of vacancies, be appointed by Trustees (Article 54).

The elected or appointed Parent Governors and those voting for these positions must be a parent, or an individual exercising parental responsibility, of a registered pupil at the Academy overseen by the LAB at the time of the election/appointment, but may not also be an employee at that academy.

When there is a vacancy for the position of Member, Trustee or Local Governor the current skills of the group are reviewed and positions advertised in the local community with recruitment material making clear what is required in the role and what particular skills and experience are being sought.

Trustee appointments are preceded by a request for a CV, pre-appointment checks (e.g. DBS and s.128) and supported by a meeting between the candidate, Chair of Members and Chair of Trust Board (or their appointment substitute) to ensure that applicants understand the responsibilities of the role and bring the skills, experience and aptitudes needed to fill the position. If multiple applications are received for a single vacancy this meeting can take the form of a selection interview.

The term of office for any Trustee and Local Governor shall be four years, save that this time limit shall not apply to any post which is held ex officio. Subject to remaining eligible to be a particular type of Trustee, any Trustee may be re-appointed or re-elected at a General Meeting or at an Annual General Meeting.

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TRUSTEES' REPORT
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Policies and Procedures Adopted for the Induction and Training of Trustees

Recognising the importance of strong and effective governance, the Trust places importance on Trustee induction and on-going training. With now nearly a year working as a Trust of three schools, we have undertaken a review of the work of Governors, carried out by an independent consultant.

All Trustees receive a customised induction plan that considers current skills, experience and knowledge and provides an introduction to the role, to the Trust, to key personnel and to documents including specific information on safeguarding responsibilities. Under the Code of Conduct, every member of the Trust's governance community makes a commitment to attend at least one training event each year and to attend at least one event at a school.

An annual skills audit is carried out to help identify training needs at Trust level, and for each of the Local Academy Boards.

In addition to subscriptions to the National Governors Association (NGA) for advice and guidance, including newsletters to support ongoing learning, the Trust has an active Training Network. During the reporting period four sessions were run, with a total of 71 attendees present for topics on the running of the Trust; finances and the budget-setting process; the curriculum in each of the schools; and, the new Ofsted framework.

The programme for 2019-20 will include topics identified in our independent review of governance, including communication (how messages and feedback can take place quickly and effectively across all sectors of governance to support planning and informed decision - making) and mutual understanding of the different governance roles in the Trust. Trustees are encouraged to attend additional courses linked to their areas of interest, development and responsibility.

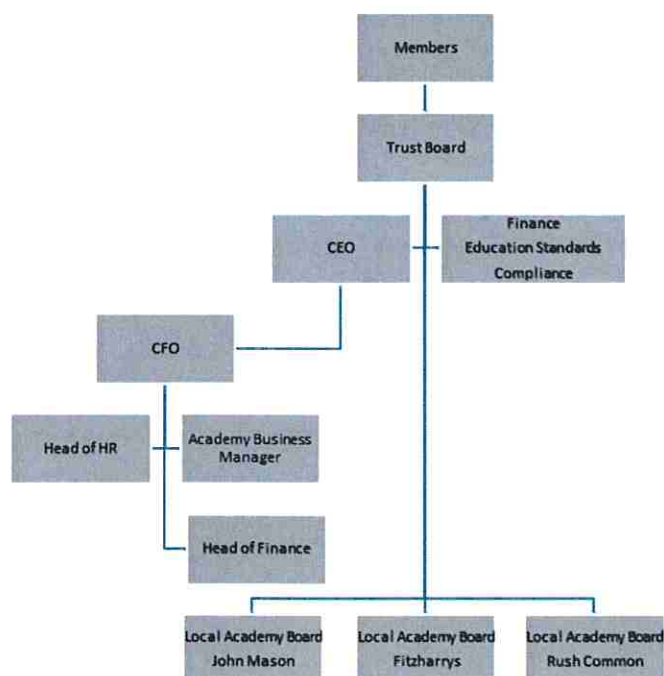
During 2018-19 courses attended have included charity governance, NGA Community MATs event, Oxfordshire governor sessions, Abingdon Partnership governor events, and on-line courses in safeguarding, Prevent, and safe recruitment.

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FOR THE YEAR ENDED 31 DECEMBER 2019

Organisational Structure

Abingdon Learning Trust currently has three schools in the Trust, with a governance structure which consists of the Members, Board of Trustees (with three committees), three Local Academy Boards (LABs), a central team (including CEO, CFO, Heads of HR, Finance and the Trust Business Manager) and a Headteacher and Leadership Team in each school.



The aim of the strategic leadership structure is to delegate and devolve responsibility, engage involvement in decision making and ensure accountability at all levels. The Chief Executive Officer is the Accounting Officer. The scheme of delegation was reviewed towards the end of the year to provide clarity of working together as three schools. In line with the Trust's intent that Headteachers and their LABs run their own schools, (if not requiring intervention), the scheme of delegation assigns substantial powers to school-level decision making.

There are three Trust committees – Finance and General Purposes (which is also the Audit Committee); Educational Standards, and Compliance. Each has its own Terms of Reference outlining specific responsibilities. The Terms of reference for the Trust Board is clearly defined by the Articles of Association.

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The Trustees are responsible for setting overall policy, adopting the recommended business and improvement plans and budget – both for the central team and in each school, monitoring the schools' use of budgets and other data, and making major decisions about the direction of the schools, capital expenditure and staff appointments.

Arrangements for setting pay and remuneration of key management personnel

Key management personnel, such as the Chief Executive Officer, and the Headteachers are currently employed under the School Teacher's Pay and Conditions Document (STPCD 2018), with salary bands that are set according to the guidelines in the STPCD and for the CFO the Kreston Academies Benchmark Report 2018. Annual review based on performance related assessment, is undertaken by the CEO and two LAB governors for the Headteachers, and a member and two Trustees for the CEO.

The Chief Financial Officer is engaged and reviewed under the Green Book regulations, and the salary is benchmarked against the Kreston Report (2018). There is an annual review.

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Trade union facility time

Relevant union officials

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

0

0

Percentage of time spent on facility time

Percentage of time	Number of employees
--------------------	---------------------

0%

0

1%-50%

0

51%-99%

100%

Percentage of pay bill spent on facility time

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

Paid trade union activities

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

calculated as:

(total hours spent on paid trade union activities by relevant union officials during the relevant period ÷ total paid facility time hours) x 100

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2019

Related Parties and other Connected Charities and Organisations

Abingdon Learning Trust does not have any connected organisations or related party relationships.

Objectives and Activities

Objects and Aims

The Objects of Abingdon Learning Trust are described in the Articles of Association as:

- a) the advancement, for public benefit, of education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, managing and developing schools offering a broad and balanced curriculum; and
- b) to promote, for the benefit of the inhabitants of Oxfordshire and the surrounding area the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the objective of improving the condition of life of those inhabitants.

Alongside our Objects, our published 5 year strategic business plan (<https://abingdonlearningtrust.org/wp-content/uploads/2019/08/Abingdon-Learning-Trust-Business-Plan-Aug-19.pdf>) lists the following:

Our aims

- a) We will nurture curiosity, character and independence, fuelling a passion for learning in all children and staff to shape confident, creative, resourceful and resilient individuals.
- b) We will support and deploy resources effectively and efficiently to make a valued contribution for the good of all our young people, our economy and our community.
- c) To achieve this we will secure:
 - A broad, deep and balanced curriculum enabling choice and inclusive learning opportunities, promoting aspiration
 - Financial sustainability and commercial resilience, with operational efficiency and effectiveness

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- Expansion of the Trust to support the majority of school age children in the Abingdon area; and to support investment in community provision, shared use of facilities, learning opportunities and networks

Our values

- **QUALITY:** to create an outstanding learning community, including strong leadership and governance
- **OPPORTUNITY:** to provide the best opportunities for all children to reach their full potential
- **COLLABORATION:** to support a shared commitment and dedication to learning
- **AMBITION:** for continual improvement and to strive for excellence in all we do
- **COMMUNITY:** to be a local employer of choice and for area based services that address disadvantage and promote social mobility

Public Benefit

The Trustees of Abingdon Learning Trust have complied with their duty to have due regard to the guidance on Public Benefit published by the Charity Commission in exercising their powers and duties. The activities undertaken to further the Abingdon Learning Trust's purpose for the Public Benefit include:

Providing an education that:

- is broad and balanced;
- promotes equality and celebrates British Values and the spiritual, moral, cultural, mental and physical development of pupils at the school and of society;
- prepares pupils at the school for the opportunities, responsibilities and experiences of later life;
- promotes, sustains and increases individual and collective knowledge and understanding of specific areas of study, skills and expertise;

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The Abingdon Learning Trust admission criteria are as follows for each school:

Rush Common

https://www.oxfordshire.gov.uk/sites/default/files/2018-09/2574_1819.pdf

John Mason

https://www.oxfordshire.gov.uk/sites/default/files/2018-09/4126_1819.pdf

Fitzharrys

https://www.oxfordshire.gov.uk/sites/default/files/2018-09/4127_1819.pdf

Abingdon Learning Trust provides additional support to other local schools and schools within Oxfordshire through a variety of formal and informal ways. The schools also actively provide placements for Trainee Teachers, School Centred Initial Teacher Training students and work experience students.

Abingdon Learning Trust hires its facilities to local sports clubs, faith groups and clubs and associations, many of whom offer courses that are advertised in the local community. Members of the local community may also hire facilities for one-off events, performances or activities.

The Trust actively engages in charity work at a local and national level, through a range of themed activities, events and special days throughout the year.

The activities undertaken to further the Trust's purpose for the Public Benefit

Other activities undertaken during 2018/19 included:

- Family Learning Events
- Community service with Age UK, primary schools and local residents through our Duke of Edinburgh Bronze, Silver and Gold Award programme and KS3 Passport
- Cultural Capital project for disadvantaged families

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- Work with British Legion around Remembrance
- Charter Day project to enable the students to better understand the community in which they live
- Community Music Concert with local primary schools
 - Sports Leaders Programme supporting primary schools with sports development and leadership
 - Learning to Lead initiative providing over 100 student leaders to work with community and younger students
 - Parenting workshops with school health nurse and locality services

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2019**

Strategic Report

Achievements, performance and plans for the future

Introduction and overview of the 18/19 academic year

This last year saw the Trust begin to consolidate with Fitzharrys School joining in November 2018, and the appointment of a new CEO.

In January, Trust Central Services were formed, providing high quality support to schools. Alongside working more closely as three schools on safeguarding, and the introduction of joint sixth form provision – JMF6 - with year 12 students joining the first year of this joint working, the Trust continued to develop educational quality, consulted on, and confirmed its strategic business plan.

The strategic plan is clear that, when appropriate, new schools would be welcome in the Trust, extending our influence across the area, including looking to become a sponsor.

A Governance Training Network was initiated, and separation between the different governance layers was achieved with the scheme of delegation consulted on and refreshed for the next academic year.

Key successes

For the Trust, working to support the head, staff and governors at John Mason School was a main priority, and in May 2019, the school achieved an overall Ofsted effectiveness grade of Good, with an Outstanding Ofsted grade for the sixth form, improving from Requires Improvement. This is a testament to the hard work and focus of the whole school community.

Year 13 sixth form students at John Mason achieved results for A levels in summer 2019 in the top three in Oxfordshire (state schools) and the school's Sixth Form is one of the very few with an outstanding grade in the local authority area. Entry into year 12 in September 2019 is far higher than in previous years, with both students from the Trust's two secondaries, as well as students joining from a number of other schools in the wider area.

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This latter is particularly pleasing with the joint sixth form demonstrating the impact of working collaboratively to the advantage of students between the schools as part of the Trust. This brings demonstrable impact to the Trust's ethos of 'Stronger together.'

At GCSE, John Mason School has continued the improvement across most metrics seen in previous years, with improvements in Progress 8 and Attainment 8.

For Fitzharrys School, there were some notable individual achievements for students at A level and at GCSE, and a number of whole school performance metrics were better than previous years. Most significant for the school has been the number of students joining the school in Year 7 in September 2019, which is close to double the outgoing number of year 11 students.

For the next academic year, both secondary schools will be aiming to increase the proportion of students in KS4 following Ebacc courses, whilst retaining the breadth of educational experience overall.

Our primary school, Rush Common, remains popular with parents, having very high attendance and pupils with excellent attitudes to learning. Attainment just above that nationally seen at the end of KS2, with well-above national results for the phonics check in year 1. At the end of the Early Years, children meet the good 'level of development' standard at a higher level than national.

We have implemented a Trust-wide Designated Safeguarding Lead (DSL) group, involving a safeguarding governor and Trustee. This has helped with sharing good practice, providing support to DSLs, and enabling internal safeguarding reviews.

A dedicated school improvement fund was set aside, which supported School Improvement Partner support for individual schools, additional leadership support during the absence of the substantive Headteacher in one school, external quality assurance of each school's self-evaluation, and joint schools' coaching training.

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A key feature of the Trust's education is the development of independence, leadership and teamwork. This is exemplified from children involved in the Forest School in Rush Common School, through to residentials in KS2 and the year 7 team building camping trips at Fitzharrys School, and with John Mason School having the highest completion rate of any school in the South area for the Duke of Edinburgh's Award at Gold and Bronze.

Similarly, the schools develop understanding of others and being effective global citizens. Mandarin language is taught in Rush Common School, and learning about Chinese culture. The school entered a Year 4 pupil group in the Love Languages Competition at St Helen and St Katharine's School, achieving the winning award, beating older pupils from the state and independent sector.

Mandarin language is moving in the next academic year into the secondary sector, and links between John Mason staff and a school in Shanghai are developing with UK staff teaching science during the summer break in China.

Fitzharrys School hosted teachers from Saudi Arabia as part of the exchange between the countries' educators, developing an understanding of education in both systems, with Rush Common also hosting Saudi teachers.

A significant outcome in this year was the development and publication of a five-year business plan for the Trust. This identifies the aims and values of the organisation, but also gives a structure to the work of the Trust – whether it is around school improvement, developing staff across the three schools, aligning the secondary curriculum offer more closely and improved transition from primary to secondary.

In January 2019, the Trust's Central Team was formed, offering finance, HR, payroll, recruitment administration, audit, insurances, procurement, contract negotiation, and budget preparation support to the schools.

Additionally, a strategic ICT provider was appointed, to bring a more consistent high quality learning experience for pupils and better support for teachers and support staff. More recently, caretaking services across the Trust are being developed, with facilities management.

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In this first year together, savings of £120,000 across the schools have been achieved, through joint procurement and new contracts. Additionally, schools have reduced their staff spend – moving towards the national benchmark over time. These savings are ploughed back into schools to ensure that, despite the extremely difficult financial situation nationally for schools, balanced budgets have been set.

Summary

In this first year with three schools, the focus has been on ensuring that policies, structures, processes and key people were in place, to support the effective working of the Trust.

The Trust now comprises three 'good' schools, with the improved Ofsted grade for John Mason, and with finances stable for the next three years. This is a strong position and reflects the focus and hard work of all those involved across the Trust.

As we move into the next year, we are looking outward and thinking about working more closely with other schools, community groups and beginning to consider expansion of the Trust.

Plans for the future

The next academic year has the overarching theme of 'Ambition', across all three schools, with a first Trust-wide Community Day planned for the summer.

With our intention for the Trust to influence more widely, we are continuing to develop relationships with local primary and special schools for further collaborative activities; supporting schools' governance through training and serving on local Boards, offering catering services and school improvement support as the need and opportunity provides. This builds on historical collaborations as well as new, and will offer the potential for closer working in the future.

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TRUSTEES' REPORT
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Financial KPI's

The majority of the Abingdon Learning Trust's income is obtained from the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the twelve months ended 31 August 2019 and the associated expenditure is shown as restricted funds in the Statement of Financial Activities.

In accordance with the Charities Statement for Recommended Practice 'Accounting and Reporting by Charities' (SORP 2015). Capital grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

The Trust consisted of Rush Common School and John Mason School until 31 October 2018, with Fitzharrys School joining the Trust on 1 November 2018.

During the twelve months ended 31 August 2019, total expenditure of £11,080,310 (including depreciation of £623,182) was more than recurrent grant funding from the ESFA together with other incoming resources of £10,187,317. The excess of expenditure over income for the year (excluding restricted fixed asset funds and the transfer in donation from Fitzharrys School joining the Trust) was £53,319 before pension scheme unrealised gains and additional pension charges.

As at 31 August 2019 the net book value of fixed assets was £27,008,053 and movements in tangible fixed assets are shown in note 15 to the Financial Statements. The assets were used exclusively for providing education and the associated support services to the pupils of Abingdon Learning Trust.

The Local Government Pension Scheme as at 31 August 2019 held a deficit of £4,741,000, the breakdown of which is detailed within note 24 in the Financial Statements.

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2019

Going Concern

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

Financial Review

Abingdon Learning Trust practices through its Board, namely the Board of Trustees and the constituted sub-committees, risk management principles. Any major risks highlighted at any sub-committee are brought to the attention of the main Board with proposed mitigating actions and they continue to be reported until the risk is adequately mitigated.

The Board of Trustees accepts managed risk as an inevitable part of its operations but maintains an objective not to run unacceptable levels of risk in any area. The subjective nature of this process requires major risks to be resolved by the Board of Trustees collectively, whilst more minor risks are dealt with by the Senior Management Team. A Risk Register is maintained and reviewed at regular intervals.

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Reserves Policy

- The policy of Abingdon Learning Trust is to maintain a sufficient surplus to uphold the following year's budget against financial uncertainty and then to transfer recognised surpluses to reserves for investment. The Reserves policy states; Each school within the Trust and the Trust Central Team, will work towards reserves of one month's salary costs and contingency requirements over the next 3-5 years, (primarily from Unrestricted Funds) to be agreed by the Trust Finance Committee.

At 31 August 2019 the total funds comprised:

Unrestricted		256,582
Restricted:	Fixed asset	
	funds	27,357,974
	GAG	283,534
	Pension reserve	(4,741,000)
	Other (including SALIX loan)	(30,359)
		<hr/>
		-
		<hr/> 23,126,731 <hr/> <hr/>

The deficit on the pension reserve relates to the non-teaching staff pension scheme where, unlike the teachers' scheme, separate assets are held to fund future liabilities as discussed in note 24. The deficit can be met in the longer term from any combination of increased employer or employee contributions, increased government funding or changes to scheme benefits. The restricted funds will be spent in accordance with the terms of the particular funds. Unrestricted funds are for use on the general purposes of the Academy, at the discretion of the Trustees, and represent one week's worth of Academy expenditure. The aim of the Trustees is to increase this reserve to meet future working capital requirements.

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Investment Policy

Abingdon Learning Trust seeks to invest surplus funds in a manner to obtain the best possible return consistent with prudent minimisation of risk and with strategic plan of the Trust for deployment of resources. The Trust is committed to investment with reputable and ethical investors. There are currently no investments.

Principal Risks and Uncertainties

There are a number of factors which might affect the principal risks and uncertainties that the Trust faces and how the Board intends to resolve them, for full details see the Trust Risk Register.

- Change in government policy – a change in government or change in government policy leads to risks of changes to funding and or statutory responsibilities; Financial risks are mitigated by strong financial controls and by building healthy unrestricted reserves which may be used in times where funding is reduced; risks or non-compliance with statutory responsibilities are mitigated by maintaining an up to date knowledge of requirements through training and by a compliance framework built on rigorous monitoring and reporting.
- The overall performance of the students - this is a continuing risk to the schools since both funding, student numbers and positioning of the schools is affected if performance of the pupils declines. To ensure that this is limited as much as possible, as the schools intend to retain the teaching staff, focus on training and development of all staff to improve teaching and learning and to continuously monitor pupil performance at an early stage of their educational development and ensure that they are nurtured to achieve the best possible standard that each individual can achieve.
- Operate the schools within the budget – there is always the risk of operating above budget constraints. However, with a strong Finance and General Purposes Committee and effective internal reporting such as budgeting and forecasting, this risk will be minimised. The Trust aims to mitigate risk through a realistic strategic planning process that builds manageable growth as well as internal controls.

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A risk register is used to identify potential risks to the Trust and to set out and monitor steps taken to minimise these risks. The risk register was reviewed regularly and updated as appropriate. Systems and procedures have been established to manage these risks.

Fundraising

Fundraising is linked to the Trust's underpinning values of community, opportunity and ambition. Pupils raise money for a variety of local and national causes. Funds are raised in each school through a variety of activities suitable to the setting. School Councils are involved in identifying the charities that money is raised for each year.

The majority of fundraising takes place through directly supervised activities – from the primary school 'Readathon' to money raised from non-uniform days. No complaints were received and due care was taken to protect vulnerable pupils and adults from any potential harm during fundraising activities.

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Funds Held as Custodian Trustee on Behalf of Others

Neither Abingdon Learning Trust nor its Trustees are acting as custodian Trustees.

Auditor

In so far as the Trustees are aware:

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

James Cowper Kreston has been appointed in 2019 for Audit purposes following a tender and selection process once the MAT had expanded to three schools.

Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 6 December 2019 and signed on the Board's behalf by:

.....

Jonathan Hopkins

Chair of Trustees

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2019

Governance Statement

Scope of Responsibility

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

The Board of Trustees has delegated the day-to-day responsibility to the Chief Executive Officer as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Abingdon Learning 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 Trust Board takes a pro-active and reflective approach to its work, reviewing approaches to ensure that lessons are learned and regularly evaluating its size and structure to ensure that this remains appropriate for a growing organisation. Activities during this period have included:

- Fully separating each tier of governance to ensure rigorous accountability. This has resulted in the appointment of two new Members to retain a group of five and the appointment of two new Trustees to maintain skills coverage.
 - We aim to recruit additional Trustees in 2019-20 to ensure that the Board has the capacity to discharge its responsibilities;
- Reviewing and updating the Scheme of Delegation and associated terms of reference to ensure that roles and responsibilities are clearly and appropriately delegated for a three-academy MAT with an Executive and Central team managing operations;

ABINGDON LEARNING TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2019

- Completing a fundamental review of all statutory policies to ensure compliance with national and local requirements and align procedures with the needs of a three-academy organisation;
- Introducing a Compliance committee to provide a three-committee structure that focuses on the main areas of performance and risk (finance, educational standards, compliance) and to distribute workload effectively;
- Appointing a safeguarding Trustee to reflect the importance and strengthen oversight of this core responsibility;
- Reviewing and adjusting the schedule of meetings to consider staff workload and ensure that the business of governance aligns across the governance tiers and with the operational cycle of the Academies and Executive Team;
- Undertaking an independent review of governance to consider the effectiveness of current arrangements and inform plans for improvement. The review concluded that sound governance foundations are in place, supported by a great deal of volunteer talent.
 - Our focus for the coming year is to embed current procedures while implementing an action plan to improve communication and build mutual understanding to enable all the governance groups to work more effectively together.
 - The Board will undertake a follow-up internal review during the summer of 2020 to consider progress against the governance action plan
- Agreeing and implementing reporting and monitoring arrangements with the CEO and Headteachers that avoids duplications and provides the Board and committees with required management information across all aspects of the Trust's performance. A suite of reports is now available to provide in-year and year-year progress reviews and benchmarked, risk assessed analysis against headline KPIs for the Board. More detailed monthly accounting reports, education 'heat maps' and exception reports meet committee requirements and all LABs receive consistent data in the form of centrally produced Headteacher reports, containing appropriate national benchmarks.
 - As an action arising from the review of governance further work is planned to provide termly, cross-MAT progress and improvement priority reports to support joint working;

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**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2019**

- Introducing and extending the use of Governor Hub to improve information management and access so that all those involved in governance can easily access required information and appropriate decision-making audit trails are available.
 - Further work is planned to add additional content to this governance library and to use it more actively to support effective communications;

- Implementing the planned governor Training Network, delivered on rotation across the three academy sites to promote involvement from all Boards and raise awareness of core responsibilities (Trust operations, finances, curriculum, Ofsted).
 - The training programme will continue through 2019-20 with updates to support and reflect recommendations arising from the Governance Review.

The Board discharges its responsibilities through three committees and three Local Academy Boards, one for each member Academy. Responsibilities and activities for each group are set out below:

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

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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2019

Trustee	Meetings attended	Out of a possible
J Hopkins (chairman)	6	6
I Behling	3	5
J Browning	3	6
J Craig started 02/11/18	4	5
J Duffy resigned 16/12/18	2	2
L Fathers started 16/11/18	5	5
R Hawkins resigned 01/12/18	0	1
M Lay resigned 15/07/19	4	6
I Middleton	6	6
M Nga	5	6

Finance and General Purposes (F&GP):

Purpose: is to ensure the highest possible standards are set and maintained across the Academy Trust by

- Holding Executive Leaders to account for the quality of financial (including premises) management across the Trust
- Scrutinising, reviewing, and where delegated authority is given, determining on behalf of the Board items of business delegated to it under the Scheme of Delegation
- Advising the Board on the adequacy and effectiveness of the Trust's systems of financial management and internal control, its arrangements for risk management and securing economy, efficiency and effectiveness (value for money). Scrutinise and report on academies' performance including, but not restricted to, data relating to financial performance and premises management

ABINGDON LEARNING TRUST
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2019

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
J Hopkins	4	4
J Browning	4	4
L Fathers	4	4
R Hawkins	0	1
M Lay	4	4
M Nga	4	4

Educational Standards (ES):

Purpose: is to ensure the highest possible educational standards are set and maintained across the Academy Trust

- Holding Executive Leaders to account for the quality of education across the Trust
- Scrutinising, reviewing, and where delegated authority is given, determining on behalf of the Board items of business delegated to it under the Scheme of Delegation
- Advising the Board on the adequacy and quality of the Trust's educational provision
- Scrutinising and reporting on academies' performance including, but not restricted to, data relating to student attainment and progress

ABINGDON LEARNING TRUST
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2019

Compliance (C):

Purpose:

- To monitor on behalf of the Board compliance with:
 - requirements for information sharing such as GIAS, websites, Freedom of Information requests and Trust/school responses
 - Health and Safety and data protection (GDPR) requirements
 - Funding Agreements
- To monitor the effectiveness and impact of Trust policies through review at least annually of appeals (eg Admissions; Pay decisions; exclusions) and the Annual Trust-wide Schools' Safeguarding Report.
- To monitor governance effectiveness, across all levels in the Trust

Core Activities for this period have included:

- Agreement of a Trust compliance framework including monitoring and reporting requirements
- Review of Safeguarding and Health & Safety arrangements across the Trust
- Review of progress towards GDPR compliance
- Commissioning and consideration of outcomes of an independent review of governance

Review of Value for Money

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

ABINGDON LEARNING TRUST
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2019

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

Improving Educational Results:

We have ensured that resources are directed where they are most needed and most effective in targeting educational resources to support the Trust and each school's priorities.

John Mason School – moved from Ofsted judgement of Requires Improvement to Good with Outstanding 16-19 provision.

Fitzharrys School – improved A8 and progress of more able students.

Rush Common School – much higher than national phonics attainment.

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Abingdon Learning Trust for the period 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2019**

The Risk and Control Framework

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

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

The Board of Trustees has considered the need for a specific internal audit function and has decided:

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

- testing of payroll systems
- testing of purchase systems
- testing of control account/bank reconciliations
- review of budget preparation
- review of management accounts

On a regular basis MHA MacIntyre Hudson or James Cowper Kreston (appointed April 2019) reports to the Board of Trustees, through a report to the finance and general purposes committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities. These reviews were carried out and no material control issues were identified.

**ABINGDON LEARNING TRUST
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**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2019**

Review of Effectiveness

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

- the work of the internal auditor
- the work of the external auditor
- the financial management and governance self-assessment process
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework

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

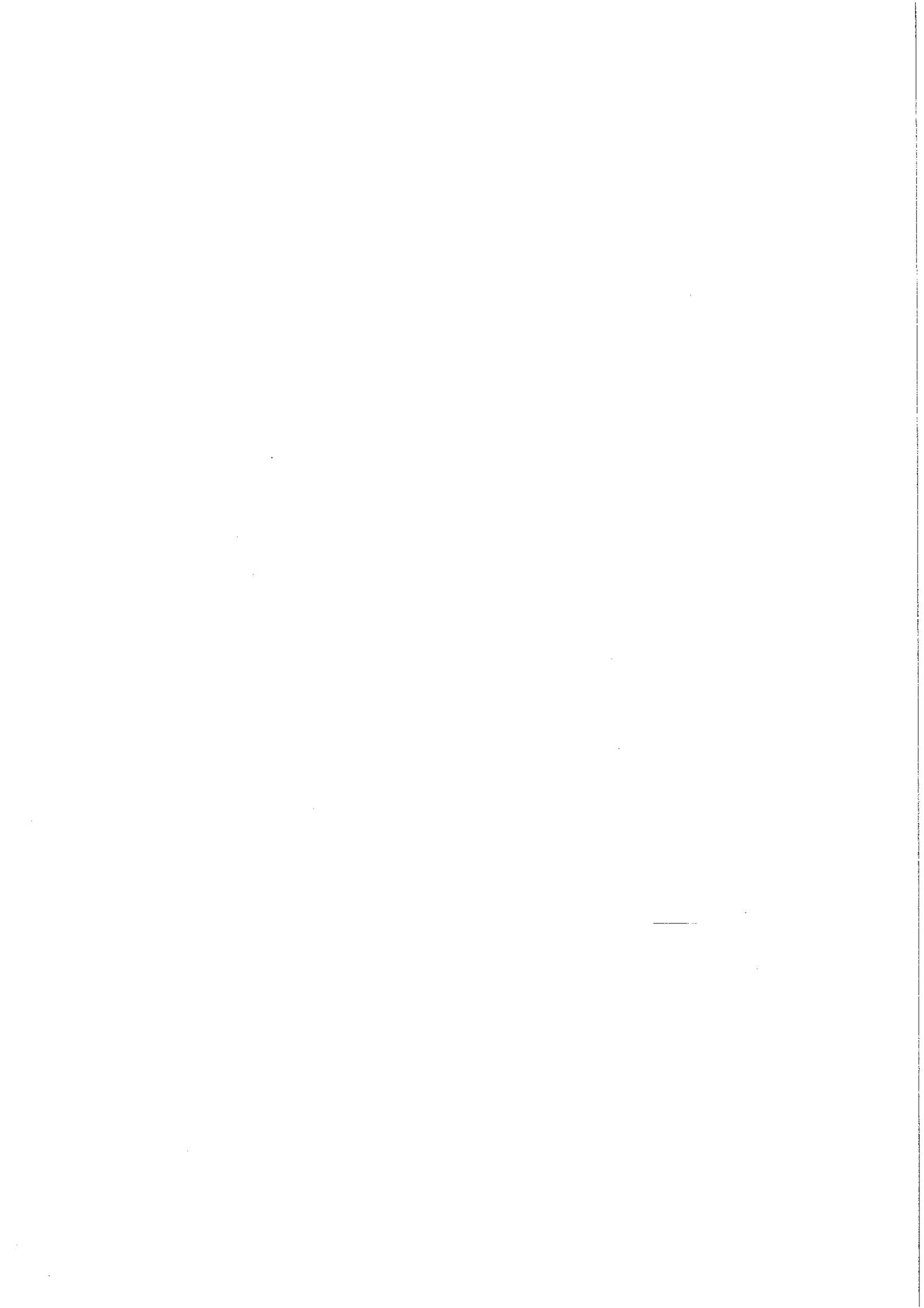
Approved by order of the members of the Board of Trustees on 6 December 2019 and signed on its behalf by:

.....

Jonathan Hopkins
Chair of Trustees

.....

Dr Fiona Hammans
Accounting Officer



ABINGDON LEARNING TRUST
(A Company Limited by Guarantee)

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

Conclusion

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

James Cowper Kreston

2 Communications Road
Greenham Business Park
Greenham
Newbury
RG19 6AB

Date: 6 December 2019

ABINGDON LEARNING TRUST
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2019**

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed assets funds 2019 £	Total funds 2019 £	Total funds 2018 £
Income from:					
Donations and capital grants:					
Transfer of Academy into the Trust	69,033	(276,174)	13,842,310	13,635,169	8,083,340
Other donations and capital grants	72,696	17,239	240,715	330,650	345,908
Charitable activities	461,921	9,119,313	-	9,581,234	3,821,980
Other trading activities	269,390	3,843	-	273,233	193,315
Investments	2,200	-	-	2,200	(504)
Total income	875,240	8,864,221	14,083,025	23,822,486	12,444,039
Expenditure on:					
Charitable activities	720,173	9,734,110	626,027	11,080,310	4,497,018
Total expenditure	720,173	9,734,110	626,027	11,080,310	4,497,018
Net income/(expenditure)	155,067	(869,889)	13,456,998	12,742,176	7,947,021
Transfers between funds	(27,567)	-	27,567	-	-
Net movement in funds before other recognised gains/(losses)	127,500	(869,889)	13,484,565	12,742,176	7,947,021
Other recognised gains/(losses):					
Actuarial losses on defined benefit pension schemes	-	(1,384,000)	-	(1,384,000)	704,000
Net movement in funds	127,500	(2,253,889)	13,484,565	11,358,176	8,651,021
Reconciliation of funds:					
Total funds brought forward	129,082	(2,233,936)	13,873,409	11,768,555	3,117,534
Net movement in funds	127,500	(2,253,889)	13,484,565	11,358,176	8,651,021
Total funds carried forward	256,582	(4,487,825)	27,357,974	23,126,731	11,768,555

ABINGDON LEARNING TRUST
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STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
(CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 36 to 62 form part of these financial statements.

ABINGDON LEARNING TRUST
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07931886

BALANCE SHEET
AS AT 31 AUGUST 2019

	Note	2019 £	2018 £
Fixed assets			
Intangible assets	14	-	2,845
Tangible assets	15	27,008,053	12,961,225
		27,008,053	12,964,070
Current assets			
Debtors	16	664,114	621,398
Cash at bank and in hand		1,018,828	1,095,112
		1,682,942	1,716,510
Creditors: amounts falling due within one year	17	(800,111)	(557,667)
Net current assets		882,831	1,158,843
Total assets less current liabilities		27,890,884	14,122,913
Creditors: amounts falling due after more than one year	18	(23,153)	(20,358)
Net assets excluding pension liability		27,867,731	14,102,555
Defined benefit pension scheme liability	24	(4,741,000)	(2,334,000)
Total net assets		23,126,731	11,768,555
Funds of the Academy			
Restricted funds:			
Fixed asset funds	19	27,357,974	13,873,409
Restricted income funds	19	253,175	100,064
		27,611,149	13,973,473
Restricted funds excluding pension asset	19	27,611,149	13,973,473
Pension reserve	19	(4,741,000)	(2,334,000)
		22,870,149	11,639,473
Total restricted funds	19	22,870,149	11,639,473
Unrestricted income funds	19	256,582	129,082
Total funds		23,126,731	11,768,555

ABINGDON LEARNING TRUST
(A Company Limited by Guarantee)

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2019

The financial statements on pages 31 to 62 were approved by the Trustees, and authorised for issue on 6 December 2019 and are signed on their behalf, by:

.....
Jonathan Hopkins
Chair of Trustees

The notes on pages 36 to 62 form part of these financial statements.

ABINGDON LEARNING TRUST
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2019

	Note	2019 £	2018 £
Cash flows from operating activities			
Net cash provided by operating activities	21	250,847	371,130
Cash flows from investing activities	22	(327,131)	401,972
Change in cash and cash equivalents in the year		(76,284)	773,102
Cash and cash equivalents at the beginning of the year		1,095,112	322,010
Cash and cash equivalents at the end of the year	23	<u><u>1,018,828</u></u>	<u><u>1,095,112</u></u>

ABINGDON LEARNING TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

1. Accounting policies

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

1.1 Basis of preparation of financial statements

The financial statements of the Academy, 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.

1.2 Fund accounting

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

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

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

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

ABINGDON LEARNING TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

1. Accounting policies (continued)

1.3 Income

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

• **Grants**

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

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

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

• **Donations**

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

• **Other income**

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

Where assets are received on the transfer of an existing academy into the Trust, the transferred assets are measured at fair value and recognised in the Balance Sheet at the point when the risks and rewards of ownership pass to the Trust, which is on signing of the transfer agreement with the transferring Trust. An equal amount of income is recognised for the transfer of an existing academy into the Trust within Income and donations and capital grants.

1.4 Expenditure

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

• **Charitable activities**

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

All expenditure is inclusive of irrecoverable VAT.

ABINGDON LEARNING TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

1. Accounting policies (continued)

1.5 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 Academy to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Academy has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

1.6 Intangible fixed assets and amortisation

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

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

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

Amortisation is provided on the following basis:

Computer software	- 20 % straight line
-------------------	----------------------

1.7 Tangible fixed assets and depreciation

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

Premises subject to long lease have been valued on a depreciated replacement costs basis by a qualified valuer on the date the long leasehold was transferred into the Academy.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities incorporating Income and Expenditure Account 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 incorporating Income and Expenditure Account.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is not charged on freehold land. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

ABINGDON LEARNING TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

1. Accounting policies (continued)

1.7 Tangible fixed assets and depreciation (continued)

Long-term leasehold land	- over the term of the lease
Long-term leasehold property	- 2 % per annum on cost (buildings only)
Furniture and equipment	- over 5 -10 years
Plant and machinery	- over 5 years
Computer equipment	- over 3 years
Motor vehicles	- over 5 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 incorporating Income and Expenditure Account.

1.8 Operating leases

Rentals under operating leases are charged to the Statement of Financial Activities incorporating Income and Expenditure Account on a straight line basis over the lease term.

1.9 Taxation

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

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

1.10 Debtors

Trade and other debtors are recognised at the settlement amount. Prepayments are valued at the amount prepaid.

1.11 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.12 Liabilities and provisions

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

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

ABINGDON LEARNING TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

1. Accounting policies (continued)

1.13 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 16. Prepayments are not financial instruments. Amounts due to the Academy's wholly owned subsidiary are held at face value less any impairment. Cash at bank is classified as a basic financial instrument and is measured at face value.

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

1.14 Pensions

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

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

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the Academy 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.

ABINGDON LEARNING TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

1. Accounting policies (continued)

1.15 Academy transfer into the Trust

The assets and liabilities transferred from Fitzharrys School to Abingdon Learning Trust have been valued at their fair value. The fair value has been derived based on that of equivalent items. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in the Statement of Financial Activities incorporating Income and Expenditure Account and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds.

Further details of the transaction are set out in note 29.

1.16 Agency arrangements

The Trust acts as an agent to Oxfordshire Secondary Schools Headteacher Association (OSSHTA) and Abingdon Partnership. Payments received from members as subscriptions and subsequent disbursements of administration, conference and meeting costs are excluded from the Statement of Financial Activities as the Trust does not have control over the charitable application of the funds. The funds received and paid and any balances held are disclosed in note 28.

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 24, 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.

Critical areas of judgment:

The judgments that have had a significant effect on amounts recognised in the financial statements are those concerning the choice of depreciation policies and asset lives.

ABINGDON LEARNING TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

3. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Transfer of Academy into the Trust	69,033	13,566,136	13,635,169	8,083,340
	<u>69,033</u>	<u>13,566,136</u>	<u>13,635,169</u>	<u>8,083,340</u>
Donations	72,696	17,239	89,935	24,792
DfE/ESFA capital grants	-	240,715	240,715	321,116
	<u>72,696</u>	<u>257,954</u>	<u>330,650</u>	<u>345,908</u>
Subtotal	<u>72,696</u>	<u>257,954</u>	<u>330,650</u>	<u>345,908</u>
	<u>141,729</u>	<u>13,824,090</u>	<u>13,965,819</u>	<u>8,429,248</u>
<i>Total 2018</i>	<u>4,186</u>	<u>8,425,062</u>	<u>8,429,248</u>	

4. OTHER TRADING ACTIVITIES

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
School uniform and services	7,954	3,843	11,797	8,066
Rental income	44,365	-	44,365	10,550
Other income including BASC	217,071	-	217,071	174,699
	<u>269,390</u>	<u>3,843</u>	<u>273,233</u>	<u>193,315</u>
<i>Total 2018</i>	<u>192,638</u>	<u>677</u>	<u>193,315</u>	

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5. INVESTMENT INCOME

	Unrestricted funds 2019 £	Total funds 2019 £	<i>Total funds 2018 £</i>
Bank interest receivable	2,200	2,200	<i>(504)</i>

In 2018, interest payable of £504 was to restricted funds.

6. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	<i>Total funds 2018 £</i>
DfE/ESFA grants				
Pupil Premium	-	219,741	219,741	<i>93,851</i>
General Annual Grant (GAG)	-	8,530,392	8,530,392	<i>3,388,504</i>
Other DfE/ESFA revenue grants	-	174,717	174,717	<i>51,070</i>
SEN allocation	-	74,146	74,146	<i>29,834</i>
Trip income	142,860	-	142,860	<i>146,487</i>
Other income	92,824	111,158	203,982	<i>33,776</i>
Main meals income	226,237	9,159	235,396	<i>78,458</i>
	<u>461,921</u>	<u>9,119,313</u>	<u>9,581,234</u>	<u><i>3,821,980</i></u>
<i>Total 2018</i>	<u><i>237,085</i></u>	<u><i>3,584,895</i></u>	<u><i>3,821,980</i></u>	

There are no unfulfilled conditions or other contingencies attached to the government grants above.

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NOTES TO THE FINANCIAL STATEMENTS
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7. Expenditure

	Staff Costs 2019 £	Premises 2019 £	Other 2019 £	Total 2019 £	<i>Total</i> <i>2018</i> <i>£</i>
Academy's educational operations:					
Direct costs	6,698,541	51,159	1,482,564	8,232,264	3,369,032
Allocated support costs	1,413,356	616,152	818,538	2,848,046	1,127,986
	<u>8,111,897</u>	<u>667,311</u>	<u>2,301,102</u>	<u>11,080,310</u>	<u>4,497,018</u>
<i>Total 2018</i>	<u><u>3,378,837</u></u>	<u><u>346,614</u></u>	<u><u>771,567</u></u>	<u><u>4,497,018</u></u>	

In 2019, of the total expenditure of £11,542,310 (2018: £4,497,018), £720,173 was to unrestricted funds (2018: £379,766), £10,196,110 (£2018: £3,907,761) was to restricted funds and £626,027 (2018: £209,491) was to restricted fixed assets funds.

8. Analysis of expenditure by activities

	Activities undertaken directly 2019 £	Support costs 2019 £	Total funds 2019 £	<i>Total</i> <i>funds</i> <i>2018</i> <i>£</i>
Educational operations	<u>8,232,264</u>	<u>2,848,046</u>	<u>11,080,310</u>	<u>4,497,018</u>
<i>Total 2018</i>	<u><u>3,369,032</u></u>	<u><u>1,127,986</u></u>	<u><u>4,497,018</u></u>	

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NOTES TO THE FINANCIAL STATEMENTS
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8. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Activities 2019 £	Total funds 2019 £	<i>Total</i> <i>funds</i> <i>2018</i> <i>£</i>
Staff costs	6,698,541	6,698,541	2,843,389
Depreciation	623,182	623,182	209,492
Technology costs	242,203	242,203	5,281
School trips expenditure	144,742	144,742	102,631
Staff expenses and other costs	31,247	31,247	16,773
Other direct costs	141,372	141,372	8,760
Educational supplies	348,132	348,132	182,706
Software write off	2,845	2,845	-
	<u>8,232,264</u>	<u>8,232,264</u>	<u>3,369,032</u>

Analysis of support costs

	Total funds 2019 £	<i>Total</i> <i>funds</i> <i>2018</i> <i>£</i>
Pension income	81,000	54,000
Staff costs	1,413,356	535,448
Bank charges	-	126
Catering supplies	270,653	117,081
Insurance	46,790	31,438
Energy	123,000	33,909
Cleaning	199,201	59,194
Rates	103,148	13,507
Legal and professional	131,653	52,917
Maintenance of premises and equipment	285,319	75,154
Other support costs	166,241	131,857
Governance costs	27,685	23,355
	<u>2,848,046</u>	<u>1,127,986</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

9. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2019	2018
	£	£
Operating lease rentals	6,215	16,694
Depreciation of tangible fixed assets	623,182	209,491
Fees paid to auditors for:		
- audit	9,500	12,000
- other services	4,650	13,275
	<u>637,547</u>	<u>241,460</u>

10. Staff costs

a. Staff costs

Staff costs during the year were as follows:

	2019	2018
	£	£
Wages and salaries	5,950,160	2,530,117
Social security costs	573,796	226,455
Pension costs	1,469,449	567,997
	<u>7,993,405</u>	<u>3,324,569</u>
Agency staff costs	106,294	32,712
Staff restructuring costs	12,198	21,556
	<u>8,111,897</u>	<u>3,378,837</u>

Staff restructuring costs comprise:

	2019	2018
	£	£
Redundancy payments	12,198	2,950
Severance payments	-	18,606
	<u>12,198</u>	<u>21,556</u>

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10. Staff costs (continued)

b. Staff numbers

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

	2019 No.	2018 No.
Teachers	104	76
Administration and support	127	101
Management	18	13
	249	190

c. Higher paid staff

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

	2019 No.	2018 No.
In the band £60,001 - £70,000	2	1
In the band £80,001 - £90,000	1	-
	1	-

Pension contributions for the above employees amounted to £55,267 (2018 : £10,360) in the year to 31 August 2019.

d. Key management personnel

The key management personnel of the Academy Trust comprises the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employers national insurance) received by key management personnel for their services to the Academy Trust was £430,477 (2018 : £657,597).

11. RELATED PARTY TRANSACTIONS - TRUSTEES' REMUNERATION AND EXPENSES

During the year ended 31 August 2019, no Trustee expenses have been incurred (2018 - £NIL).

12. Trustees' and Officers' insurance

In accordance with normal commercial practice, the Academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £1,000,000 on any one claim and the cost for the year ended 31 August 2019 was £81 (2018 : £81).

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

13. Central services

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

- Strategic direction
- HR
- Finance
- Payroll
- Recruitment
- Audit
- Insurance
- School Improvement Fund

The Academy charges for these services on the following basis:

6% of GAG

The actual amounts charged during the year were as follows:

	2019 £	2018 £
Fitzharrys School	133,910	-
John Mason School	284,220	-
Rush Common School	83,910	-
Total	502,040	-

14. Intangible assets

	Computer software £
At 1 September 2018	2,845
Disposals	(2,845)
At 31 August 2019	-
Net book value	
At 31 August 2019	-
At 31 August 2018	2,845

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15. Tangible fixed assets

	Leasehold property £	Furniture and equipment £	Plant and equipment £	Motor vehicles £	Computer equipment £	Total £
Cost or valuation						
At 1 September 2018	13,021,524	146,177	276,856	6,512	164,449	13,615,518
Additions	13,820,415	17,477	805,058	-	27,060	14,670,010
At 31 August 2019	<u>26,841,939</u>	<u>163,654</u>	<u>1,081,914</u>	<u>6,512</u>	<u>191,509</u>	<u>28,285,528</u>
Depreciation						
At 1 September 2018	436,827	34,377	115,802	543	66,744	654,293
Charge for the year	419,583	13,286	147,208	1,303	41,802	623,182
At 31 August 2019	<u>856,410</u>	<u>47,663</u>	<u>263,010</u>	<u>1,846</u>	<u>108,546</u>	<u>1,277,475</u>
Net book value						
At 31 August 2019	<u><u>25,985,529</u></u>	<u><u>115,991</u></u>	<u><u>818,904</u></u>	<u><u>4,666</u></u>	<u><u>82,963</u></u>	<u><u>27,008,053</u></u>
At 31 August 2018	<u><u>12,584,697</u></u>	<u><u>111,800</u></u>	<u><u>161,054</u></u>	<u><u>5,969</u></u>	<u><u>97,705</u></u>	<u><u>12,961,225</u></u>

On 1 November 2018, Fitzharrys School joined Abingdon Learning Trust and all the assets were transferred. The total value of the assets was £13,635,000 as set out in note 29. The additions of £13,790,000 included in leasehold property related to the transfer of Fitzharrys School into the Academy Trust.

16. Debtors

	2019 £	2018 £
Trade debtors	15,788	19,307
Other debtors and VAT repayable	393,903	99,218
Prepayments and accrued income	254,423	502,873
	<u><u>664,114</u></u>	<u><u>621,398</u></u>

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17. Creditors: Amounts falling due within one year

	2019	2018
	£	£
Salix loan	7,206	3,872
Trade creditors	200,799	222,116
Other taxation and social security	143,499	104,061
Pensions	117,632	92,794
Other creditors	197,554	16,793
Accruals and deferred income	133,421	118,031
	800,111	557,667
	800,111	557,667
	2019	2018
	£	£
Deferred income at 1 September 2018	80,155	59,209
Resources deferred during the year	69,307	80,155
Amounts released from previous periods	(80,155)	(59,209)
	69,307	80,155
Deferred income at 31 August 2019	69,307	80,155

Deferred income relates to grants received in advance for universal infant free school meals, rates relief for 2019-20, school trips and other income.

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

	2019	2018
	£	£
SALIX loans	23,153	20,358
	23,153	20,358

The aggregate amount of liabilities payable or repayable wholly or in part more than five years after the reporting date is:

	2019	2018
	£	£
Repayable by instalments	998	4,870
	998	4,870
	998	4,870

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NOTES TO THE FINANCIAL STATEMENTS
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19. Statement of funds

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
Unrestricted funds						
General unrestricted funds	129,082	806,207	(720,173)	41,466	-	256,582
Transfer of Academy assets into Trust	-	69,033	-	(69,033)	-	-
	<u>129,082</u>	<u>875,240</u>	<u>(720,173)</u>	<u>(27,567)</u>	<u>-</u>	<u>256,582</u>
Restricted general funds						
General Annual Grant (GAG)	112,575	8,518,703	(8,533,570)	185,826	-	283,534
Other DfE/ESFA grants	11,729	207,488	(219,217)	-	-	-
Pupil premium	-	219,741	(219,741)	-	-	-
Other income	-	126,436	(126,436)	-	-	-
Salix loan	(24,240)	(6,119)	-	-	-	(30,359)
SEN income	-	74,146	(74,146)	-	-	-
Transfer of Academy assets into Trust	-	(276,174)	-	276,174	-	-
Pension reserve	(2,334,000)	-	(561,000)	(462,000)	(1,384,000)	(4,741,000)
	<u>(2,233,936)</u>	<u>8,864,221</u>	<u>(9,734,110)</u>	<u>-</u>	<u>(1,384,000)</u>	<u>(4,487,825)</u>
Restricted fixed asset funds						
Fixed asset funds	12,964,070	-	(626,027)	14,670,010	-	27,008,053
Devolved formula capital	-	42,988	-	-	-	42,988
Capital improvement fund	256,538	167,949	-	(269,972)	-	154,515
CIF funds transferred into trust	652,801	(50,449)	-	(576,352)	-	26,000
Transfer of Academy assets into Trust	-	13,842,310	-	(13,790,000)	-	52,310

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

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
Other capital funding	-	80,227	-	(6,119)	-	74,108
	<u>13,873,409</u>	<u>14,083,025</u>	<u>(626,027)</u>	<u>27,567</u>	<u>-</u>	<u>27,357,974</u>
Total Restricted funds	<u>11,639,473</u>	<u>22,947,246</u>	<u>(10,360,137)</u>	<u>27,567</u>	<u>(1,384,000)</u>	<u>22,870,149</u>
Total funds	<u><u>11,768,555</u></u>	<u><u>23,822,486</u></u>	<u><u>(11,080,310)</u></u>	<u><u>-</u></u>	<u><u>(1,384,000)</u></u>	<u><u>23,126,731</u></u>

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

All general funds are held for the purpose of education in line with the academy's objectives.

General annual grant to be spent on educational purposes as specified by the ESFA. The other DfE/ESFA restricted fund represents other funding received from the government which does not form part of GAG but is received in relation to specific purposes.

Pension reserve deficit represents the future pension funding requirements which will be met from future employer pension contributions.

Other income consists of donations and other income to be used as specified by the donor.

Restricted fixed assets are funds representing the amounts invested in fixed assets.

Devolved formula capital is ESFA grant monies to be spent on premises.

Transfers between restricted, unrestricted and restricted fixed assets funds represents funding of fixed asset additions.

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19. Statement of funds (continued)

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

Total funds analysis by academy

Fund balances at 31 August 2019 were allocated as follows:

	2019 £	2018 £
Rush Common School	176,373	141,235
John Mason School	83,081	76,109
Fitzharrys School	242,428	-
Central funds	7,875	11,802
Total before fixed asset funds and pension reserve	<u>509,757</u>	<u>229,146</u>
Restricted fixed asset fund	27,357,974	13,873,409
Pension reserve	(4,741,000)	(2,334,000)
Total	<u><u>23,126,731</u></u>	<u><u>11,768,555</u></u>

Total cost analysis by academy

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2019 £	Total 2018 £
Rush Common School	1,283,287	82,670	108,710	449,993	1,924,660	1,950,659
John Mason School	3,443,372	752,437	397,727	567,973	5,161,509	2,323,566
Fitzharrys School	1,445,226	340,577	135,219	388,046	2,309,068	-
Central funds	46,656	237,672	33,491	183,072	500,891	13,301
Pension expense	480,000	-	-	81,000	561,000	-
Academy	<u><u>6,698,541</u></u>	<u><u>1,413,356</u></u>	<u><u>675,147</u></u>	<u><u>1,670,084</u></u>	<u><u>10,457,128</u></u>	<u><u>4,287,526</u></u>

ABINGDON LEARNING TRUST
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19. Statement of funds (continued)

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

	<i>Balance at 1 September 2017 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2018 £</i>
General unrestricted funds	79,611	429,237	(379,766)	-	-	129,082
Restricted general funds						
General Annual Grant (GAG)	100,483	3,324,483	(3,257,065)	(55,326)	-	112,575
Other DfE/ESFA grants	-	115,091	(103,362)	-	-	11,729
Pupil premium	-	93,851	(93,851)	-	-	-
Other income	-	47,511	(47,511)	-	-	-
Salix loan	(14,984)	-	1,988	(11,244)	-	(24,240)
SEN income	-	29,834	(29,834)	-	-	-
Transfer of Academy assets into Trust	-	164,882	(176,126)	11,244	-	-
Pension reserve	(1,113,000)	(1,723,000)	(202,000)	-	704,000	(2,334,000)
	<u>(1,027,501)</u>	<u>2,052,652</u>	<u>(3,907,761)</u>	<u>(55,326)</u>	<u>704,000</u>	<u>(2,233,936)</u>
Restricted fixed asset funds						
Fixed asset funds	4,031,934	-	(209,491)	9,141,627	-	12,964,070
Devolved formula capital	33,490	29,431	-	(62,921)	-	-
Capital improvement fund	-	291,261	-	(34,723)	-	256,538
CiF funds transferred into trust	-	654,157	-	(1,356)	-	652,801
Transfer of Academy assets into Trust	-	8,987,301	-	(8,987,301)	-	-

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

	<i>Balance at 1 September 2017 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2018 £</i>
	4,065,424	9,962,150	(209,491)	55,326	-	13,873,409
Total Restricted funds	<u>3,037,923</u>	<u>12,014,802</u>	<u>(4,117,252)</u>	<u>-</u>	<u>704,000</u>	<u>11,639,473</u>
Total funds	<u><u>3,117,534</u></u>	<u><u>12,444,039</u></u>	<u><u>(4,497,018)</u></u>	<u><u>-</u></u>	<u><u>704,000</u></u>	<u><u>11,768,555</u></u>

20. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed assets funds 2019 £	Total funds 2019 £
Tangible fixed assets	-	-	27,008,053	27,008,053
Current assets	256,582	1,076,439	349,921	1,682,942
Creditors due within one year	-	(800,111)	-	(800,111)
Creditors due in more than one year	-	(23,153)	-	(23,153)
Provisions for liabilities and charges	-	(4,741,000)	-	(4,741,000)
Total	<u><u>256,582</u></u>	<u><u>(4,487,825)</u></u>	<u><u>27,357,974</u></u>	<u><u>23,126,731</u></u>

ABINGDON LEARNING TRUST
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20. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2018 £</i>	<i>Restricted funds 2018 £</i>	<i>Restricted fixed assets funds 2018 £</i>	<i>Total funds 2018 £</i>
Tangible fixed assets	-	-	12,961,225	12,961,225
Intangible fixed assets	-	-	2,845	2,845
Current assets	129,082	678,089	909,339	1,716,510
Creditors due within one year	-	(557,667)	-	(557,667)
Creditors due in more than one year	-	(20,358)	-	(20,358)
Provisions for liabilities and charges	-	(2,334,000)	-	(2,334,000)
Total	<u>129,082</u>	<u>(2,233,936)</u>	<u>13,873,409</u>	<u>11,768,555</u>

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

	2019 £	2018 £
Net income for the year (as per Statement of Financial Activities)	<u>12,742,176</u>	<u>7,947,021</u>
Adjustments for:		
Loss on disposal	2,845	-
Depreciation	623,182	209,491
Dividends, interest and rents from investments	(2,200)	504
Capital grants from DfE and other capital income	(240,715)	(320,692)
Academy transferring into the Trust	(13,635,169)	(7,500,411)
Pension adjustments	561,000	202,000
(Increase)/decrease in debtors	(42,716)	(566,480)
Increase/(decrease) in creditors	242,444	399,697
Net cash provided by operating activities	<u>250,847</u>	<u>371,130</u>

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22. Cash flows from investing activities

	2019 £	2018 £
Dividends, interest and rents from investments	2,200	(504)
Purchase of tangible fixed assets	(880,010)	(154,326)
Capital grants from DfE Group	243,510	320,692
Cash balances on conversion	307,169	236,110
Net cash (used in)/provided by investing activities	(327,131)	401,972

23. Analysis of cash and cash equivalents

	2019 £	2018 £
Cash in hand	1,018,828	1,095,112
Total cash and cash equivalents	1,018,828	1,095,112

24. Pension commitments

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

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

Contributions amounting to £117,632 were payable to the schemes at 31 August 2019 (2018 - £92,794) and are included within creditors.

Teachers' Pension Scheme

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

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24. Pension commitments (continued)

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 TPS in the year amounted to £672,646 (2018 - £350,642).

A copy of the valuation report and supporting documentation is on the [Teachers' Pensions website](#).

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The Academy has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Academy 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 contribution made for the year ended 31 August 2019 was £415,000 (2018 - £265,000), of which employer's contributions totalled £317,000 (2018 - £202,000) and employees' contributions totalled £ 98,000 (2018 - £63,000). The agreed contribution rates for future years are 19.3 per cent for employers and between 5.5% and 12.5% per cent for employees.

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

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**NOTES TO THE FINANCIAL STATEMENTS
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24. Pension commitments (continued)

Principal actuarial assumptions

	2019	2018
	%	%
Rate of increase in salaries	3.80	3.50
Rate of increase for pensions in payment/inflation	2.30	2.40
Discount rate for scheme liabilities	1.90	2.80
Inflation assumption (CPI)	2.30	2.70
RPI increase	3.30	3.60

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

	2019	2018
	Years	Years
<i>Retiring today</i>		
Males	22.7	23.4
Females	24.3	25.5
<i>Retiring in 20 years</i>		
Males	24.0	25.6
Females	25.7	27.9

Sensitivity analysis

	2019	2018
	£000	£000
0.5% decrease in Real Discount Rate	1,304	749
0.5% increase in the Salary Increase Rate	303	200
0.5% increase in the Pension Increase Rate	964	533

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

	At 31 August 2019	At 31 August 2018
	£	£
Equities	3,032,550	2,226,700
Other bonds	922,950	579,190
Property	263,700	235,270
Cash and other liquid assets	175,800	139,840
Total market value of assets	4,395,000	3,181,000

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24. Pension commitments (continued)

The actual return on scheme assets was £143,000 (2018 - £144,000).

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

	2019 £	2018 £
Current service cost	(797,000)	(252,000)
Interest income	108,000	-
Interest cost	(189,000)	(54,000)
Total amount recognised in the Statement of Financial Activities	(878,000)	(306,000)

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

	2019 £	2018 £
At 1 September	5,515,000	2,040,000
Upon Conversion	-	4,015,000
Transferred in on existing academies joining the trust	1,056,000	-
Current service cost	625,000	252,000
Interest cost	189,000	100,000
Employee contributions	98,000	32,000
Actuarial losses/(gains)	1,527,000	(534,000)
Benefits paid	(46,000)	(19,000)
Changes in financial assumptions	-	(371,000)
Past service costs	172,000	-
At 31 August	9,136,000	5,515,000

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

	2019 £	2018 £
At 1 September	3,181,000	927,000
Upon Conversion	-	1,921,000
Transferred in on existing academies joining the trust	594,000	-
Interest income	108,000	46,000
Actuarial gains	143,000	170,000
Employee contributions	98,000	32,000
Benefits paid	(46,000)	(19,000)
Employer contributions	317,000	104,000
At 31 August	4,395,000	3,181,000

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	2019 £	2018 £
The amount shown in the Statement of Financial Activities is:		
Changes in financial assumptions	(1,527,000)	534,000
Return on plan assets	143,000	170,000
Actuarial gains/(losses) on defined benefit pension schemes	(1,384,000)	704,000

	2019 £	2018 £
The amount shown in the Balance Sheet is:		
Present value of defined benefit obligation	(9,136,000)	(5,515,000)
Fair value of scheme assets	4,395,000	3,181,000
Defined benefit pension scheme liability	(4,741,000)	(2,334,000)

25. Operating lease commitments

At 31 August 2019 the Academy had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2019 £	2018 £
Amounts payable:		
Within 1 year	20,912	30,660
Between 1 and 5 years	15,562	32,091
	36,474	62,751

26. Related party transactions

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

No related party transactions took place in the period of account, other than certain Trustees' remuneration and expenses already disclosed in note 11.

27. Members' liability

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

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

28. Agency arrangements

The Abingdon Learning Trust acts as agent for OSSHTA and Abingdon Partnership. Included within the accounts is a balance of £22,252 in relation monies held on behalf of OSSHTA and Abingdon Partnership. Payments received of £58,427 and disbursements made of £36,175 are excluded from the accounts.

29. Transfer of existing academies into the academy

Fitzharrys School

On 1 November 2018 Fitzharrys School joined Abingdon Learning Trust.

	Value reported by transferring trust £	Transfer in recognised £
Tangible fixed assets		
Long-term leasehold property	13,790,000	13,790,000
Current assets		
Cash at bank and in hand	307,169	307,169
Pensions		
Pensions - pension scheme assets	594,000	594,000
Pensions - pension scheme liabilities	(1,056,000)	(1,056,000)
Net assets	<u>13,635,169</u>	<u>13,635,169</u>

The long-term leasehold property has been valued by a qualified valuer. The property is valued on a modern equivalent asset basis.

Total income £2,846,369 and net income of £327,526 has arisen in relation to Fitzharrys School since joining Abingdon Learning Trust.

