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Company Registration No. 07733196 (England and Wales)

**THE FAMILY OF LEARNING TRUST
(PREVIOUSLY BEECH HILL SCHOOL)
(A COMPANY LIMITED BY GUARANTEE)**

**ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2018**

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THE FAMILY OF LEARNING TRUST (PREVIOUSLY BEECH HILL SCHOOL) REFERENCE AND ADMINISTRATIVE DETAILS

Members

C Haddock
S Khan
S Loreen
N Najid

Governors

C Haddock (Chair of Governors)
S Hussain (Head Teacher)
S Loreen
N Najib (Parent governor)
F Pether (Staff governor)
M Sadiq (Parent governor)
S Sheikh
C Swallow
S Bowling (Staff governor)

Senior management team

- Headteacher at Beech Hill and CEO of Trust	S Hussain
- Headteacher at Dean Field	F Pether (Appointed 1 March 2018)
- Headteacher at Dean Field	L Tidswell-Brown (1 January - 28 February 2018)
- Deputy Headteacher at Beech Hill	H Crowther
- Deputy Headteacher at Beech Hill	F Pether (Resigned 28 February 2018)
- Deputy Headteacher at Beech Hill	S Bowling (Appointed 1 April 2018)
- Deputy Headteacher at Beech Hill	S Cockcroft (Appointed 1 April 2018)
- Deputy Headteacher at Dean Field	H Vickerstaffe (Appointed 1 April 2018)
- Deputy Headteacher at Dean Field	S Tindal (1 January - 28 February 2018)
- Assistant Headteacher at Beech Hill	S Bowling (Resigned 31 March 2018)
- Assistant Headteacher at Beech Hill	S Cockcroft (Resigned 31 March 2018)
- Assistant Headteacher at Dean Field	H Vickerstaffe (Resigned 31 March 2018)
- Finance Director	D Senior

Company registration number

07733196 (England and Wales)

Registered office

Mount Pleasant Avenue
Halifax
HX1 5TN

Academies operated

Beech Hill School
Dean Field Community Primary School

Location

Halifax
Halifax

Principal

Shameem Hussain
Fiona Pether

Independent auditor

Simpson Wood Limited
Bank Chambers
Market Street
Huddersfield
HD1 2EW

**THE FAMILY OF LEARNING TRUST
(PREVIOUSLY BEECH HILL SCHOOL)
REFERENCE AND ADMINISTRATIVE DETAILS**

Bankers

Yorkshire Bank
7 Waterhouse Street
Halifax
HX1 1XZ

Lloyds Bank plc
Commercial Street
Halifax
HX1 1BB

Solicitors

Schofield Sweeney LLP
Church Bank House
Church Bank
Bradford
West Yorkshire
BD1 4DY

THE FAMILY OF LEARNING TRUST (PREVIOUSLY BEECH HILL SCHOOL) GOVERNORS' REPORT

FOR THE YEAR ENDED 31 AUGUST 2018

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

The academy was renamed The Family Learning Trust on 21 March 2017 (formerly Beech Hill School).

The academy trust is made up of Beech Hill and Dean Field and has pupils ranging from 2 to 11 serving in the catchment area of Central Halifax. The Trust has a pupil capacity of 840, Beech Hill 630 and Dean Field 210.

Structure, governance and management

Constitution

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust.

The governors are the trustees of The Family of Learning Trust and are also the directors of the charitable company for the purposes of company law. Details of the governors who served during the year are included in the Reference and Administrative Details on page 1.

Members' liability

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

Governors' indemnities

The Trust utilises the Education and Skills Funding Agency's Risk Protection Assurance (RPA) scheme. The RPA provides for unlimited indemnity cover. The total cost of RPA for the Trust within the period was £13,501; the cost of indemnity cover is not separately identifiable.

Method of recruitment and appointment or election of governors

The school may appoint up to 12 governors and the members may appoint staff governors who should not exceed one third of the total of governors. The Head Teachers are deemed to be an official governors.

Where there is a vacancy for a parent governor the school makes sure that all parents have the potential to apply to become a governor. The school ensures that if there is a vote it is undertaken fairly and managed properly with the results made public to all concerned.

The school can co-opt up to three additional affiliates to the governing body who are not entitled to vote.

All governors terms of office are a maximum of four years unless they retire or resign. This does not apply to the Head Teachers.

Policies and procedures adopted for the induction and training of governors

The school has a governor handbook and they are encouraged to attend training courses as often as they can. The school has a service level agreement with the local authority for a governor training package.

THE FAMILY OF LEARNING TRUST (PREVIOUSLY BEECH HILL SCHOOL) GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

Organisational structure

The governors are responsible for setting general policy, approving the School Development Plan, approving the school budget, monitoring the school by the use of budgets and making major decisions about the direction of the school, capital expenditure and senior staff appointments.

The Senior Leadership Team of the Trust comprises of the CEO of the Trust who is also the head of Beech Hill, two Deputy Headteachers, two Assistant Headteachers, the HR Director and Finance Director. In addition Dean Field School also has a Headteacher and deputy Headteacher. These managers control the school at an executive level implementing the policies laid down by the governors for the Trust. As a Trust, the Senior Leadership Teams are responsible for the authorisation of spending within agreed budgets and the appointment of staff, through appointment boards. For teaching posts the appointment boards always contain at least one governor.

The Senior Leadership Team are responsible for the day to day operation of the school, in particular organising the teaching staff and curriculum, overseeing the curriculum delivery and coordinating staff and children well-being.

Arrangements for setting pay and remuneration of key management personnel

Pay ranges for the Head Teacher, Deputy Head and Assistant Head Teachers will be determined in accordance with the criteria specified in the 2017/18 STPCD and ensuring fair pay relatives, where the Governing Body believe these to be appropriate.

To move up the main pay range, teachers and Headteacher will need to show that they have been judged as having a successful performance appraisal. This will include competency in the Teachers' Standards and good progress towards set objectives. The Governing body may exercise its' discretion and award enhanced pay progression for exceptional performance. The Governing Body may also decide not to award pay progression where the performance appraisal is considered unsuccessful. Any concerns raised about performance, must have been shared with the teacher/Headteacher as part of the appraisal cycle and not been sufficiently addressed in order for this determination to be made. However, if the reasons for this are beyond the control of the member of staff, or there have been extenuating circumstances, the governing body has the discretion to award an increment if they wish.

Pay recommendations need to be made by 31 December for Headteachers and by 31 October for other teachers.

Trade Union Facility Time

Under the Trade Union (facility Time Publication Requirements) Regulations 2017, the Trust is required to calculate and publish information on Facility Time: the paid time off that we provide to our employees to Undertake Trade Union duties and activities. As a Trust, we value the close working relationships we have with regional and local Trade Union representatives, as well as our internal workplace representatives. The Trust understands and appreciates the benefit of good trade union relations in the workplace.

The purpose of the regulations is to promote transparency and public scrutiny of Facility Time, to ensure that taxpayers' money is spent appropriately and represents value for money. Although the trust does not contribute to facilities time, we are currently investigating joining the Calderdale Council's Facility Time arrangements.

Relevant Union Officials - None

Percentage of time spend on facility time – None

Percentage of pay bill spent on facility time – Nil

Paid trade union activities - None

THE FAMILY OF LEARNING TRUST (PREVIOUSLY BEECH HILL SCHOOL) GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

Related parties and other connected charities and organisations

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

Rashinda Bi, wife of the Governor Mr N Najib, is employed by the school as a Support Assistant and Mid-day supervisor.

Objectives and activities

Objects and aims

To provide education for pupils of different abilities between the ages of 2 and 11.

We aim:

- To have committed staff who inspire and motivate individual children to achieve their highest standards.
- To broaden pupils' horizons through an exciting and engaging creative curriculum.
- To make good progress especially in English and Maths.
- To provide a stimulating, challenging and creative learning environment.
- To maintain high expectations for our children's performance.
- To develop a healthy lifestyle.
- To have a well-informed school and community that feels valued, is well served, and plays an integral role in school life.
- To be proud of our school and promote an ethos and environment in which children enjoy learning.
- To develop enthusiastic, independent and confident learners.
- To ensure our pupils are able to make responsible choices which take into consideration the feelings of others.
- To develop pupils who feel valued as an individual and as a member of the school community.
- To understand the need to treat others as equals regardless of sex, race or religion.
- To develop our children's sporting and artistic talent.
- To promote children's rights and empower them to become global citizens in line with Unicef's Rights Respecting Award.

Objectives, strategies and activities

At Beech Hill we believe that every child matters. There is driving determination to ensure that pupils and adults in the school reach their full potential. Our ethos is a simple one '**Learning without Limits**'.

To this end we:

- Reviewed all statutory schools policies.
- Shared and regularly reviewed the School Improvement Plan
- Continued to build capacity into the Leadership team and plan future succession- Head teacher, 2 deputy Head teachers, 2 Assistant Head Teachers, 5 TLR post holders and a SENCO. The TLR post holders are also Team Leaders and are responsible for overseeing each year group and ensuring consistency is maintained throughout the school
- Contributed to Initial Teacher Training through our partnership with Teamworks Teaching Alliance
- Continued to improve parental engagement through a digital platform (Seesaw)
- Developed as a MAT implementing system and policies to supported Dean Field School to ensure effective policies and practices were in place to drive the school forwards
- Took part in ReflectED - a national research trial based around metacognition
- Contributed to the wider society through our work with the Alzheimer's Society and Verd-de-gris

Dean Field School (Ofsted Inadequate) joined 'The Family of Learning Trust' on January 2018. The Senior Leadership Team of Beech Hill supported the school through the implementation of its Leadership Team. Following the departure of the Head teacher and Deputy Head teacher, Beech Hill were able to appoint one of the Deputies, Fiona Pether as the new Head teacher of Dean Field and an Assistant Head teacher as Deputy Head teacher to ensure the school had strong leadership that could be trusted to move the school forward.

**THE FAMILY OF LEARNING TRUST
(PREVIOUSLY BEECH HILL SCHOOL)
GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2018**

Academic:

EYFS results show a dip at 64% but when data is analysed for the core pupils, this is slightly above the national average at 72%. The national average being 71%

Year 1 Phonics are broadly in line with national average, school achieving 80% and the national average being 81%

The end of KS1 results show an improvement on the previous year and are closer to the National average for our core pupils (Pupils who attended Beech Hill Reception).

The end of KS2 SATs for 2017-18 show improvement on the previous year. The combined score for reading, writing and maths was 58% with the national average being at 64%.

These results include a number of children who have joined the school throughout the year groups. When data for the core pupils is analysed, attainment and progress show that the vast majority of our core pupils leave Beech Hill at National expectations. The combined percentage for Reading, Writing and Maths for the core pupils (Pupil who joined us in Year 1 or earlier) is 71%.

The vast majority of our pupils are making at least expected progress and the school is working hard to diminish the difference for children in upper KS2 who were previously taught and assessed on the old curriculum and are now being tested on the new curriculum.

Attendance:

This remains in line with the national average at 96.2% (National average: 96%).

Sporting:

Once again it has been another fantastic sporting year with many of our children representing Beech Hill School in competitive competition both locally in Calderdale and regionally (West Yorkshire-Level 4).

Our focus this year was to increase in the number of children competing for the school in a wide range of sports. Last year we had 129 pupils who competed for the school, and this year we have had over 200 pupils.

We have had a focus on increasing the number of girls who take part in sport, and who compete for the school. We have introduced new clubs such as: girl's futsal, girl's football, girl's cricket and girl's rugby.

Below is a brief outline of our sporting successes for the year 2017/2018:

Tri-Golf - Represented Calderdale in the West Yorkshire Youth

Adam Heslop Futsal - The boys team finished a reputable fourth out of nearly fifteen other schools. The girls team won their local round. They went on to compete in the Calderdale finals.

Sports Hall Athletics -It is our fifth consecutive year where Beech Hill Athletics has triumphed in the Family of Schools event reaching Gold position.

Mini Red Tennis- Both teams did extremely well finishing as Bronze medallists and Silver Medallists. They went on to represent Calderdale at the West Yorkshire School Games and finished overall in sixth position.

Mini Orange Tennis - Both teams qualified to participate in the Calderdale Finals with one team as Gold medallists representing Calderdale in the West Yorkshire Youth Games, finishing in our best ever position at the Games which was fifth.

THE FAMILY OF LEARNING TRUST (PREVIOUSLY BEECH HILL SCHOOL) GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

Curriculum:

The creative curriculum was further enhanced through establishing a framework for monitoring the foundation subjects as well as ensuring that the basic skills and school drivers were planned for. The curriculum continues to be further enriched through specialist teaching in music, art and sport and Forest School. We continue to provide extended schools provision through its breakfast club and after school clubs. Holiday activities were organised targeting the talented sports pupils. The school renewed the 'Basic Skills Award' and achieved the 'Investors in People' Gold award again.

Total pupils on roll in the period ended 31 August 2018 was: 605; this is split between the year groups as follows:

Nursery: 95 (including 2 year olds)

Reception: 67

Year 1: 62

Year 2: 73

Year 3: 79

Year 4: 84

Year 5: 90

Year 6: 54

Public benefit

The governors 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

Going concern

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

Financial review

Most of the Academy's income is obtained from the EFA in the form of recurrent grants, the use of which is restricted to particular purposes. The main other income elements are an external catering service and school improvement partner service. The grants received from the EFA during the period ended 31 August 2018 and the associated expenditure are shown as restricted funds in the statement of financial activities.

The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

During the period ended 31 August 2018, the total expenditure (excluding fixed asset funds) of £4,414,593 (2017: £3,478,059) was covered by the recurrent grant funding and associated income streams. The excess of income over expenditure for the period (excluding restricted fixed asset funds and pension deficit) was £384,469 (2017: £590,294 deficit)

Reserves policy

The governors review reserve levels of the academy annually. This review encompasses the nature of income and expenditure streams, this to match income with commitment and the nature of reserves. The Governors take into consideration the future plans of the Academy, the uncertainty over future income streams and other key risks identified during the risk review.

The Academy's current level of reserves (total funds less the amount held in fixed assets and restricted funds) is £235,156 all of which are free reserves.

THE FAMILY OF LEARNING TRUST (PREVIOUSLY BEECH HILL SCHOOL) GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

The Governors require a reserve to be created to fund future expenditure relating to the Academy Development Plan's strategic long term aim and developments. The school's priority has changed since last year as there is a need to build an extension for five new class rooms plus to redevelop the entrance area, as a result the new hall may be pushed back a couple of years as the expansion is a priority over the next twelve months, all this expenditure will be funded mainly by the GAG carried forward and using future GAG income.

Investment policy

The academy has an investment policy that is reviewed annually, this gives the head the authority to invest in appropriate investments should the need arise. Due to various capital projects the school currently has no investments.

Principal risks and uncertainties

The Governors have assessed the major risks to which the school is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the school, and its finances, all of which are outlined on the Risk Register. The Governors have implemented a number of systems to assess risks that the school faces, especially in the operational areas (eg in relation to teaching, health and safety, bullying and school trips) and in relation to the control of finance. They have introduced systems including operational procedures (eg vetting of new staff and visitors, supervision of school grounds) and internal financial controls in order to minimise risk. Where significant financial risk still remains, they have ensured that they have adequate insurance cover. The school has a very effective system of internal financial controls and this is explained in more detail in the statement of internal control.

The main risk to the Academy is that the school is funded according to pupils on roll, so a drop in student numbers or a change in the funding formulae used could affect the financial stability of the school. Other than this there is no other potential risk that could affect the financial stability of the school.

Financial and risk management objectives and policies

Beech Hill School's income is obtained from the ESFA in line with the funding agreement of the Academy. As such, the Academy's exposure to financial risks is limited to cash flow and liquidity risks.

Beech Hill School has a pension deficit of £779,000 relating to the LGPS defined benefit scheme.

Fundraising

Under the provision of the Charities (Protection and Social Investment) Act 2016, The Family of Learning Trust School provides the following information on their fundraising practices.

The school works in partnership with a small number of charities both to raise funds for both the school and external charities. The school raises funds through enhanced curriculum activities and all funds raised are through voluntary contributions. The school ensures there is no undue pressure to donate. The school does not exclude any pupils from whole-school activities should no voluntary contribution be made from the family. The school limits the number of fund-raising activities to ensure that the school is not intrusive or persistent in their fundraising approach.

During 2017/18 the school raised funds for Red Nose Day and Children in Need. The school promotes all fund-raising events and clearly states for who the funds are being raised and that all donations are on a volunteer basis.

All funds raised by the school are recorded and banked directly to the charities. The school receives confirmation of the funds raised from the charities.

The Trust also has a Summer Fayre and Christmas Fayre which raised £1,000 each in 2017/18 this funding is matched by Barclays Bank, these funds are used to buy resources for the trust and example being a defibrillator which cost £1,400.

**THE FAMILY OF LEARNING TRUST
(PREVIOUSLY BEECH HILL SCHOOL)
GOVERNORS' REPORT (CONTINUED)**

FOR THE YEAR ENDED 31 AUGUST 2018

Plans for future periods

The school is planning to expand the entrance to the school. This is estimated to cost £100,000 to £200,000 and will take place during the next 12 months. The balance of reserves will be held to ensure the financial stability of the MAT and ensure the school long term holds a good reserve.

Future Priorities 2018-19

Priority 1: To continue to raise the achievement of all pupils in the core subjects.

Priority 2: To maintain a high standard of teaching across all subjects.

Priority 3: To continue to maintain high standards of learning behaviour as reflected in the Rights Respecting ethos and support the health and wellbeing of pupils.

Priority 4: To ensure breadth and balance across the curriculum.

Priority 5: To continue to drive the trust forward through effective leadership and management

Auditor

In so far as the governors are aware:

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

A resolution proposing that Simpson Wood Limited be reappointed as auditor of the charitable company will be put to the members.

The governors' report, incorporating a strategic report, was approved by order of the board of governors, as the company directors, on 11 December 2018 and signed on its behalf by:



C Haddock

Chair of Governors

THE FAMILY OF LEARNING TRUST (PREVIOUSLY BEECH HILL SCHOOL) GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2018

Scope of responsibility

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

The board of governors has delegated the day-to-day responsibility to the principal, 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 Family Of Learning Trust and the Secretary of State for Education. They are also responsible for reporting to the board of governors any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Governors' Report and in the Statement of Governors' Responsibilities. The board of governors has formally met 4 times during the year. Attendance during the year at meetings of the board of governors was as follows:

Governors	Meetings attended	Out of possible
C Haddock (Chair of Governors)	4	4
S Hussain (Head Teacher)	4	4
S Loreen	4	4
N Najib (Parent governor)	4	4
F Pether (Staff governor)	2	4
M Sadiq (Parent governor)	1	4
S Sheikh	4	4
C Swallow	3	4
S Bowling (Staff governor)	3	4

During the last twelve months the school did not have a full governor review. This was partly due to the trust taking on Dean Field Community Primary School in January 2018. Dean Field had an OFSTED in February 2017, OFSTED stated that the governance was strong and challenging. It is the Trustees intention to have an independent review of governance in spring (Dean Field) and summer (Beech Hill) in 2019.

Review of value for money

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

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

- An annual review of all contracts, these are checked for price and relevance, as a result three contracts were dropped and better prices found on two others
- The school has a large catering operation. During the last twelve months the school has negotiated substantial discounts from suppliers, the school also uses preference for price and quality
- The school always gets at least three quotes for any item over £10,000
- The school reviews all expenditure with suppliers over £10,000 per annum at the school and looks for better prices or a better service.

**THE FAMILY OF LEARNING TRUST
(PREVIOUSLY BEECH HILL SCHOOL)
GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2018**

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 Family Of Learning Trust for the period 1 September 2017 to 31 August 2018 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

The board of governors 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 governors 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 September 2017 to 31 August 2018 and up to the date of approval of the annual report and accounts. This process is regularly reviewed by the board of governors.

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 governors;
- regular reviews by the audit and finance committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties;
- identification and management of risks.

The board of governors has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However the governors have appointed Simpson Wood Limited, the external auditor, to perform additional checks. No significant internal control weaknesses were identified during the year.

The auditor's role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems. In the latest report produced covering the period to 31 May 2018, the auditor reported to the board of governors on the operation of the systems of control and on the discharge of the financial responsibilities of the board of governors during the year.

Review of effectiveness

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

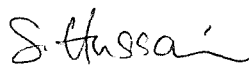
- the work of the external auditor;
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.

**THE FAMILY OF LEARNING TRUST
(PREVIOUSLY BEECH HILL SCHOOL)
GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2018**

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

Approved by order of the board of governors on 11 December 2018 and signed on its behalf by:


C Haddock
Chair of Governors

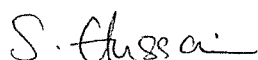

S Hussain
Head Teacher

**THE FAMILY OF LEARNING TRUST
(PREVIOUSLY BEECH HILL SCHOOL)
STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE
FOR THE YEAR ENDED 31 AUGUST 2018**

As accounting officer of The Family of Learning Trust I have considered my responsibility to notify the academy trust board of governors and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2017.

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

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



S Hussain
Accounting Officer

11 December 2018

**THE FAMILY OF LEARNING TRUST
(PREVIOUSLY BEECH HILL SCHOOL)
STATEMENT OF GOVERNORS' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2018**

The governors (who act as trustees for The Family of Learning Trust and are also the directors of The Family of Learning Trust for the purposes of company law) are responsible for preparing the governors' report and the accounts in accordance with the Annual Accounts Direction issued 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 governors to prepare accounts for each financial year. Under company law the governors 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 governors 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 2017 to 2018;
- 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 governors 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 governors are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring that grants received from ESFA/DfE have been applied for the purposes intended.

The governors 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 board of governors on 11 December 2018 and signed on its behalf by:



C Haddock
Chair of Governors

**THE FAMILY OF LEARNING TRUST
(PREVIOUSLY BEECH HILL SCHOOL)
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE FAMILY OF
LEARNING TRUST
FOR THE YEAR ENDED 31 AUGUST 2018**

Opinion

We have audited the accounts of The Family of Learning Trust for the year ended 31 August 2018 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 2017 to 2018 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 2018 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the 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 governors' use of the going concern basis of accounting in the preparation of the accounts is not appropriate; or
- the governors 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 other information comprises the information included in the annual report, other than the accounts and our auditor's report thereon. The governors are responsible for the other information. 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 FAMILY OF LEARNING TRUST
(PREVIOUSLY BEECH HILL SCHOOL)
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE FAMILY OF
LEARNING TRUST (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2018**

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 governors' report including the incorporated strategic report for the financial year for which the accounts are prepared is consistent with the accounts; and
- the governors' 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 governors' 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 governors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of governors

As explained more fully in the statement of governors' responsibilities, the governors 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 governors 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 governors 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 governors 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 FAMILY OF LEARNING TRUST
(PREVIOUSLY BEECH HILL SCHOOL)
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE FAMILY OF
LEARNING TRUST (CONTINUED)**

FOR THE YEAR ENDED 31 AUGUST 2018

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.



**Daniel McAllister FCA (Senior Statutory Auditor)
for and on behalf of Simpson Wood Limited**

11 December 2018

**Chartered Accountants
Statutory Auditor**

Bank Chambers
Market Street
Huddersfield
HD1 2EW

**THE FAMILY OF LEARNING TRUST
(PREVIOUSLY BEECH HILL SCHOOL)
INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON
REGULARITY TO THE FAMILY OF LEARNING TRUST AND THE EDUCATION &
SKILLS FUNDING AGENCY**

FOR THE YEAR ENDED 31 AUGUST 2018

In accordance with the terms of our engagement letter dated 11 October 2016 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2017 to 2018, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Family of Learning Trust during the period 1 September 2017 to 31 August 2018 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of The Family of Learning Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of The Family of Learning Trust's funding agreement with the Secretary of State for Education dated 1 September 2011 and the Academies Financial Handbook, extant from 1 September 2017, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance, and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2017 to 2018. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2017 to 31 August 2018 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2017 to 2018 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

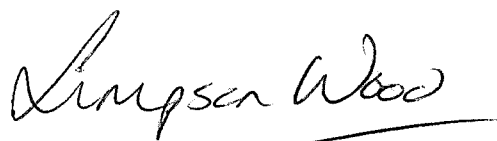
The work undertaken to draw to our conclusion includes:

- Consideration of the evidence supporting the Accounting Officers statement on regularity, propriety and compliance which may include review and corroboration of the most recent Financial Management and Governance Evaluation or equivalent.
- Evaluation of the general control environment of the Academy Trust, extending the procedures required for financial statements to include regularity.
- Assessment and testing of a sample of the specific control activities over regularity of a particular activity.
- When performing sample testing of expenditure, consider whether the activity is permissible within the Academy Trust's framework of authorities.

**THE FAMILY OF LEARNING TRUST
(PREVIOUSLY BEECH HILL SCHOOL)
INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON
REGULARITY TO THE FAMILY OF LEARNING TRUST AND THE EDUCATION &
SKILLS FUNDING AGENCY (CONTINUED)
*FOR THE YEAR ENDED 31 AUGUST 2018***

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2017 to 31 August 2018 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

A handwritten signature in black ink, reading "Simpson Wood", with a horizontal line underneath the name.

Reporting Accountant

Simpson Wood Limited
Bank Chambers
Market Street
Huddersfield
HD1 2EW

Dated: 11 December 2018

**THE FAMILY OF LEARNING TRUST
(PREVIOUSLY BEECH HILL SCHOOL)
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2018**

	Notes	Unrestricted Funds £	Restricted funds: General Fixed asset £ £	Total 2018 £	Total 2017 £
Income and endowments from:					
Donations and capital grants	3	3,295	-	20,163	23,458
Donations - transfer from local authority on conversion	27	10,258	-	3,039,073	3,049,331
Charitable activities:					
- Funding for educational operations	4	-	3,996,034	-	3,996,034
Other trading activities	5	680,284	-	-	680,284
Investments	6	403	-	-	403
Total		694,240	3,996,034	3,059,236	7,749,510
Expenditure on:					
Raising funds	7	554,878	24,972	-	579,850
Charitable activities:					
- Educational operations	9	181,491	3,653,252	253,950	4,088,693
Total	7	736,369	3,678,224	253,950	4,668,543
Net income/(expenditure)		(42,129)	317,810	2,805,286	3,080,967
Transfers between funds	20	-	(113,212)	113,212	-
Other recognised gains/(losses)					
Actuarial gains on defined benefit pension schemes	22	-	441,000	-	441,000
Net movement in funds		(42,129)	645,598	2,918,498	3,521,967
Reconciliation of funds					
Total funds brought forward		277,285	(449,631)	7,549,892	7,377,546
Total funds carried forward		235,156	195,967	10,468,390	10,899,513

**THE FAMILY OF LEARNING TRUST
(PREVIOUSLY BEECH HILL SCHOOL)
STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED)
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2018**

Comparative year information		Unrestricted	Restricted funds:		Total
Year ended 31 August 2017		Funds	General	Fixed asset	2017
	Notes	£	£	£	£
Income and endowments from:					
Donations and capital grants	3	471	-	629,369	629,840
Charitable activities:					
- Funding for educational operations	4	-	2,994,731	-	2,994,731
Other trading activities	5	710,903	-	-	710,903
Investments	6	627	-	-	627
Total		<u>712,001</u>	<u>2,994,731</u>	<u>629,369</u>	<u>4,336,101</u>
Expenditure on:					
Raising funds	7	628,115	329	-	628,444
Charitable activities:					
- Educational operations	9	100,103	2,749,512	175,410	3,025,025
Total	7	<u>728,218</u>	<u>2,749,841</u>	<u>175,410</u>	<u>3,653,469</u>
Net income/(expenditure)		(16,217)	244,890	453,959	682,632
Transfers between funds	20	-	(1,019,967)	1,019,967	-
Other recognised gains/(losses)					
Actuarial gains on defined benefit pension schemes	22	-	1,057,000	-	1,057,000
Net movement in funds		<u>(16,217)</u>	<u>281,923</u>	<u>1,473,926</u>	<u>1,739,632</u>
Reconciliation of funds					
Total funds brought forward		293,502	(731,554)	6,075,966	5,637,914
Total funds carried forward		<u>277,285</u>	<u>(449,631)</u>	<u>7,549,892</u>	<u>7,377,546</u>

**THE FAMILY OF LEARNING TRUST
(PREVIOUSLY BEECH HILL SCHOOL)
BALANCE SHEET**

AS AT 31 AUGUST 2018

	Notes	2018 £	£	2017 £	£
Fixed assets					
Tangible assets	14		10,468,390		7,549,889
Current assets					
Stocks	15	4,229		1,371	
Debtors	16	220,588		322,680	
Cash at bank and in hand		1,224,166		1,287,904	
		<u>1,448,983</u>		<u>1,611,955</u>	
Current liabilities					
Creditors: amounts falling due within one year	17	(231,707)		(779,145)	
Net current assets			<u>1,217,276</u>		<u>832,810</u>
Total assets less current liabilities			<u>11,685,666</u>		<u>8,382,699</u>
Creditors: amounts falling due after more than one year	18		(7,153)		(7,153)
Net assets excluding pension liability			<u>11,678,513</u>		<u>8,375,546</u>
Defined benefit pension scheme liability	22		(779,000)		(998,000)
Net assets			<u><u>10,899,513</u></u>		<u><u>7,377,546</u></u>
Funds of the academy trust:					
Restricted funds	20				
- Fixed asset funds			10,468,390		7,549,892
- Restricted income funds			974,967		548,369
- Pension reserve			(779,000)		(998,000)
Total restricted funds			<u>10,664,357</u>		<u>7,100,261</u>
Unrestricted income funds	20		<u>235,156</u>		<u>277,285</u>
Total funds			<u><u>10,899,513</u></u>		<u><u>7,377,546</u></u>

The accounts set out on pages 20 to 46 were approved by the board of governors and authorised for issue on 11 December 2018 and are signed on its behalf by:



C Haddock
Chair of Governors

Company Number 07733196

**THE FAMILY OF LEARNING TRUST
(PREVIOUSLY BEECH HILL SCHOOL)
STATEMENT OF CASH FLOWS**

FOR THE YEAR ENDED 31 AUGUST 2018

	Notes	2018 £	£	2017 £	£
Cash flows from operating activities					
Net cash provided by operating activities	23		38,817		700,734
Cash funds transferred on conversion			10,258		-
			<u>49,075</u>		<u>700,734</u>
Cash flows from investing activities					
Dividends, interest and rents from investments		403		627	
Capital grants from DfE Group		16,582		10,157	
Capital funding received from sponsors and others		3,581		619,212	
Purchase of tangible fixed assets		(146,879)		(1,699,286)	
Proceeds from sale of tangible fixed assets		13,500		-	
		<u></u>		<u></u>	
Net cash used in investing activities			(112,813)		(1,069,290)
Cash flows from financing activities					
Repayment of long term bank loan		-		(136,964)	
Finance costs		-		29,464	
		<u></u>		<u></u>	
Net cash used in financing activities			-		(107,500)
Net decrease in cash and cash equivalents in the reporting period			<u>(63,738)</u>		<u>(476,056)</u>
Cash and cash equivalents at beginning of the year			1,287,904		1,763,960
Cash and cash equivalents at end of the year			<u><u>1,224,166</u></u>		<u><u>1,287,904</u></u>

**THE FAMILY OF LEARNING TRUST
(PREVIOUSLY BEECH HILL SCHOOL)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

1 Accounting policies

The Family of Learning Trust is a charitable company incorporated in England and Wales. The address of its principal place of business is given on page 1 and the nature of its operations are set out in the governors' report.

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

The Family of Learning Trust meets the definition of a public benefit entity under FRS 102.

1.2 Going concern

The governors assess whether the use of going concern is appropriate, ie 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 governors 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 Dean Field Community 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. The land and buildings have been leased to the Trust on a 125 year lease. Further details of the transaction are set out in note 27.

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 FAMILY OF LEARNING TRUST
(PREVIOUSLY BEECH HILL SCHOOL)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2018**

1 Accounting policies

(Continued)

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 financial statements 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.

Where applicable, resources expended are inclusive of irrecoverable VAT.

**THE FAMILY OF LEARNING TRUST
(PREVIOUSLY BEECH HILL SCHOOL)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2018**

1 Accounting policies

(Continued)

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.

Governance costs

These include the costs attributable to the academy trust's compliance with constitutional and statutory requirements, including audit, strategic management, governors' meetings and reimbursed expenses.

1.6 Tangible fixed assets and depreciation

Assets costing £5,000 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. 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 such assets is charged to the restricted fixed asset fund in the statement of financial activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the academy trust's depreciation policy.

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	2% straight line
Computer equipment	20% straight line
Fixtures, fittings & equipment	15% straight line
Motor vehicles	25% straight line

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use and reclassified to freehold or leasehold land and buildings.

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 against income on a straight line basis over the period of the lease.

**THE FAMILY OF LEARNING TRUST
(PREVIOUSLY BEECH HILL SCHOOL)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2018**

1 Accounting policies **(Continued)**

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.

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 Stock

Stock is valued at the lower of cost and net realisable value. Net realisable value is based on estimated selling price less further costs to completion and disposal. Provision is made for obsolete and slow moving stock.

1.11 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.

1.12 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 projected unit 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 FAMILY OF LEARNING TRUST
(PREVIOUSLY BEECH HILL SCHOOL)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2018**

1 Accounting policies

(Continued)

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.

1.13 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 governors.

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

Restricted general funds comprise all other restricted funds received and include grants from the Education Funding Agency.

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 19, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2013 has been used by the actuary in valuing the pensions liability at 31 August 2018. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement

No critical areas of judgement have been identified which would have a significant impact on the valuation of assets and liabilities within the accounts.

**THE FAMILY OF LEARNING TRUST
(PREVIOUSLY BEECH HILL SCHOOL)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2018**

3 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2018 £	Total 2017 £
Capital grants	-	16,582	16,582	10,157
Other donations	3,295	3,581	6,876	619,683
	<u>3,295</u>	<u>20,163</u>	<u>23,458</u>	<u>629,840</u>

4 Funding for the academy trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2018 £	Total 2017 £
DfE / ESFA grants				
General annual grant (GAG)	-	3,082,400	3,082,400	2,440,798
Start up grants	-	70,000	70,000	-
Other DfE group grants	-	499,601	499,601	337,569
	<u>-</u>	<u>3,652,001</u>	<u>3,652,001</u>	<u>2,778,367</u>
Other government grants				
Local authority grants	-	344,033	344,033	216,364
	<u>-</u>	<u>344,033</u>	<u>344,033</u>	<u>216,364</u>
Total funding	<u>-</u>	<u>3,996,034</u>	<u>3,996,034</u>	<u>2,994,731</u>

5 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2018 £	Total 2017 £
Hire of facilities	27,137	-	27,137	4,167
Catering income	513,872	-	513,872	558,599
Consultancy services	31,916	-	31,916	77,658
Educational visits	29,346	-	29,346	16,063
Student fee income	9,660	-	9,660	3,900
Other income	68,353	-	68,353	50,516
	<u>680,284</u>	<u>-</u>	<u>680,284</u>	<u>710,903</u>

**THE FAMILY OF LEARNING TRUST
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2018**

6 Investment income

	Unrestricted funds £	Restricted funds £	Total 2018 £	Total 2017 £
Short term deposits	403	-	403	627

7 Expenditure

	Staff costs £	Non Pay Expenditure Premises £	Other £	Total 2018 £	Total 2017 £
Expenditure on raising funds					
- Direct costs	286,060	-	293,790	579,850	628,444
Academy's educational operations					
- Direct costs	2,362,811	253,950	193,305	2,810,066	2,120,472
- Allocated support costs	771,159	229,722	277,746	1,278,627	904,553
	3,420,030	483,672	764,841	4,668,543	3,653,469

Net income/(expenditure) for the year includes:

	2018 £	2017 £
Fees payable to auditor for:		
- Audit	8,200	4,500
- Other services	1,305	693
Operating lease rentals	19,648	19,648
Depreciation of tangible fixed assets	237,450	175,410
Loss on disposal of fixed assets	16,500	-
Bank and loan interest	-	(29,464)
Net interest on defined benefit pension liability	28,000	36,000

8 Central services

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

- human resources;
- financial services;
- legal services;
- educational support services.

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

- for the period central services have been capped at £25,000 as agreed.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2018**

8 Central services

(Continued)

The amounts charged during the year were as follows:

	2018	2017
	£	£
Beech Hill School	-	-
Dean Field Community Primary School	25,000	-
	<u>25,000</u>	<u>-</u>

9 Charitable activities

	Unrestricted funds	Restricted funds	Total	Total
	£	£	2018	2017
			£	£
Direct costs				
Educational operations	100,849	2,709,217	2,810,066	2,120,472
Support costs				
Educational operations	80,642	1,197,985	1,278,627	904,553
	<u>181,491</u>	<u>3,907,202</u>	<u>4,088,693</u>	<u>3,025,025</u>

	2018	2017
	£	£
Analysis of support costs		
Support staff costs	771,159	553,568
Technology costs	52,561	40,325
Premises costs	229,722	179,373
Other support costs	213,310	126,094
Governance costs	11,875	5,193
	<u>1,278,627</u>	<u>904,553</u>

10 Governance costs

	Unrestricted funds	Restricted funds	Total	Total
	£	£	2018	2017
			£	£
Amounts included in support costs				
Legal and professional fees	-	2,320	2,320	-
Auditor's remuneration				
- Audit of financial statements	-	8,200	8,200	4,500
- Other audit costs	50	1,305	1,355	693
	<u>50</u>	<u>11,825</u>	<u>11,875</u>	<u>5,193</u>

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2018**

11 Staff

Staff costs

Staff costs during the year were:

	2018	2017
	£	£
Wages and salaries	2,613,428	2,043,206
Social security costs	204,277	154,747
Pension costs	522,520	417,493
Staff costs	3,340,225	2,615,446
Agency staff costs	2,551	-
Staff restructuring costs	-	10,309
Staff development and other staff costs	77,254	53,782
Total staff expenditure	<u>3,420,030</u>	<u>2,679,537</u>

Staff restructuring costs comprise:

Redundancy payments	-	10,309
	<u>-</u>	<u>10,309</u>

Staff numbers

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

	2018	2017
	Number	Number
Teachers	32	25
Administration and support	127	97
Management	5	6
	<u>164</u>	<u>128</u>

Higher paid staff

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

	2018	2017
	Number	Number
£60,001 - £70,000	1	1
£70,001 - £80,000	-	1
£80,001 - £90,000	1	-
	<u>1</u>	<u>1</u>

**THE FAMILY OF LEARNING TRUST
(PREVIOUSLY BEECH HILL SCHOOL)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2018**

11 Staff

(Continued)

Key management personnel

The key management personnel of the academy trust comprise the governors and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £441,821 (2017: £329,796)

12 Governors' remuneration and expenses

The headteacher and other staff governors only receive remuneration in respect of services they provide undertaking the roles of headteacher and staff, and not in respect of their services as governors. Other governors did not receive any payments, other than expenses, from the academy trust in respect of their role as governors. During the year, travel and subsistence payments totalling £Nil (2017: £Nil) were reimbursed to governors.

The value of governors' remuneration was as follows:

Mrs S A Hussain (Headteacher)

Remuneration	£85,000 - £90,000 (2017: £75,000 - £80,000)
Pension	£10,000 - £15,000 (2017: £10,000 - £15,000)

Mrs F Pether (Staff up to 28 February 2018, Headteacher from 1 March 2018)

Remuneration	£60,000 - £65,000 (2017: £55,000 - £60,000)
Pension	£5,000 - £10,000 (2017: £5,000 - £10,000)

Mr M Sharp (staff)*

Remuneration	£Nil (2017: £10,000 - £15,000)
Pension	£Nil - £5,000 (2017: £Nil - £5,000)

Mr M Sadiq (staff)

Remuneration	£5,000 - £10,000 (2017: £5,000-£10,000)
Pension	£Nil (2017: £Nil)

Mrs S Bowling (staff)

Remuneration	£45,000 - £50,000 (2017: £40,000-45000)
Pension	£5,000 - £10,000 (2017: £5000,-10,000I)

Mr M Sharp resigned 31 December 2016, this is therefore remuneration for the period up to his resignation.

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

13 Governors and officers insurance

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

THE FAMILY OF LEARNING TRUST
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2018

14 Tangible fixed assets

	Land and buildings	Computer equipment	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 September 2017	8,133,204	157,832	67,554	42,712	8,401,302
Transfer on conversion	3,039,073	-	-	-	3,039,073
Additions	98,347	10,892	37,640	-	146,879
Disposals	(40,000)	-	(3,232)	-	(43,232)
At 31 August 2018	11,230,624	168,724	101,962	42,712	11,544,022
Depreciation					
At 1 September 2017	669,479	89,693	49,530	42,711	851,413
On disposals	(10,000)	-	(3,232)	-	(13,232)
Charge for the year	203,287	25,434	8,729	1	237,451
At 31 August 2018	862,766	115,127	55,027	42,712	1,075,632
Net book value					
At 31 August 2018	10,367,858	53,597	46,935	-	10,468,390
At 31 August 2017	7,463,725	68,139	18,024	1	7,549,889

15 Stocks

	2018 £	2017 £
Catering stock	4,229	1,371

16 Debtors

	2018 £	2017 £
Trade debtors	43,449	77,845
VAT recoverable	12,618	87,476
Other debtors	22,652	71,576
Prepayments and accrued income	141,869	85,783
	220,588	322,680

**THE FAMILY OF LEARNING TRUST
(PREVIOUSLY BEECH HILL SCHOOL)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2018**

17	Creditors: amounts falling due within one year	2018	2017
		£	£
	Other loans	1,022	1,022
	Trade creditors	91,085	456,924
	Other creditors	37,317	251,149
	Accruals and deferred income	102,283	70,050
		<u>231,707</u>	<u>779,145</u>
18	Creditors: amounts falling due after more than one year	2018	2017
		£	£
	Other loans	7,153	7,153
		<u>7,153</u>	<u>7,153</u>
	Analysis of loans		
	Not wholly repayable within five years by instalments	3,065	3,065
	Wholly repayable within five years	5,110	5,110
		<u>8,175</u>	<u>8,175</u>
	Less: included in current liabilities	(1,022)	(1,022)
		<u>7,153</u>	<u>7,153</u>
	Amounts included above	7,153	7,153
		<u>7,153</u>	<u>7,153</u>
	Instalments not due within five years	3,065	3,065
		<u>3,065</u>	<u>3,065</u>
	Loan maturity		
	Debt due in one year or less	1,022	1,022
	Due in more than one year but not more than two years	1,022	1,022
	Due in more than two years but not more than five years	3,066	3,066
	Due in more than five years	3,065	3,065
		<u>8,175</u>	<u>8,175</u>

**THE FAMILY OF LEARNING TRUST
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2018**

19 Deferred income	2018 £	2017 £
Deferred income is included within:		
Creditors due within one year	81,215	46,650
	<u>81,215</u>	<u>46,650</u>
Deferred income at 1 September 2017	46,650	41,424
Released from previous years	(46,650)	(41,424)
Resources deferred in the year	81,215	46,650
	<u>81,215</u>	<u>46,650</u>
Deferred income at 31 August 2018	81,215	46,650

Deferred income relates to Universal Free School Meal (UFSM) funding. All amounts were received in advance of the 2018/19 academic year which they relate to from the Education Funding Agency.

20 Funds	Balance at 1 September 2017 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2018 £
Restricted general funds					
General Annual Grant (GAG)	548,369	3,082,400	(2,572,557)	(113,212)	945,000
Start up grants	-	70,000	(54,323)	-	15,677
Other DfE / ESFA grants	-	499,601	(485,577)	-	14,024
Other government grants	-	344,033	(343,767)	-	266
Pension reserve	(998,000)	-	(222,000)	441,000	(779,000)
	<u>(449,631)</u>	<u>3,996,034</u>	<u>(3,678,224)</u>	<u>327,788</u>	<u>195,967</u>
Restricted fixed asset funds					
Transfer on conversion	5,679,758	3,039,073	(133,983)	-	8,584,848
DfE group capital grants	64,676	16,582	(6,147)	-	75,111
Capital expenditure from GAG	1,193,000	-	(102,008)	113,212	1,204,204
Private sector capital sponsorship	612,458	3,581	(11,812)	-	604,227
	<u>7,549,892</u>	<u>3,059,236</u>	<u>(253,950)</u>	<u>113,212</u>	<u>10,468,390</u>
Total restricted funds	7,100,261	7,055,270	(3,932,174)	441,000	10,664,357
Unrestricted funds					
General funds	277,285	694,240	(736,369)	-	235,156
	<u>277,285</u>	<u>694,240</u>	<u>(736,369)</u>	<u>-</u>	<u>235,156</u>
Total funds	7,377,546	7,749,510	(4,668,543)	441,000	10,899,513

**THE FAMILY OF LEARNING TRUST
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2018**

20 Funds

(Continued)

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

General Annual Grant (GAG) must be used for the normal running costs of the academy. 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 2018.

Other restricted grants consist of Early Years funding from the local authority, Pupil Premium grants and Start Up grants.

Restricted fixed assets were funded by government and other private company grants and transfers from predecessor school. The transfer from GAG during the year of £113,212 represents an element of funding from GAG towards the classroom extension, hall ceiling, lockers, staff kitchen and bell system.

The school is to use £100,000 to £200,000 to expand on the entrance and office. The school would still like to build the new sports hall, but this will only go ahead if the school can attract funding with only a nominal contribution from the school. The balance of reserves will be held to ensure the financial stability of the MAT and to ensure the school long term holds a good reserve.

**THE FAMILY OF LEARNING TRUST
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2018**

20 Funds

(Continued)

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

	Balance at 1 September 2016 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2017 £
Restricted general funds					
General Annual Grant (GAG)	1,122,446	2,440,798	(1,978,327)	(1,036,548)	548,369
Other DfE / ESFA grants	-	337,569	(346,767)	9,198	-
Other government grants	-	216,364	(223,747)	7,383	-
Pension reserve	(1,854,000)	-	(201,000)	1,057,000	(998,000)
	<u>(731,554)</u>	<u>2,994,731</u>	<u>(2,749,841)</u>	<u>37,033</u>	<u>(449,631)</u>
Restricted fixed asset funds					
Transfer on conversion	5,776,715	-	(96,957)	-	5,679,758
DfE group capital grants	58,916	10,157	(4,397)	-	64,676
Capital expenditure from GAG	240,335	-	(67,302)	1,019,967	1,193,000
Private sector capital sponsorship	-	619,212	(6,754)	-	612,458
	<u>6,075,966</u>	<u>629,369</u>	<u>(175,410)</u>	<u>1,019,967</u>	<u>7,549,892</u>
Total restricted funds	<u>5,344,412</u>	<u>3,624,100</u>	<u>(2,925,251)</u>	<u>1,057,000</u>	<u>7,100,261</u>
Unrestricted funds					
General funds	<u>293,502</u>	<u>712,001</u>	<u>(728,218)</u>	<u>-</u>	<u>277,285</u>
Total funds	<u>5,637,914</u>	<u>4,336,101</u>	<u>(3,653,469)</u>	<u>1,057,000</u>	<u>7,377,546</u>

**THE FAMILY OF LEARNING TRUST
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2018**

20 Funds

(Continued)

A current year 12 months and prior year 12 months combined position is as follows:

	Balance at 1 September 2016 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2018 £
Restricted general funds					
General Annual Grant (GAG)	1,122,446	5,523,198	(4,550,884)	(1,149,760)	945,000
Start up grants	-	70,000	(54,323)	-	15,677
Other DfE / ESFA grants	-	837,170	(832,344)	9,198	14,024
Other government grants	-	560,397	(567,514)	7,383	266
Pension reserve	(1,854,000)	-	(423,000)	1,498,000	(779,000)
	<u>(731,554)</u>	<u>6,990,765</u>	<u>(6,428,065)</u>	<u>364,821</u>	<u>195,967</u>
Restricted fixed asset funds					
Transfer on conversion	5,776,715	3,039,073	(230,940)	-	8,584,848
DfE group capital grants	58,916	26,739	(10,544)	-	75,111
Capital expenditure from GAG	240,335	-	(169,310)	1,133,179	1,204,204
Private sector capital sponsorship	-	622,793	(18,566)	-	604,227
	<u>6,075,966</u>	<u>3,688,605</u>	<u>(429,360)</u>	<u>1,133,179</u>	<u>10,468,390</u>
Total restricted funds	<u>5,344,412</u>	<u>10,679,370</u>	<u>(6,857,425)</u>	<u>1,498,000</u>	<u>10,664,357</u>
Unrestricted funds					
General funds	<u>293,502</u>	<u>1,406,241</u>	<u>(1,464,587)</u>	<u>-</u>	<u>235,156</u>
Total funds	<u>5,637,914</u>	<u>12,085,611</u>	<u>(8,322,012)</u>	<u>1,498,000</u>	<u>10,899,513</u>

Total funds analysis by academy

	2018 £	2017 £
Fund balances at 31 August 2018 were allocated as follows:		
Beech Hill School	1,137,490	825,654
Dean Field Community Primary School	72,633	-
Total before fixed assets fund and pension reserve	<u>1,210,123</u>	<u>825,654</u>
Restricted fixed asset fund	10,468,390	7,549,892
Pension reserve	(779,000)	(998,000)
Total funds	<u>10,899,513</u>	<u>7,377,546</u>

**THE FAMILY OF LEARNING TRUST
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2018**

20 Funds

(Continued)

Total cost analysis by academy

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

	Teaching and educational support staff £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total £
Beech Hill School	1,992,639	815,730	196,566	598,663	3,603,598
Dean Field Community Primary School	516,571	104,382	45,103	144,939	810,995
	<u>2,509,210</u>	<u>920,112</u>	<u>241,669</u>	<u>743,602</u>	<u>4,414,593</u>

21 Analysis of net assets between funds

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
Fund balances at 31 August 2018 are represented by:				
Tangible fixed assets	-	-	10,468,390	10,468,390
Current assets	235,156	1,170,343	43,484	1,448,983
Creditors falling due within one year	-	(195,376)	(36,331)	(231,707)
Creditors falling due after one year	-	-	(7,153)	(7,153)
Defined benefit pension liability	-	(779,000)	-	(779,000)
Total net assets	<u>235,156</u>	<u>195,967</u>	<u>10,468,390</u>	<u>10,899,513</u>

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
Fund balances at 31 August 2017 are represented by:				
Tangible fixed assets	-	-	7,549,889	7,549,889
Current assets	277,285	745,876	588,794	1,611,955
Creditors falling due within one year	-	(197,507)	(581,638)	(779,145)
Creditors falling due after one year	-	-	(7,153)	(7,153)
Defined benefit pension liability	-	(998,000)	-	(998,000)
Total net assets	<u>277,285</u>	<u>(449,631)</u>	<u>7,549,892</u>	<u>7,377,546</u>

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2018**

22 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 West Yorkshire 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 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 April 2019.

The pension costs paid to the TPS in the period amounted to £182,264 (2017: £142,870).

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

**THE FAMILY OF LEARNING TRUST
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
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22 Pension and similar obligations

(Continued)

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 scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 17% for employers and 5.5-6.8% for employees. The estimated value of employer contributions for the forthcoming year is £205,000.

As the scheme is currently in deficit, the academy is required to pay additional contributions above the normal funding levels. The length of the agreement is likely to last 2 - 3 years but is currently uncertain. The additional contributions paid in the year amounted to £nil (2017 - £Nil).

The LGPS obligation relates to the employees of the academy trust who were employees transferred as part of the conversion from the maintained school (as described in note 27) together with 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	2018 £	2017 £
Employer's contributions	187,000	106,000
Employees' contributions	69,000	44,000
	<hr/>	<hr/>
Total contributions	256,000	150,000
	<hr/>	<hr/>

Principal actuarial assumptions	2018 %	2017 %
Rate of increase in salaries	3.25	3.25
Rate of increase for pensions in payment/inflation	2.0	2.0
Discount rate for scheme liabilities	2.8	2.5
Inflation assumption (CPI)	2.0	2.0
Rate of increase to deferred pensions	2.0	2.0
Rate of revaluation of pension accounts	2.0	2.0
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**THE FAMILY OF LEARNING TRUST
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2018**

22 Pension and similar obligations

(Continued)

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

	2018 Years	2017 Years
Retiring today		
- Males	22.1	22.1
- Females	25.3	25.2
Retiring in 20 years		
- Males	23.1	23.0
- Females	27.1	27.0

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

	2018 Fair value £	2017 Fair value £
Equities	872,916	2,115,624
Government bonds	126,036	263,424
Corporate bonds	40,845	107,016
Cash	23,340	41,160
Property	49,014	123,480
Other assets	54,849	93,296
Total market value of assets	1,167,000	2,744,000

The actual return on scheme assets was £162,000 (2017: £242,000).

Amount recognised in the Statement of Financial Activities

	2018 £	2017 £
Current service cost	381,000	271,000
Interest income	(81,000)	(49,000)
Interest cost	109,000	85,000
Total operating charge	409,000	307,000

**THE FAMILY OF LEARNING TRUST
(PREVIOUSLY BEECH HILL SCHOOL)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2018**

22 Pension and similar obligations

(Continued)

Changes in the present value of defined benefit obligations	2018 £
At 1 September 2017	998,000
Obligations acquired on conversion	771,000
Current service cost	381,000
Interest cost	109,000
Employee contributions	69,000
Actuarial gain	(360,000)
Benefits paid	(22,000)
At 31 August 2018	<u>1,946,000</u>

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

	2018 £
Assets acquired on conversion	771,000
Interest income	81,000
Actuarial gain	81,000
Employer contributions	187,000
Employee contributions	69,000
Benefits paid	(22,000)
At 31 August 2018	<u>1,167,000</u>

**THE FAMILY OF LEARNING TRUST
(PREVIOUSLY BEECH HILL SCHOOL)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2018**

23 Reconciliation of net income to net cash flow from operating activities

	2018	2017
	£	£
Net income for the reporting period (as per the Statement of Financial Activities)	3,080,967	682,632
Adjusted for:		
Net surplus on conversion to academy	(3,049,331)	-
Capital grants from DfE/ESFA and other capital income	(20,163)	(629,369)
Investment income receivable	(403)	(627)
Finance costs payable	-	(29,464)
Defined benefit pension costs less contributions payable	194,000	165,000
Defined benefit pension net finance cost	28,000	36,000
Depreciation of tangible fixed assets	237,451	175,411
Loss on disposal of fixed assets	16,500	-
(Increase) in stocks	(2,858)	(887)
Decrease/(increase) in debtors	102,092	(165,015)
(Decrease)/increase in creditors	(547,438)	467,053
Net cash provided by operating activities	38,817	700,734

24 Commitments under operating leases

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

	2018	2017
	£	£
Amounts due within one year	19,648	19,648
Amounts due in two and five years	19,129	31,109
	38,777	50,757

25 Related party transactions

Mrs Bi was first employed by the school as a midday supervisor in February 2011, this is before her husband Mr Najib was a governor or trustee at the school converted to an Academy until August 2011. At a later date she was interviewed by a member of the Senior Leadership Team as a Support Assistant. The Trustees have delegated powers to the SLT for any appointment below a Deputy Head Teacher position. Mrs Bi is paid in line with normal pay scale rates that are used at the school this is in accordance with NJC rates, total remuneration including employer pension contributions for the period were £14,453 (2017: £11,980)

**THE FAMILY OF LEARNING TRUST
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
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26 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.

27 Conversion to an academy

On 1 January 2018 the Dean Field Community Primary School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to The Family of Learning Trust from the Calderdale 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
Dean Field Community Primary School	Halifax	1 January 2018

	2018
Net assets transferred:	£
Freehold land and buildings	3,039,073
Cash	10,258
	<u>3,049,331</u>

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total 2018 £
Funds surplus/(deficit) transferred:				
Fixed assets funds	-	-	3,039,073	3,039,073
Other funds	10,258	-	-	10,258
	<u>10,258</u>	<u>-</u>	<u>3,039,073</u>	<u>3,049,331</u>

The land and building have a 125 year lease with Calderdale.