

THE TRUE LEARNING PARTNERSHIP
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND ACCOUNTS
FOR THE PERIOD ENDED 31 AUGUST 2019

Haines Watts
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THE TRUE LEARNING PARTNERSHIP

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THE TRUE LEARNING PARTNERSHIP

REFERENCE AND ADMINISTRATIVE DETAILS

Members	Richard Collins Susan Walsh Mike Cladingbowl Gwenda Mayers Kathryn Farrar
Trustees	Steve Chadwick - Chair of trustees David Waugh Lesley Kinsey Alan McGarvey Majid Bani Andrew Wilson Karen Tomlinson Shiona McGillivray Karen Glasgow (appointed 1 February 2019) David Spendlove (appointed 1 October 2019)
Senior management team	
Trust Leader	David Waugh
Head teacher - Secondary	David Waugh
Head teacher - Primary	Graham Hamilton
Deputy Head - Secondary	Catherine Holyland
Deputy Head - Secondary	Matthew Dean
Assistant Head - Secondary	Richard Hardman
Assistant Head - Secondary	Wendy Ryder
Assistant Head - Secondary	Andrew Bennett
Assistant Head – Primary	Elisabeth Dockry
Director of Business & Operations	Jennifer Sykes
Chief Financial Officer	Jill Ingram
Company name	The TRUE Learning Partnership
Registered address	Poynton High School, Yew Tree Lane, Poynton, Stockport SK12 1PU
Company registration number	10455740 (England and Wales)
Independent auditor	Haines Watts, Bridge House, Ashley Road, Hale, Altrincham WA14 2UT
Bankers	Lloyds Bank PLC, 60/62 Mersey Way Shopping Centre, Stockport, SK1 1PL
Solicitors	Elderflower Solutions Limited, Chestnut House, 23 Ryles Park Road Macclesfield SK11 8AH

THE TRUE LEARNING PARTNERSHIP

TRUSTEES' REPORT

FOR THE PERIOD ENDED 31 AUGUST 2019

The trustees present their annual report together with the financial statements and auditor's report of The TRUE Learning Partnership ('the trust') for the period 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.

Throughout the time period covered by this report, the trust has operated two schools, one primary, and one secondary. The schools converted to academy trust status on 1 December 2018 and so these financial statements reflect the activities of the trust since the conversion of its academies.

- Lostock Hall Primary School; Nursery 1 through to Year 6
- Poynton High School and Performing Arts College; Years 7 through to Years 13

A further two schools have their conversion applications submitted to the Department for Education, namely Disley Primary School and Hague Bar Primary School. The TRUE Learning Partnership has successfully gained sponsor status and has presently submitted a sponsor application for Glossopdale School.

Structure, governance and management

Constitution

The trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the trust. The trustees of The TRUE Learning Partnership are also the directors of the charitable company for the purposes of company law. The charitable company is known as The TRUE Learning Partnership.

Details of the trustees who served throughout the year except as noted are included in the reference and administrative details on page 1.

Members' liability

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

Trustees' indemnities

Details of trustees' indemnities during the period are provided in note 11 to the financial statements. The trust has opted for a private industrial based indemnity insurance and under this arrangement the trustees are indemnified up to a liability of £2,000,000. From 1 December 2019 onwards the trust has opted into the Department for Education's Risk Protection Arrangement (RPA). Under this arrangement, the trustees are indemnified up to a liability of £10m.

Principal activities

The principal object and activity of the charitable company is the operation of The TRUE Learning Partnership to advance, for the public benefit, education for students of different abilities between the ages of 2 and 19.

Method of recruitment and appointment or election of trustees

The trust, on identifying a need to recruit an additional or replacement trustee, refers to the trustee skills audit. This identifies key skill areas that the trust believes are important to have on the board to ensure effective governance. Trustees will then consider offers of service received from within and beyond the school community and the trust may choose to advertise locally through the schools' website and other media channels. Selection will be by interview with the chair and trust leader before the candidate is presented to the trust for their consideration and a vote on whether to accept them as a trustee, further verified by the members. Before confirming selection, all trustees will be required to undertake an Enhanced Disclosure via the DBS (Disclosure Barring Service).

Policies and procedures adopted for the induction and training of trustees

All trustees are given induction training on joining the trust from the trust leader through the 'TTLP Trustee Induction Procedure' which aims to build an understanding of the nature of TTLP; its purposes and the communities in which it operates, to develop an understanding of the role, including legal duties, to build a link with TTLP's people - senior leadership teams, teachers, other staff, pupils, parents - and to provide a significant deep understanding of roles, responsibilities, vision and values in order to carry out their role effectively. A link to the induction procedure for trustees is available on the TTLP website.

THE TRUE LEARNING PARTNERSHIP

TRUSTEES' REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2019

Organisational structure

The members of the trust have a wholly strategic view of the trust, setting out the vision and values and ensuring they are delivered.

The trustees ensure the trust delivers on its aims and provide support and challenge to the central trust team as well as holding individual schools to account when required; they have a key oversight role. They are responsible for setting general policy, adopting an annual plan and budget, monitoring the trust using budgets and making major decisions about the direction of the Trust, capital expenditure and senior staff appointments.

Each academy in the trust has a local governing body (LGB). The LGBs are focussed on the interests of the individual academy and include parental, community and staff representatives.

TTLP has two main groups of central teams; the executive management team and the executive leadership group. The executive leadership group is made up of the trust leader, the CFO and the head teachers (or their representatives) of each partner school. The aim of the ELG is rigorous pursuit of excellence in every element of school(s) life, setting the highest of expectations for all members of the family with a relentless focus improvement student, pupil, staff, governor and community outcomes and abilities through an uncompromising drive and a highly ambitious vision for the future of the trust.

The executive management team is made up of the trust leader, the CFO, the executive assistant, the director of HR and personnel, the director of ICT and network operations, the director of health and wellbeing, the financial controller and the payroll officer. The aim of the EMT is the deliver a world class central service to all partner schools.

The trust leader is the multi-academy trust's accounting officer. These managers control the trust at an executive level implementing the policies laid down by the trustees and reporting back to them. The executive management group is responsible for the authorisation of spending within agreed budgets and the appointment of staff. Some spending control is devolved as per the trust's financial manual and operations manual.

Arrangements for setting pay and remuneration of key management personnel

Key management personnel for the trust are defined as trustees and the executive groups. Trustees do not receive remuneration for their role as trustees.

The key management personnel are subject to annual performance review which is carried out in accordance with good practice for headteachers and other senior staff annual performance review. Any adjustments to their pay and remuneration and the performance management process is reviewed by a specific pay review committee at local governing body level and at trust level through the Finance, Audit and Risk Committee. The trust committee ensures a robust and transparent performance management process, including an assessment of individual performance and setting of benchmarked salary levels where appropriate.

Trade Union facility time

Relevant union officials:

Number of employees who were relevant union officials during the relevant period	Full-time employee number
3	2.2 FTE

Percentage of time spent on facility time:

Percentage of Time	Number of employees
0%	-
1% – 50%	3
51% – 99%	-
100%	-

THE TRUE LEARNING PARTNERSHIP

TRUSTEES' REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2019

Percentage of pay bill spent on facility time:

Total cost of facility time	£4,566
Total salary costs within the trust	£4,994,000
Percentage of total costs spent on facility time	0%

Paid trade union activities:

Time spent on paid trade union activities as a percentage of total paid facilities time	100%
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Related parties and other connected charities and organisations

The trust academies are a member of the following soft federations:

- The Poynton, Disley and Adlington (PDA) network
- A member of the Silk Alliance network
- East Cheshire Association of Primary Headteachers (ECAPH)
- Cheshire East Association of Secondary Head Teachers (CEASH)
- Teach Cheshire Schools Direct Partnership

Objectives and activities

Object and aims

The principal object and activity of the charitable company is the operation of The TRUE Learning Partnership to advance, for the public benefit, education for students of all abilities between the ages of 2 and 19.

The Academy Trust's objects ("the Objects") are specifically restricted to the following:

"to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing, by establishing, maintaining, carrying on, managing and developing schools offering a broad and balanced curriculum ("the mainstream Academies") or educational institutions which are principally concerned with providing full-time or part-time education for children of compulsory school age who, by reason of illness, exclusion from school or otherwise, may not for any period receive suitable education unless alternative provision is made for them ("the alternative provision Academies") or 16 to 19 Academies offering a curriculum appropriate to the needs of its students ("the 16 to 19 Academies") or schools specially organised to make special educational provision for pupils with Special Educational Needs ("the Special Academies"), or Early Years provision."

The aims and values of the trust are:

Values - Serve our communities with "...an unswerving commitment to ensure every young person achieves their goals, whatever their circumstances".

Vision - A community focussed, values based, learning organisation that meets the needs of all its members so that all will achieve.

INSPIRE ACHIEVE CELEBRATE

COMMUNITY CREATIVITY CELEBRATION

THE TRUE LEARNING PARTNERSHIP

TRUSTEES' REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2019

Principles:

1. To respect, honour and promote your identity.
We will celebrate your individual identity and promote your achievements within our wider Learning Partnership. We will value your contributions and ensure you feel part of a family where your voice counts. We will support you to positively express the contribution you make to improve children's life chances.
2. To believe in you and empower you.
We will value your strengths and support you to overcome your weaknesses. We will believe in your aspirations and through collaboration and strong networking, will help you to achieve your goals. We will help you innovate, grow stronger and push the boundaries. Respecting the principle of subsidiarity, decisions will be delegated wherever possible, so they are taken as close as possible to those affected by them. Your autonomy will be at the heart of all our decisions and we will always show you how we have taken this into account. Together we will ensure that decisions are taken which inspire all that pass through our learning community. We will believe in you, praise you and encourage you.
3. To listen to you.
We will take the time to listen to you, respect you and understand your views. We will strive to get things right first time; if we don't, we want you to tell us. We will use your feedback to help us improve and will let you know when we change things in response to your feedback. We will clearly explain our reasons for our actions and if we don't agree with you, we will explain why. We will provide easy access to a complaints process and ensure that you are fairly treated and respected. We will always be professional and polite and will deal with any enquiries you may have as quickly as possible.
4. To keep you informed.
We will give you information as you want it and as you need it. We will provide clear communication channels and clear guidance on the services you can expect from us. We will support you with accessing this information and ensure it is accurate and up to date. We recognise that clear, concise communication is paramount to our collective success and will ensure that it underpins everything we do.
5. To support you.
We will make it our responsibility to understand your needs. We will offer all the support we can to help you address your needs. We will tailor our services around the common needs that exist within our schools, ensuring we are the best we can be. If we cannot meet your needs internally, we will work with you to source providers that can. We will actively promote school-to-school support across the Academy Trust and give you the opportunities to support others, share your best practice and work collaboratively. We will help you assess yourselves and give you the tools to help you improve.

Objectives, strategies and activities

The trust's activities are led through both the Executive Strategic Group and the Executive Management Group.

The overarching function of the Executive Strategic Group is the rigorous pursuit of excellence in every element of school(s) life. Setting the highest expectations for all members of our school family with a relentless focus on improving student, pupil, staff, governor and community outcomes and abilities through an uncompromising drive and highly ambitious vision for our future. Our work is framed through the 'S-P-A-C-E' framework, i.e. support, protect, anticipate, challenge, empower.

The overarching function of the Executive Management Group is to deliver world class central services to all partner schools.

The trust's strategic improvement priorities for 2018-19 cover the following areas:

1. Further improve the quality of teaching and learning across the trust through highly effective CPD, collaborative working and embedded collaborative structures
2. Further improve the quality of care, support and guidance for young people across the trust through highly effective CPD, collaborative working and embedded collaborative structures
3. Develop systems and support for effective governance across the trust

THE TRUE LEARNING PARTNERSHIP

TRUSTEES' REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2019

4. Build sustainable capacity for school improvement across the trust
5. Build sustainable capacity for central services provision across the trust, i.e. develop a trust core team that has the capacity and skills to deliver on the trusts vision for its schools
6. Achieve sponsor status to support trust expansion and school improvement
7. Implement financial systems that provide security, transparency and compliance
8. Building systems and processes that ensure the Trust and all of the schools within it are compliant with health and safety and other regulatory requirements
9. Ensure our HR systems and policies are consistently applied across the trust and ensure we build the reputation as an outstanding employer
10. Develop embedded health, well being and workload reduction initiative and systems across the trust to ensure that TTLP becomes the 'employer of choice'

Public benefit

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

Strategic report

Achievements and performance and key performance indicators

The last year has been particularly successful in that our results, staff, young people and parents continue to indicate that we do provide outstanding learning, care and progress in a secure, safe and happy environment. We are already making strong progress in relation to our objectives, strategies and activities developed through internal self- assessment. External validation of our outcomes and processes continue to indicate our schools are in the top 20% of schools nationally and have met all our 2019-20 school improvement targets.

To ensure that standards are continually raised the trust operates a rigorous programme of self-evaluation which leads directly to improvement plans, targeted at whole school, subject and phase level. Both schools are subject to external review who report directly to the local governing bodies and the trust leader. Regular monitoring of performance data is carried out at the LGB level and reported to the trust leader with key areas identified for trust support.

The trust is presently seeking further external review support through the appointment of a trust strategic improvement officer to advise the board, independently of the trust leader, on the performance of the trust and the schools within it.

Poynton High School has achieved outstanding results in 2018-19 with significant improvements in progress, attainment and the closing of the gap for disadvantaged learners. Lostock Hall Primary School has achieved outstanding results in 2018-19 with most notable success in further raising the attainment and progress in reading.

Going concern

After making appropriate enquiries, the board of trustees has a reasonable expectation that the academy has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the statement of accounting policies.

Financial review

The academy's principal source of funding is the GAG (General Annual Grant) received from the ESFA (Education and Skills Funding Agency). The academy also has undesignated funds mainly generated from consultancy income, fundraising activities and donations.

During the period ending 31 August 2019, total recurrent expenditure (excluding restricted fixed asset funds and non-cash defined benefit pension scheme adjustments) of £6,181,000 not covered by recurrent grant funding from the ESFA together with other incoming resources. The surplus of income over expenditure for the year (excluding restricted fixed asset funds restricted pension reserves) was £750,000.

At 31 August 2019, the net book value of tangible fixed assets was £17,327,000 with movements being shown in note 12 to the financial statements. The assets were used for providing education and the associated support services to the students of the trust.

THE TRUE LEARNING PARTNERSHIP

TRUSTEES' REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2019

Reserves policy

The trustees review the reserve levels of the trust annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves.

During the year no academies joined the trust.

The trustees have determined that an appropriate level of free reserves should be maintained to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance. Trustees aspire to a level of reserves that reflects 5% of General Annual Grant (GAG) income. In the period ending 31 August 2019 this equated to a target of £277,000 which the trustees believe represents an extremely challenging target to achieve. As of 31 August 2019, the trust held free reserves of £594,000 which represents 10.7%.

Unrestricted funds held at 31 August 2019 were £529,000 and restricted general funds (excluding pension reserve) were £65,000. Therefore, a net surplus of £16,413,000 is available to the trust of which £594,000 constitutes free reserves.

Trustees continue to seek opportunities to further bolster the trust's reserve position during a period of tight financial funding for schools and regularly review financial reports and projections.

Financial position

The trust held fund balances at 31 August 2019 of £16,413,000 comprising of £65,000 restricted funds and £529,000 unrestricted funds. Included amongst these numbers is a pension reserve deficit of £1,508,000 and restricted fixed asset fund of £17,327,000.

Investment policy

The trust has delegated authority to the chief financial officer to utilise the following accounts for deposit and investment:

- Main GAG deposit account
- High interest deposit account

Principal risks and uncertainties

The Finance Audit and Risk Committee undertake a comprehensive review of the financial risks to which the trust is exposed. The full trust board undertakes a comprehensive review of the full TTLP Risk Register covering all identified risk priority areas. They identify systems and procedures, including specific preventable actions which should mitigate any potential impact on the trust. The internal controls are then implemented and the subsequent year's appraisal will review their effectiveness and progress against risk mitigation actions. In addition to the annual review, the Finance Audit and Risk Committee will also consider any risks which may arise as a result of a new area of work being undertaken by the trust.

A risk register is maintained at the trust level which is fully reviewed at least annually but is considered and updated at alternative meetings. The risk register identifies key risks, the likelihood of those risks occurring, their potential impact on the trust. The internal controls are then implemented and the risk re-assessed with further mitigating actions established. Risks are prioritised using a consistent scoring system.

Outlined below is a description of the principal risk factors currently categorised as most prevalent that may affect the trust. Not all the factors are within the trust's control. Other factor beside those listed below may also adversely affect the trust.

- Demands on the executive management team exceed capacity (amber-red)
- MAT expansion numbers do not meet projected level (amber-red)
- Unable to operate within an annual balanced budget (amber-red)

THE TRUE LEARNING PARTNERSHIP

TRUSTEES' REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2019

All other risks identified within the risk register are categorised below amber-red.

1. Demands on the executive management team exceed capacity

The EMG are working at full capacity which leaves little, or no, time to deal with additional incoming requirements. In some areas, TTLP can manager priorities, however significant increases or changes to work demands in areas such as critical incidents may put adverse additional pressures on the EMG.

- Key priorities identified through the MAT improvement plan
- Staffing structure reviewed regularly
- School performance dashboard developed to identify easily key trends and trustee challenge
- Cross training of staff
- Temporary staff can be employed where possible
- Appointment of TTLP exec assistant and trust leader PA
- Succession planning model established CO appointed at earliest opportunity

Further additional mitigating actions:

- Financial controller to be appointed
- Payroll office backfill established
- Leadership Hub offices established

2. MAT expansion numbers do not meet projected level

This has both financial and reputational implications. An increasing number of potential partners are being 'brokered' into alternative MAT arrangements. The future financial efficiencies modelling require growth in student numbers within the MAT to establish fully effective central services provision. Without such a provision, there could be pressure to increase the individual schools' central services financial contribution. Changing industry landscape focusses MAT expansion through merger positions.

- TTLP board to establish future MAT expansion strategy
- Continued partner identification and relationship management
- Continued high levels of collaboration and networking on local, regional and national scale
- Potential partner school updates reported at every board meeting

Further additional mitigating actions:

- Limit to two community clusters
- Establish system of associate membership

3. Unable to operate within an annual balanced budget

Financial challenges will continue for the foreseeable future across the education sector. Nationally, schools must find £3billion savings by 2020 to offset unfunded cost pressures (e.g. annual pay awards, national insurance contributions, pension contributions, inflationary pressures, increased central service costs, apprenticeship levy).

- Continue to review all procurement
- Develop commercial income streams
- Monthly detailed financial information monitored by the trust leader, CFO and the Finance, Audit and Risk Committee
- Maintain close working relationships with Lloyds Bank and closely monitor cashflow
- Establish monthly financial monitoring metrics
- Establish ESFA financial monitoring reports for all partner schools
- Robust 12-month cash flow forecast in place

Further additional mitigating actions:

- Full ICFP analysis undertaken
- Additional external support for growth in systems established

THE TRUE LEARNING PARTNERSHIP

TRUSTEES' REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2019

Fundraising

The schools in The TRUE Learning Partnership undertake several fundraising initiatives which include fundraising on behalf of the schools themselves and fundraising on behalf of charities and good causes.

Trustees are committed to ensuring that fundraising activities are carried out in a controlled and ethical manner and are mindful of the guidance issued by the Charity Commission in relation to fundraising standards.

Whenever parents and pupils donate to charitable collections, monies are carefully accounted for and remitted to the beneficiaries as soon as is possible.

Activities to raise funds collected for use by trust schools are carefully considered by school leaders and appropriate and sensitive communication made with potential donors. The trust is sensitive to its local communities and their varying contexts and ensures that funds raised are always done so on a completely voluntary basis.

If significant new or novel fund-raising initiatives are planned these are referred to local governors for approval.

Plans for future periods

The trust plans to grow its number of partner schools in the next period. With the recent awarding of sponsorship status, the trust plans to take on the sponsorship of a secondary school and also facilitate the joining of converter primary schools based within its community cluster model.

Further key objectives for the trust over the next period include, but are not exclusive to:

- Increase reserves position to a minimum 5% of GAG
- Embed ethical leadership commission framework across the trust and its partner schools
- Embed environmental impact and education strategy planning across all partner schools
- Embed equality-diversity-inclusion strategy planning across all partner schools
- Embed 'Leadership CPD @ TTLP' framework across all partner schools
- Establish TTLP leadership succession planning framework
- Continue to raise standards of student-pupil attainment and progress in all partner schools
- Provide deep, rich and broad curriculum skills, experiences and knowledge for all young people within the trust

Other detailed objectives are set out in the school development plan which is reported upon at least termly to local governing bodies and trustees.

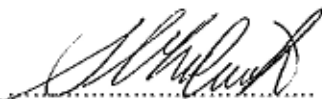
Auditors

Haines Watts has indicated its willingness to continue in office.

The trustees have confirmed that, as far as they are aware:

- there is no relevant audit information of which the auditors are unaware; and
- each of the trustees have confirmed that they have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

This trustees' report, incorporating a strategic report, was approved by order of the board of trustees at its meeting on 1.7.19 and signed on its behalf by:



Mr Stephen Chadwick
Chair of trustees

THE TRUE LEARNING PARTNERSHIP

GOVERNANCE STATEMENT

FOR THE PERIOD ENDED 31 AUGUST 2019

Scope of responsibility

As trustees, we acknowledge we have overall responsibility for ensuring that The TRUE Learning Partnership 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 trust leader, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between The TRUE Learning Partnership and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the trustees' report and in the statement of trustees' responsibilities. The board of trustees has formally met 4 times during the year (note shortened year from 1 December 2018 to 31 August 2019).

Attendance during the year at meetings of the board of trustees was as follows:

Trustee	Meetings attended	Out of possible
S Chadwick	4	4
A McGarvey	2	2
A Wilson	3	3
D Waugh	4	4
K Glasgow	2	3
K Tomlinson	4	4
M Bani	2	4
S McGillivray	3	4

The trust board has three sub-committees, namely:

- Finance, Audit and Risk Committee
- Human and Physical Resources Committee
- Standards and Curriculum Committee

These subcommittees have been established, under formal terms of references, since 1 September 2019 and are therefore not covered under the scope of this governance statement.

Governance review

As a newly established academy, a full internal governance review was undertaken by the trust alongside a skills audit of trustees. The NGA framework for governance reviews in Multi Academy Trusts was utilised for the governance review.

The Trust Board has ensured that through its governance review process, any necessary areas of focus have been addressed, for example, through the analysis of the skills assessment this led to the board ensuring that recruitment of new trustees further supported key areas, namely health & safety, primary phase experience, legal, community and political. All trustees are able to access key training and professional development within the trust to support their roles and further enhance their effectiveness. The board felt it key that succession planning was undertaken with regard to the Chair of the Trust position, which has resulted in a potential trustee being identified, and further work will be undertaken in this area next year. This has all strengthened the board for both the current time and for future expansion.

As a result of the review the board has introduced a full infrastructure of sub committees for 2019/20 to support its overall work and will consider the services of an external company secretary to support expansion. The review has also helped support the work being undertaken on embedding and developing the ethical leadership commission framework and on the systematic collection of stakeholder feedback. These will be key focus areas in 2019/20 for the board.

Future plans for governance review include continuing with an annual review, but with a focus on an external independent review of governance at both Trust level and Local Governing Body level during 2020.

THE TRUE LEARNING PARTNERSHIP

GOVERNANCE STATEMENT (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2019

Review of value for money

As accounting officer, the trust leader has responsibility for reviewing the effectiveness of internal control. During the last financial period the review has been informed by appointing external consultants, Haines Watts to undertake internal audit of control. This work has focussed on the following areas within the financial time period under review:

- Income systems and controls
- Income checks
- Fixed assets systems and controls
- Fixed asset checks

The internal audit assurance programme is carried out by Haines Watts and has a termly focus through the year. Findings and recommendations are reported in full to the trust board and the local governing bodies.

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

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

1. Improving the effectiveness of resource use.
2. Robust governance and oversight of trust finances.
3. Ensuring the operation of the trust demonstrates good value for money and efficient and effective use of resources.
4. Maximising income generation.
5. Reviewing controls and managing risks.
6. Reviewing operations to maximise use of resources.
7. Effective horizon scanning to mitigate risk and take opportunity.

The accounting officer is fully confident that the financial and other processes for the academy are effective.

The purpose of the system of internal control

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

Capacity to handle risk

The board of trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 1 December 2018 to 31 August 2019 and up to the date of approval of the annual report and accounts. This process is regularly reviewed by the board of trustees.

THE TRUE LEARNING PARTNERSHIP

GOVERNANCE STATEMENT (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 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; and
- a programme of internal audit.

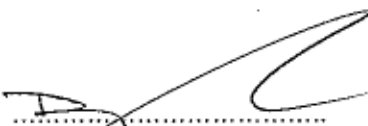
Review of effectiveness

As accounting officer, the trust leader 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 board of trustees
- the work of the responsible officer;
- the work of the external auditor;
- the work of the internal auditor; and
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the board of trustees on 17.12.19 and signed on its behalf by:


.....
Mr David Waugh
Accounting officer


.....
Mr Stephen Chadwick
Chair of trustees

THE TRUE LEARNING PARTNERSHIP

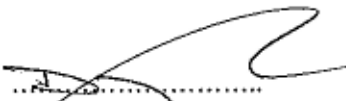
STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

FOR THE PERIOD ENDED 31 AUGUST 2019

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

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

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



Mr David Waugh
Accounting officer

Date: 17/12/19

THE TRUE LEARNING PARTNERSHIP
STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE PERIOD ENDED 31 AUGUST 2019

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

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

In preparing these accounts, the trustees are required to:

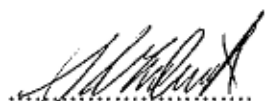
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting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

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

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

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

Approved by order of the members of the board of trustees on 17.12.19... and signed on its behalf by:



Mr Stephen Chadwick
Chair of trustees

THE TRUE LEARNING PARTNERSHIP

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE TRUE LEARNING PARTNERSHIP

FOR THE PERIOD ENDED 31 AUGUST 2019

Opinion

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

In our opinion the accounts:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

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

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

We have nothing to report in this regard.

THE TRUE LEARNING PARTNERSHIP

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE TRUE LEARNING PARTNERSHIP (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2019

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the accounts

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

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

THE TRUE LEARNING PARTNERSHIP

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE TRUE LEARNING PARTNERSHIP (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2019

Use of our report

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

John Whittick

John Whittick BSc FCA (Senior Statutory Auditor)

for and on behalf of Haines Watts

Chartered Accountants

Statutory Auditor

Bridge House

Ashley Road

Hale

Altrincham

WA14 2UT

Date: *17/12/19*

THE TRUE LEARNING PARTNERSHIP

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

FOR THE PERIOD ENDED 31 AUGUST 2019

In accordance with the terms of our engagement letter dated 16 January 2019 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2018 to 2019, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The TRUE Learning Partnership during the period 1 December 2018 to 31 August 2019 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of The TRUE Learning Partnership's accounting officer and the reporting accountant

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

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

Approach

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

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

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

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

THE TRUE LEARNING PARTNERSHIP

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

FOR THE PERIOD ENDED 31 AUGUST 2019

The work undertaken to draw to our conclusion includes:

- We have confirmed that the activities conform to the academy trust's framework of authorities. As identified by review of minutes, management accounts, discussion with the accounting officer and other key management personnel.
- We have carried out an analytical review as part of the consideration of whether general activities of the academy trust are within the academy trust's framework of authorities.
- We have considered the evidence supporting the accounting officer's statement on regularity, propriety and compliance and have evaluated the general control environment of the academy trust and extended the procedures required for financial statements to include regularity.
- We have assessed and tested a sample of the specific control activities over regularity of a particular activity. In performing sample testing of expenditure, we have considered whether the activity is permissible within the academy trust's framework of authorities. We confirm that each item tested has been appropriately authorised in accordance with the academy trust's delegated authorities and that the internal delegations have been approved by the board of trustees, and conform to the limits set by the Department for Education.
- Formal representations have been obtained from the board of trustees and the accounting officer acknowledging their responsibilities including disclosing all non-compliance with laws and regulations specific to the authorising framework, access to accounting records, provision of information and explanations, and other matters where direct evidence is not available.
- In performing sample testing of expenditure, we have reviewed against specific terms of grant funding within the funding agreement. We have reviewed the list of suppliers and have considered whether supplies are from related parties and have reviewed minutes for evidence of declaration of interest, and whether or not there was involvement in the decision to order from this supplier.
- We have performed sample testing of other income and tested whether activities are permitted within the academy trust's charitable objects.

Conclusion

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

...Haines Watts

Haines Watts
Reporting Accountant

Date: ...17/12/19.....

THE TRUE LEARNING PARTNERSHIP

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT AND STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

FOR THE PERIOD ENDED 31 AUGUST 2019

	Notes	Unrestricted Funds £000	Restricted funds: General £000	Fixed asset £000	Total 2019 £000
Income and endowments from:					
Donations and capital grants	3	152	-	86	238
Donations - transfer from local authority on conversion	24	276	(1,046)	17,486	16,716
Charitable activities:					
- Funding for educational operations	4	-	5,904	-	5,904
Other trading activities	5	432	81	-	513
Total		<u>860</u>	<u>4,939</u>	<u>17,572</u>	<u>23,371</u>
Expenditure on:					
Charitable activities:					
- Educational operations	8	331	5,906	236	6,473
Total	6	<u>331</u>	<u>5,906</u>	<u>236</u>	<u>6,473</u>
Net income/(expenditure)		529	(967)	17,336	16,898
Transfers between funds	16	-	9	(9)	-
Other recognised gains/(losses)					
Actuarial losses on defined benefit pension schemes	18	-	(485)	-	(485)
Net movement in funds		529	(1,443)	17,327	16,413
Reconciliation of funds					
Total funds brought forward		-	-	-	-
Total funds carried forward		<u>529</u>	<u>(1,443)</u>	<u>17,327</u>	<u>16,413</u>

THE TRUE LEARNING PARTNERSHIP

BALANCE SHEET

AS AT 31 AUGUST 2019

	Notes	2019	
		£000	£000
Fixed assets			
Tangible assets	12		17,327
Current assets			
Debtors	13	196	
Cash at bank and in hand		600	
		<u>796</u>	
Current liabilities			
Creditors: amounts falling due within one year	14	(202)	
		<u>594</u>	
Net current assets			594
Net assets excluding pension liability			17,921
Defined benefit pension scheme liability	18		(1,508)
Total net assets			<u>16,413</u>
Funds of the academy trust:			
Restricted funds	16		
- Fixed asset funds			17,327
- Restricted income funds			65
- Pension reserve			(1,508)
Total restricted funds			<u>15,884</u>
Unrestricted income funds	16		529
Total funds			<u>16,413</u>

The accounts were approved by the trustees and authorised for issue on 17/12/19 and are signed on their behalf by:



Mr Stephen Chadwick
Chair of trustees

Company Number: 10455740

THE TRUE LEARNING PARTNERSHIP
STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 AUGUST 2019

	Notes	2019 £000	£000
Cash flows from operating activities			
Net cash provided by operating activities	19		394
Cash funds transferred on conversion			198
			<u>592</u>
Cash flows from investing activities			
Capital grants from DfE Group		86	
Purchase of tangible fixed assets		(78)	
		<u>8</u>	
Net cash provided by/(used in) investing activities			<u>8</u>
Net increase in cash and cash equivalents in the reporting period			<u>600</u>
Cash and cash equivalents at beginning of the year			<u>-</u>
Cash and cash equivalents at end of the year			<u><u>600</u></u>

THE TRUE LEARNING PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 AUGUST 2019

1 Accounting policies

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

1.1 Basis of preparation

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

The TRUE Learning Partnership meets the definition of a public benefit entity under FRS 102.

These accounts have been prepared for the period 1 December 2018 to 31 August 2019 which is a period of less than twelve months. Academy trusts are required by the Education & Skills Funding Agency to report annually to 31 August and the academy trust is not permitted under the Companies Act 2006 to extend its accounting reference date to more than eighteen months but it may shorten it.

1.2 Going concern

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

1.3 Conversion to an academy trust

The conversion from a state maintained school to an academy trust involved the transfer of identifiable assets and liabilities and the operation of the school for £nil consideration. The substance of the transfer is that of a gift and it has been accounted for on that basis as set out below.

The assets and liabilities transferred on conversion from Poynton High School and Lostock Hall Primary School to the academy 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 Donations – transfer from local authority on conversion in the Statement of Financial Activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds. Further details of the transaction are set out in note 24.

1.4 Income

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

Grants

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

THE TRUE LEARNING PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2019

1 Accounting policies

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

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

Sponsorship income

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

Donations

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

Other income

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

Donated goods, facilities and services

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

Donated fixed assets

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

1.5 Expenditure

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

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

All resources expended are inclusive of irrecoverable VAT.

THE TRUE LEARNING PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2019

1 Accounting policies

Expenditure on raising funds

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

Charitable activities

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

1.6 Tangible fixed assets and depreciation

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

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

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

Land and buildings	Land - nil; Buildings - 50 years
Computer equipment	3 years
Fixtures, fittings & equipment	7 years
Motor vehicles	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.

1.7 Liabilities

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

1.8 Leased assets

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

1.9 Financial instruments

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

THE TRUE LEARNING PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2019

1 Accounting policies

Financial assets

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

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

Financial liabilities

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

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

1.10 Taxation

The academy trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the academy trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by chapter 3 part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1.11 Pensions benefits

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

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

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

1.12 Fund accounting

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

THE TRUE LEARNING PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2019

1 Accounting policies

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

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

2 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

The 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 18, 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.

3 Donations and capital grants

	Unrestricted funds £000	Restricted funds £000	Total 2019 £000
Capital grants	-	86	86
Other donations	152	-	152
	<u>152</u>	<u>86</u>	<u>238</u>

THE TRUE LEARNING PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2019

4 Funding for the academy trust's educational operations

	Unrestricted funds £000	Restricted funds £000	Total 2019 £000
DfE / ESFA grants			
General annual grant (GAG)	-	5,533	5,533
Other DfE group grants	-	234	234
	<u>-</u>	<u>5,767</u>	<u>5,767</u>
Other government grants			
Local authority grants	-	125	125
	<u>-</u>	<u>125</u>	<u>125</u>
Other funding			
Other incoming resources	-	12	12
	<u>-</u>	<u>12</u>	<u>12</u>
Total funding	<u>-</u>	<u>5,904</u>	<u>5,904</u>

Local authority grants comprise High Needs funding of £84,000 and Early Years funding £41,000.

There were no unfulfilled conditions or contingencies in respect of government grant funding.

5 Other trading activities

	Unrestricted funds £000	Restricted funds £000	Total 2019 £000
Lettings	33	-	33
Catering income	-	81	81
School trips	293	-	293
Other income	106	-	106
	<u>432</u>	<u>81</u>	<u>513</u>

6 Expenditure

	Staff costs £000	Non Pay Expenditure		Total 2019 £000
		Premises £000	Other £000	
Academy's educational operations				
- Direct costs	3,604	192	617	4,413
- Allocated support costs	1,386	393	281	2,060
	<u>4,990</u>	<u>585</u>	<u>898</u>	<u>6,473</u>

THE TRUE LEARNING PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2019

6 Expenditure

Net income/(expenditure) for the period includes:	2019 £000
Fees payable to auditor for:	
- Audit	9
- Other services	3
Operating lease rentals	2
Depreciation of tangible fixed assets	236
Net interest on defined benefit pension liability	24
	<u>276</u>

7 Central services

The academy trust has provided the following central services to its academies during the period:

- Human resources
- Financial services
- Provision of accountancy services
- Premises management support
- School improvement support
- IT network management services
- Health and wellbeing services
- Project management services
- Local governing body support
- Governance quality assurance

The academy trust charges for these services on the following basis:

- 4% top slice of GAG income

The amounts charged during the period were as follows:	2019 £000
Poynton High School	200
Lostock Hall Primary School	16
	<u>216</u>

8 Charitable activities

	Unrestricted funds £000	Restricted funds £000	Total 2019 £000
Direct costs			
Educational operations	328	4,085	4,413
Support costs			
Educational operations	3	2,057	2,060
	<u>331</u>	<u>6,142</u>	<u>6,473</u>

THE TRUE LEARNING PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2019

8 Charitable activities

	2019 £000
Analysis of support costs	
Support staff costs	1,386
Depreciation	44
Technology costs	6
Premises costs	349
Other support costs	169
Governance costs	106
	<u>2,060</u>

9 Staff

Staff costs

Staff costs during the period were:

	2019 £000
Wages and salaries	3,878
Social security costs	366
Pension costs	701
	<u>4,945</u>
Amounts paid to employees	4,945
Supply staff costs	17
Staff restructuring costs	28
	<u>4,990</u>
Amounts paid to staff	4,990
Staff development and other staff costs	4
	<u>4,994</u>

Staff restructuring costs comprise:

Staff restructuring costs payments	<u>28</u>
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Staff numbers

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

	2019 Number
Teachers	90
Administration and support	119
Management	10
	<u>219</u>

THE TRUE LEARNING PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2019

9 Staff

Higher paid staff

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 adjusted for the 9 month period was:

	2019 Number
£60,001 - £70,000	2
£70,001 - £80,000	1
£110,001 - £120,000	1

Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust were £533,000.

10 Trustees' remuneration and expenses

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

The actual value of trustees' remuneration and other benefits received during the 9 month period was as follows:

D Waugh (Headteacher and trustee) £85,001 - £90,000

The value of trustees pension contributions was as follows:

D Waugh (Headteacher and trustee) £10,001 - £15,000

During the period no expenses were reimbursed to trustees.

11 Trustees and officers insurance

In accordance with normal commercial practice, the academy trust has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business. The insurance provides cover up to £2,000,000 on any one claim and the cost of this insurance is included in the total insurance cost.

THE TRUE LEARNING PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2019

12 Tangible fixed assets

	Land and buildings	Computer equipment	Fixtures, fittings & equipment	Motor vehicles	Total
	£000	£000	£000	£000	£000
Cost					
At 1 December 2018	-	-	-	-	-
Transfer on conversion	17,429	7	34	15	17,485
Additions	-	12	66	-	78
	<u>17,429</u>	<u>19</u>	<u>100</u>	<u>15</u>	<u>17,563</u>
At 31 August 2019	17,429	19	100	15	17,563
Depreciation					
At 1 December 2018	-	-	-	-	-
Charge for the period	220	3	11	2	236
	<u>220</u>	<u>3</u>	<u>11</u>	<u>2</u>	<u>236</u>
At 31 August 2019	220	3	11	2	236
Net book value					
At 31 August 2019	<u>17,209</u>	<u>16</u>	<u>89</u>	<u>13</u>	<u>17,327</u>

13 Debtors

	2019 £000
Trade debtors	47
VAT recoverable	79
Prepayments and accrued income	70
	<u>196</u>

14 Creditors: amounts falling due within one year

	2019 £000
Other creditors	84
Accruals and deferred income	118
	<u>202</u>

THE TRUE LEARNING PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2019

15	Deferred income	2019
		£000
	Deferred income is included within:	
	Creditors due within one year	61
		<hr/>
	Resources deferred in the period	61
		<hr/>
	Deferred income at 31 August 2019	61
		<hr/> <hr/>

At the balance sheet date the trust was holding funds received in advance for Universal Infant Free School Meals from the ESFA for 2019/20 and also Local Authority grants in relation to Early Years.

16	Funds			
		Income	Expenditure	Gains, losses and transfers
		£000	£000	£000
				Balance at 31 August 2019
				£000
	Restricted general funds			
	General Annual Grant (GAG)	5,533	(5,477)	9
	Other DfE / ESFA grants	234	(234)	-
	Other government grants	125	(125)	-
	Other restricted funds	14	(14)	-
	Pension reserve	(967)	(56)	(485)
		<hr/>	<hr/>	<hr/>
		4,939	(5,906)	(476)
		<hr/>	<hr/>	<hr/>
	Restricted fixed asset funds			
	Inherited on conversion	17,486	(234)	-
	DfE group capital grants	86	(2)	(9)
		<hr/>	<hr/>	<hr/>
		17,572	(236)	(9)
		<hr/>	<hr/>	<hr/>
	Total restricted funds	22,511	(6,142)	(485)
		<hr/>	<hr/>	<hr/>
	Unrestricted funds			
	General funds	860	(331)	-
		<hr/>	<hr/>	<hr/>
	Total funds	23,371	(6,473)	(485)
		<hr/>	<hr/>	<hr/>

THE TRUE LEARNING PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2019

16 Funds

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

Restricted general funds are those resources that have been designated restricted by the grant provider in meeting the objects of the academy and are restricted to both the day to day running of the academy and capital expenditure.

Restricted fixed asset funds are those funds relating to the long term assets of the academy used in delivering the objects of the academy.

Unrestricted funds are funds which the board of trustees may use in the pursuance of the academy's objects and are expendable at the discretion of the trustees.

A transfer of £9,000 has been made between restricted fixed asset funds and restricted fund in respect of DfE capital grants which was spent on repairs & maintenance related costs.

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

Total funds analysis by academy

	2019 £000
Fund balances at 31 August 2019 were allocated as follows:	
Poynton High School	381
Lostock Hall Primary School	200
Central services	13
	<hr/>
Total before fixed assets fund and pension reserve	594
Restricted fixed asset fund	17,327
Pension reserve	(1,508)
	<hr/>
Total funds	16,413

Total cost analysis by academy

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

	Teaching and educational support staff £000	Other support staff costs £000	Educational supplies £000	Other costs excluding depreciation £000	Total 2019 £000
Poynton High School	3,318	1,088	571	472	5,449
Lostock Hall Primary School	242	174	51	120	587
Central services	44	145	-	12	201
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	3,560	1,262	622	592	6,036

THE TRUE LEARNING PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2019

17 Analysis of net assets between funds

	Unrestricted	Restricted funds:		Total
	Funds	General	Fixed asset	Funds
	£000	£000	£000	£000
Fund balances at 31 August 2019 are represented by:				
Tangible fixed assets	-	-	17,327	17,327
Current assets	529	267	-	796
Creditors falling due within one year	-	(202)	-	(202)
Defined benefit pension liability	-	(1,508)	-	(1,508)
Total net assets	529	(1,443)	17,327	16,413

18 Pension and similar obligations

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

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

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

Teachers' Pension Scheme

Introduction

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

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

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 TRUE LEARNING PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2019

18 Pension and similar obligations

The key elements of the valuation and subsequent consultation are:

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

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

The employer's pension costs paid to the TPS in the period amounted to £416,000.

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years have not yet been agreed.

As described in note 24 the LGPS obligation relates to the employees of the academy trust, being the employees transferred as part of the conversion from the maintained school and new employees who joined the scheme in the period. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the academy trust at the balance sheet date.

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

Total contributions made	2019 £000
Employer's contributions	253
Employees' contributions	48
Total contributions	<u>301</u>

THE TRUE LEARNING PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2019

18 Pension and similar obligations

Principal actuarial assumptions	2019
	%
Rate of increase in salaries	2.6
Rate of increase for pensions in payment/inflation	2.3
Discount rate for scheme liabilities	1.8

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

	2019
	Years
Retiring today	
- Males	21.2
- Females	23.5
Retiring in 20 years	
- Males	22.2
- Females	25.0

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

The sensitivities regarding the principal assumptions used to measure the scheme liabilities are set out below:

Sensitivity analysis

Changes in assumptions at 31 August 2019	Approximate % increase to employer liability	Approximate monetary amount (£000)
0.5% decrease in Real Discount Rate	12%	440
0.5% increase in the Pension Increase Rate	2%	61
0.5% increase in the Salary Increase Rate	10%	370

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

	2019
	Fair value
	£000
Equities	1,209
Bonds	769
Property	198
Other assets	22
Total market value of assets	2,198

The actual return on scheme assets was £196,000.

THE TRUE LEARNING PARTNERSHIP
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD ENDED 31 AUGUST 2019

18 Pension and similar obligations

Amount recognised in the statement of financial activities	2019
	£000
Current service cost	274
Past service cost	11
Interest income	(42)
Interest cost	66
	<hr/>
Total operating charge	309
	<hr/>
Changes in the present value of defined benefit obligations	2019
	£000
Obligations acquired on conversion	2,668
Current service cost	274
Interest cost	66
Employee contributions	48
Actuarial loss	639
Past service cost	11
	<hr/>
At 31 August 2019	3,706
	<hr/>
Changes in the fair value of the academy trust's share of scheme assets	2019
	£000
Assets acquired on conversion	1,701
Interest income	42
Actuarial gain	154
Employer contributions	253
Employee contributions	48
	<hr/>
At 31 August 2019	2,198
	<hr/>

THE TRUE LEARNING PARTNERSHIP
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD ENDED 31 AUGUST 2019

19	Reconciliation of net income to net cash flow from operating activities	2019
		£000
	Net income for the reporting period (as per the statement of financial activities)	16,898
	Adjusted for:	
	Net surplus on conversion to academy	(16,716)
	Capital grants from DfE and other capital income	(86)
	Defined benefit pension costs less contributions payable	32
	Defined benefit pension scheme finance cost	24
	Depreciation of tangible fixed assets	236
	(Increase) in debtors	(196)
	Increase in creditors	202
	Net cash provided by operating activities	394

20 Commitments under operating leases

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

	2019
	£000
Amounts due within one year	3
Amounts due in two and five years	4
	<u>7</u>

21 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 10.

22 Members' liability

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

23 Agency arrangements

The academy trust distributes bursary funds to students as an agent for the ESFA. In the accounting period ending 31 August 2019 the trust received £11,351 and disbursed £7,982 from the fund. An amount of £3,369 is included in creditors relating to undistributed funds that are repayable to the ESFA.

THE TRUE LEARNING PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2019

24 Conversion to an academy

On 1 December 2018 the Poynton High School & Lostock Hall Primary School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to The TRUE Learning Partnership from the Cheshire East Local Authority for £nil consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair values and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as a net gain in the statement of financial activities as donations – transfer from local authority on conversion.

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

Academy	Location	Date of conversion
Poynton High School	Poynton	1 December 2018
Lostock Hall Primary School	Poynton	1 December 2018

Net assets transferred:	2019
	£000
Leasehold land and buildings	17,429
Other tangible fixed assets	56
Cash	198
Pension scheme deficit	(967)
	<u>16,716</u>

Funds surplus/(deficit) transferred:	Unrestricted	Restricted funds:		Total
	Funds	General	Fixed asset	2019
	£000	£000	£000	£000
Fixed assets funds	-	-	17,486	17,486
LA budget funds	276	(79)	-	197
LGPS pension funds	-	(967)	-	(967)
	<u>276</u>	<u>(1,046)</u>	<u>17,486</u>	<u>16,716</u>