

THE LEARNING PARTNERSHIP TRUST

TRUSTEES REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2016

THE LEARNING PARTNERSHIP TRUST
(A Company Limited by Guarantee)

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THE LEARNING PARTNERSHIP TRUST
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY TRUST, ITS MEMBERS, TRUSTEES
AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2016**

Members	Diane Hancock Robert Jones Rosalind Allsop Allan Wilton Iain Gilchrist
Trustees	Diane Hancock, Chair of Trustees John Clements, Chief Executive Officer & Accounting Officer Victoria Marrow Christopher Hancock Allan Wilton Michelle Dawson Alison Fiala (resigned 13 July 2016) Iain Gilchrist Richard Waterhouse Jackie Castle (appointed 16 December 2015)
Company Secretary	Victoria Marrow
Senior Management Team	Chief Executive Officer, John Clements Headteacher (Roseacres Primary School), Isobel Barron Headteacher (Takeley Primary School), Gill Doyle Business Director, Victoria Marrow
Company name	The Learning Partnership Trust
Principal and registered office	Hatfield Heath Primary School Hatfield Heath Essex CM22 7EA
Company registered number	09380027
Independent Auditors	Price Bailey LLP Chartered Accountants Causeway House 1 Dane Street Bishop's Stortford Hertfordshire CM23 3BT
Bankers	Lloyds Bank Plc 20 North Street Bishop's Stortford Herts CM23 2LN
Solicitors	Stone King 30 Station Road Cambridge CB1 2RE

THE LEARNING PARTNERSHIP TRUST
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2016

The Trustees present their Annual Report together with the financial statements and Auditor's Report of The Learning Partnership Trust (The Trust or the Charitable Company) for the year ended 31 August 2016. The Annual Report serves the purposes of both a Trustees' Report, and a Directors' Report under company law.

The Trust operates three Primary Academies serving a catchment area in Hatfield Heath and Takeley in Essex (the Academy). The Academies have a combined potential capacity of 840 (2 x one form entry, one two form entry). One (Roseacres) is a new school with only 36 children in its first year.

This Report should be read in context: The Trust is in "start-up" mode. 2015/2016 is the first year in which there was more than one Academy. The Trust is a collection of 3 local primaries, only one of which is more than one-form entry. One opened in September 2015. As a result, the Trust is in the process of setting up the most efficient, cost effective and suitable procedures for a small primary group of academies. It has no secondary schools, preferring to be a small group of primaries working together pooling excellence in primary education, primary experience and sharing key staff across the schools. The Trust currently does not have the wish, resources or capacity for administration of large secondary led MATs.

Structure, Governance and Management

The Trust is a company limited by guarantee and an exempt charity. The Charitable Company's Memorandum and Articles of Association are its primary governing documents. The Trustees of The Charitable Company are also the Directors for the purposes of company law. The terms Trustee and Director are interchangeable. The Charitable Company includes the following Academies:

- Hatfield Heath Primary School converted on 1 February 2015
- Roseacres Primary School opened and joined the Trust on 1 September 2015
- Takeley Primary School converted and joined the Trust on 1 January 2016.

The operation of the Academies and employment of staff are the responsibility of the Trustees. The Trust retains control of Academy budgets and finances, and monitors these through its Finance Committee and Trustees Meetings. Throughout this report the Board of Trustees is referred to as the Main Governing Body (MGB). Each Academy has appointed Local Governing Bodies (LGB) who have delegated authority to administer their Academy within agreed budgets. All roles and responsibilities are identified within the current scheme of delegation.

Details of the Trustees who served throughout the period are included in the Reference and Administrative Details section. Within this Report the term Trustee refers to a member of the MGB and the term Governor to a member of an LGB. Details of the Trustees who served during the year are included in the Reference and Administrative Details section.

Members' Liability

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

Trustees and Officers' Indemnities

In accordance with normal commercial practice the Trust has purchased insurance to protect Trustees, Governors and Officers from claims arising from negligent acts, errors or omissions occurring whilst on Trust business. The insurance provides cover up to £5,000,000 on any one claim and details of the costs are disclosed in Note 11 to the accounts.

Method of Recruitment and Appointment or Election of Trustees

The Members may appoint up to 8 Trustees, through such process as they may determine. The Trustees may appoint co-opted Trustees. The long term approach to appointing new Trustees has not yet been determined (the Trust being less than 2 years old).

The arrangements are as set out in the Articles and Funding Agreement.

Trustees are appointed for a fixed term. The Chief Executive Officer (CEO) is an ex officio member of the MGB. Other Trustees are elected to office or appointed if there are insufficient candidates offering themselves for election. The Articles of Association make provision for up to 8 Trustees plus the CEO.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

Policies and Procedures Adopted for the Induction and Training of Trustees and Governors

The Trust is committed to providing adequate opportunities for Trustees and Governors to undertake and receive suitable training so as to enable them to perform their role effectively. There is a named induction/link Trustee who has the responsibility for identifying and encouraging participation of appropriate training in relevant key areas. In addition to external training opportunities exist for in-house training and development and attendance at conferences. New Trustees and Governors are encouraged to attend a training programme.

Organisational Structure

The governance of the Trust is defined in the Memorandum and Articles of Association together with the Funding Agreement with the Department of Education, plus an agreed Scheme of Delegation.

The MGB, meets on at least 3 occasions each year in addition to the Finance Committee meetings. The MGB is responsible for the strategic direction of the Trust. The Trustees are responsible for setting strategic policy, adopting an annual plan and budget, monitoring The Trust by the use of those budgets and making major decisions about the direction of The Trust, capital expenditure and senior staff appointments. The Governors within their LGB's are responsible for implementing strategic policy, ensuring the appropriateness of annual budgets and capital expenditure projects for their Academy. The monitoring of performance against that budget is done primarily by the Finance Committee.

The Academy Senior Leadership Teams (SLT's) control the Academies at an executive level implementing policies and reporting to their LGB. Each SLT is responsible for the day to day operation of their Academy, in particular organising staff, resources and students. They are responsible for the authorisation of spending within agreed budgets and for the appointment of staff following vetting and safeguarding recruitment processes.

The Trust Senior Management Team comprising of 3 head teachers (one of whom is the CEO) and the Business Director who looks across the Trust and aligns local SLT and LGB activity with the strategic aims of The Trust as a whole.

The Trust's CEO is the Accounting Officer.

Arrangements for setting pay and remuneration of key management personnel

Key management personnel include Trustees and those staff to whom the Trustees have delegated significant authority and responsibility in the day-to-day running of the Trust.

Key management's pay and remuneration is set by the MGB, upon the recommendation of the Finance Committee. Advice is taken, where appropriate from Local Authority HR to benchmark and MAT and Academy size is taken into account. In addition, pay levels may be affected by nationally agreed pay awards, the ability to recruit and retain in post, all of which are in accordance with the Trust's appointment and pay policies.

All amendments to key management's pay and remuneration is approved by the Finance committee and ratified by the MGB.

Related Parties and other Connected Charities and Organisations

The Trust is not part of a wider network, neither does it have a formal sponsor.

Objectives and Activities

Objects and Aims

The principal object and aim of the Charitable Company is the operation of a family of Academies to provide free education and care for pupils of different abilities within its local community between the ages of 4 and 11.

Objectives, Strategies and Activities

During the year the Trust has worked towards these aims by:

- Opening Roseacres School as a new school in Takeley.
- Sponsoring Takeley School, which joined the Trust in January 2016.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

Our success in fulfilling our aims can be measured by:

- Takeley School was rated 'Good' by Ofsted in late 2015.
- Roseacres School opened with a full Early Years class.
- Hatfield Heath School has provided support to both schools, but has continued to thrive and is over subscribed.

Public Benefit

The Trustees believe that by working towards the objects and aims of the Trust as detailed above, they have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission.

Strategic Report

Achievements and Performance

Key Performance Indicators

The Trustees receive regular information at each MGB and LGB meeting to enable them to monitor the performance of the Trust and the constituent Academies compared to aims, strategies and financial budgets.

As funding is based on pupil numbers this is a key performance indicator. Hatfield Heath is full; Roseacres opened with mainly Early Years class which was full. Takeley had 345 pupils on the role as at July 2016.

The Finance Committee also monitor premises costs to General Annual Grant (GAG) income; capitation spend for curriculum departments to GAG income; total income less grants and cash flow on a regular basis to ensure that the budget is set and managed appropriately.

Going Concern

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

Financial Review

The principal source of funding for the Trust is the General Annual Grant (GAG) and other grants that it receives from the Education Funding Agency (EFA). For the year ended 31 August 2016 the Trust received £2,380,351 of GAG and other funding. A high percentage of this income is spent on wages and salaries and support costs to deliver the Trust's primary objective of the provision of education. During the year the Trust spent £2,562,768 on expenditure. The Trust brought forward from 14/15, £1,952,111 restricted funds and £205,070 unrestricted funding. The carry forward for 15/16 is £7,770,268 restricted funding and £248,035 unrestricted funding.

Due to the accounting rules for the Local Government Pension Scheme under FRS102, the Trust is recognising a significant pension fund deficit of £1,571,000. This does not mean that an immediate liability for this amount crystallises and such a deficit generally results in a cash flow effect in the form of increased employer contributions over a number of years.

Reserves Policy

The Trustees are aware of the requirement to balance current and future needs and always aim to set a balanced budget with annual income balancing annual expenditure. The Trustees monitor estimated year-end carry forward figures via the monthly reports from the Business Director. The budget plan identifies how any carry forward will be allocated in the plan for the following academic year, including the identification of any funds earmarked for a specific project or purpose.

The Trust's current level of free reserves (total funds less the amount held in fixed assets and restricted funds) is £248,035. This has been built up from a mixture of locally raised income and balances transferred from the predecessor schools.

The Trust's balance on restricted general funds (excluding pension reserve) plus the balance on unrestricted funds at 31 August 2016 was £548,093.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

The cash balance of the Trust has been very healthy all year, ending the year with a balance of £711,885. A significant proportion of this cash is held against specific projects and is not available to meet normal recurring expenditure. The Trustees monitor cash flow as part of the remit of the Finance and Audit Committee and attempt to hold a minimum of £350,000 to cover short term cash flow variances.

Investment Policy

An Investment Policy was approved by the MGB on 18 November 2015.

The aim of the policy is to ensure funds that the Trust does not immediately need to cover anticipated expenditure are invested to maximise its income but with minimal risk. The aim is to research where funds may be deposited applying prudence in ensuring there is minimum risk. The Trustees do not consider the investment of surplus funds as a primary activity, rather as good stewardship and as and when circumstances allow.

Principal Risks and Uncertainties

The Trust works with the LGB's in maintaining a central risk register identifying the major risks, to which each Academy is exposed, and identifying actions and procedures to mitigate those risks. This register is approved and monitored by the MGB. The internal control systems and the exposure to identified risks are monitored on behalf of the Trustees at each Finance Committee meeting. The principal risks facing the Trust are outlined below; those facing the Academies at an operational level are addressed by its systems and by internal financial and other controls.

The Trustees report that the Trust's financial and internal controls conform to guidelines issued by the EFA, and that improvements to the wider framework of systems dealing with business risk and risk management strategy continue to be made and formally documented.

It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

As a group of academy schools, the level of financial risk is low. Takeley school joined the Trust in January and it is taking time to fully adapt their finances to the Trust model and check that all previous financial records for the school are accurate as a trusted baseline from which to ensure secure development.

Cash flows can be reliably forecast, monitored and reported. Staff costs make up the majority of expenditure and are relatively stable with contingencies in place to cover such items as sickness and maternity.

The Trustees assess the other principal risks and uncertainties facing the Trust as follows:

- each Academy within the Trust has considerable reliance on continued Government funding through the EFA and there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms;
- failures in governance and/or management - the risk in this area arises from potential failure to effectively manage the Trust's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Trustees continue to review and ensure that appropriate measures are in place to mitigate these risks;
- reputational - the continuing success of the individual Academies is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk Trustees ensure that student progress and outcomes are closely monitored and reviewed;
- safeguarding and child protection - the Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health & safety and discipline;
- staffing - the success of the Academies is reliant on the quality of its staff and the Trustees monitor and review policies and procedures and recruitment to ensure continued development and training of staff as well as ensuring there is clear succession planning;
- fraud and mismanagement of funds - the Trust has appointed Essex Education Services and SBM Services to carry out independent and external checks on financial systems and records as required by the Academy Financial Handbook. All finance staff receive training to keep up to date with financial practice requirements and develop their skills in this area;
- financial instruments – the Trust only deals with bank balances, cash and trade creditors, with limited trade (and other) debtors. The risk in this area is considered to be low; and
- defined benefit pension liability – as the Government has agreed to meet the defined benefit pension liability of any Academy ceasing to exist the main risk to the Trust is an annual cash flow funding of part of the deficit. Trustees take these payments into account when setting the annual budget plan.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

The Trust and each Academy have continued to strengthen its risk management process throughout the year by improving the process and ensuring staff awareness.

Plans for Future Periods

The Trust's plans for 2016/17 are:

- Recruitment and retention – to ensure good quality focused staff development/training – grow our own leaders at all levels. Directly linked to above we aim to be involved in teacher training – using external providers including Cambridge University, Essex SCITT, Catalyst and FIPC.
- Quality of teaching – no teaching less than a 2 with the encouragement and support to develop further and ensure that all children's outcomes show good+ progress from their baseline.
- Ensuring an unremitting focus on school improvement through leadership, challenge and support.
- Stronger together – identifying, building, utilizing our talents, skills, experience, passions and resource to support success in ensuring that our children get the best education and outcomes possible.
- Financial stability and security – ensure that budgetary control is strong and that budgetary planning for the longer term is secure.

Funds Held as Custodian Trustee on Behalf of Others

There are no funds held on behalf of third parties.

Auditor

Insofar as the Trustees are aware:

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

The Trustees' Report, incorporating a Strategic Report, was approved by the Board of Trustees on 14 December 2016 and signed on the Board's behalf by:

Diane Hancock
Chair of Trustees

THE LEARNING PARTNERSHIP TRUST
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GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

As Trustees, we acknowledge we have overall responsibility for ensuring that The Learning Partnership 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 MGB has delegated the day-to-day responsibility to the Headteacher, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between The Learning Partnership Trust and the Secretary of State for Education. They are also responsible for reporting to the MGB any material weaknesses or breakdowns in internal control.

GOVERNANCE

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

Trustee	Meetings attended	Out of a possible
Diane Hancock, Chair of Trustees	4	4
John Clements, Chief Executive Officer	4	4
Victoria Marrow	4	4
Christopher Hancock	4	4
Allan Wilton	3	4
Michelle Dawson	2	4
Alison Fiala	1	3
Iain Gilchrist	4	4
Richard Waterhouse	3	4
Jackie Castle	2	2

Alison Fiala resigned as a Board member as a result of a new employment that did not allow her to continue as a Board member; Jacky Castle joined the board: someone with extensive primary education, school improvement and school data experience.

No detailed self-evaluation and no external review has been undertaken during 2015-16. The reason is that the Trust was in the first year of having three Schools within the MAT (2014-15 was one School) and Trustees have been putting in place suitable structures to govern the three Schools instead of one School. All structures were new and so it was too early to evaluate effectiveness. The plan is to have a self-evaluation at the end of 2016-17 to evaluate next steps, skills need and effectiveness of the present structures.

During 2015-16 most of the Finance/ Audit Committee work has been done at MGB meetings. Going forward, the Finance/ Audit Committee will encompass the audit oversight function. The committee will recommend budgets to the Trustees and LGBs, will monitor performance against the budget, will review Finance Regulations and scrutinise compliance with the Academies Handbook.

There have been no changes in the composition of this Committee. The key challenge since Takeley school joined the Trust has been to review and understand their finances, correct previous mistakes in finance housekeeping and to ensure that a suitable budget is set and adhered to. This work is on going in 2016-17.

Attendance at meetings of the Finance/Audit Committee in the year was as follows:

Trustee	Meetings attended	Out of a possible
Diane Hancock	1	1
Allan Wilton	1	1
John Clements	1	1
Richard Waterhouse	1	1
Christopher Hancock	1	1
Victoria Marrow	1	1

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GOVERNANCE STATEMENT (continued)

REVIEW OF VALUE FOR MONEY

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

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

- Improving educational results:

To ensure standards are continually raised each School operates a programme of lesson observations with a robust coaching, mentoring and support system in place. This ensures the quality of teaching through systematic review and targeted intervention with under performing staff.

Continued professional development programmes include:

- Bespoke training;
- Peer to peer teaching and learning support;
- Distributed leadership linked to school priorities all leading to develop and outstanding performance.

The MAT has introduced revised appraisal procedures to drive up standards and ensure continuity of teaching and enabling support services.

- Better procurement

Remaining vigilant in relation to our responsibility to maintain value for money. New purchases are undertaken within EFA value for money guidelines. EFA frameworks have been used this year for one major purchase and followed for two other lesser purchases.

- Economies of scale

Staffing structures have been reviewed and where identified, more cost effective delivery of educational and support services have been implemented.

Personnel changes have resulted in a more robust challenging of spending and other decisions ensuring a strengthening of financial oversight and governance.

Reviewing our training plans and in the year the Trust delivered multi academy training on one site thereby enabling economies of scale for wider societal issues such as E-safety internet awareness for parents and their children.

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 ongoing process designed to identify and prioritise the risks to the achievement of Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in The Learning Partnership Trust for the year 1 September 2015 to 31 August 2016 and up to the date of approval of the Annual Report and financial statements.

CAPACITY TO HANDLE RISK

The MGB has reviewed the key risks to which the Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The MGB is of the view that there is a formal ongoing process for identifying, evaluating and managing the Trust's significant risks, that has been in place for the year 1 September 2015 to 31 August 2016 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the MGB.

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GOVERNANCE STATEMENT (continued)

THE RISK AND CONTROL FRAMEWORK

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the MGB;
- regular reviews by the Finance/ Audit 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; and
- identification and management of risks.

The MGB has considered the need for a specific internal audit function and has decided to appoint SBM Services and the Essex Education Services Internal Controls Evaluation Team as Internal Auditors.

The Internal Auditor's role includes giving advice on financial matters and performing a range of checks on the Trust's financial systems. On a quarterly basis, the Internal Auditor reports to the MGB on the operation of the systems of control and on the discharge of the MGB's financial responsibilities.

In particular the checks carried out in the current period included:

Payroll Testing
Purchases Testing
Income Testing
Bank and Cash

The visits all focused on giving assurance over compliance with the Academies Financial Handbook and the Trust Financial Regulations.

The checks took place as follows:

Hatfield Heath - Essex Education Services - visit dates 24th May 2016 & 28th June 2016
Takeley Primary School - School Business Management (SBM) Services - 19th May 2016
Roseacres Primary School - School Business Management (SBM) Services - 21st June 2016

The Internal Auditors delivered their schedule of works as planned and a number of material control issues were identified within one of the Schools. These were subsequently addressed and appropriate training and personnel changes were implemented to ensure the School follows the Financial Regulations set out by the Trust. The Trust does not anticipate any further material control issues and continues to monitor and perform checks on each School in accordance with its internal audit programme.

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GOVERNANCE STATEMENT (continued)

REVIEW OF EFFECTIVENESS

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

- the work of the Internal Auditor;
- the work of the external Auditors;
- the financial management and governance self-assessment process; and
- the work of the executive managers within the Trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by the Board of Trustees on 14 December 2016 and signed on their behalf, by:

Diane Hancock
Chair of Trustees

John Clements, Headteacher
Accounting Officer

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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of The Learning Partnership Trust I have considered my responsibility to notify the Trust Board of Trustees and the Education Funding Agency (EFA) of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, 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 2015.

I confirm that I and the Board of Trustees are able to identify any material irregular or improper use of funds by the Trust, or material non-compliance with the terms and conditions of funding under the Trust's funding agreement and the Academies Financial Handbook 2015.

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

John Clements
Accounting Officer

Date: 14 December 2016

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STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2016

The Trustees (who are also the Directors of the Charitable Company for the purposes of company law) are responsible for preparing the Strategic Report, the Trustees' Report and the financial statements in accordance with the Annual Accounts Direction issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies' Accounts Direction 2015 to 2016;
- make judgments and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charitable Company will continue in business.

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

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

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

Approved by the members of the Board of Trustees on 14 December 2016 and signed on its behalf by:

Diane Hancock,
Chair of Trustees

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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE
LEARNING PARTNERSHIP TRUST**

We have audited the financial statements of The Learning Partnership Trust for the year ended 31 August 2016 which comprise the Statement of Financial Activities Incorporating Income and Expenditure Account, the Balance Sheet, the Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Academies Accounts Direction 2015 to 2016 issued by the Education Funding Agency.

This report is made solely to the Trust'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 Trust's Members those matters we are required to state to them in an Auditors' 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 Trust and its Members, as a body, for our audit work, for this report, or for the opinion we have formed.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees (who are also the Directors of the Charitable Company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Trust's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our Report.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the Trust's affairs as at 31 August 2016 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2015 to 2016 issued by the Education Funding Agency.

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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE
LEARNING PARTNERSHIP TRUST**

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Trustees' Report, incorporating the Strategic Report, for the financial year for which the financial statements are prepared is consistent with the financial statements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

Gary Miller (Senior Statutory Auditor)

for and on behalf of

Price Bailey LLP

Chartered Accountants
Statutory Auditors

Causeway House
1 Dane Street
Bishop's Stortford
Hertfordshire
CM23 3BT
16 December 2016

THE LEARNING PARTNERSHIP TRUST
(A Company Limited by Guarantee)

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO THE
LEARNING PARTNERSHIP TRUST AND THE EDUCATION FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 21 March 2016 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2015 to 2016, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Learning Partnership Trust during the year 1 September 2015 to 31 August 2016 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 Learning Partnership Trust and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to The Learning Partnership Trust and the EFA 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 Learning Partnership Trust and the EFA, for our work, for this report, or for the conclusion we have formed.

RESPECTIVE RESPONSIBILITIES OF THE LEARNING PARTNERSHIP TRUST'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT

The Accounting Officer is responsible, under the requirements of The Learning Partnership Trust's funding agreement with the Secretary of State for Education dated 23 January 2015, and the Academies Financial Handbook extant from 1 September 2015, 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 2015 to 2016. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2015 to 31 August 2016 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 2015 to 2016 issued by the EFA. 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 and corroboration of the evidence supporting the Accounting Officer's statement on regularity, propriety and compliance.
- Evaluation of the general control environment of the Academy Trust, extending the procedures required for financial statements to include regularity.
- Discussions with and representations from the Accounting Officer and other key management personnel.
- An extension of substantive testing from our audit of the financial statements to cover matters pertaining to regularity, propriety and compliance in particular checking that selected items were appropriately authorised.

THE LEARNING PARTNERSHIP TRUST
(A Company Limited by Guarantee)

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO THE
LEARNING PARTNERSHIP TRUST AND THE EDUCATION FUNDING AGENCY (continued)**

CONCLUSION

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 2015 to 31 August 2016 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Reporting Accountant

Price Bailey LLP

Chartered Accountants

16 December 2016

THE LEARNING PARTNERSHIP TRUST
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2016**

	Note	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	Total funds 2015 £
INCOME FROM:						
Donations & capital grants:						
Transferred on conversion	2	98,362	(560,000)	5,149,706	4,688,068	1,798,172
Other donations and capital grants	2	-	19,175	1,867,422	1,886,597	30,985
Charitable activities	3	63,988	2,252,152	-	2,316,140	909,107
Other trading activities	4	74,173	-	-	74,173	29,622
Investments		912	-	-	912	172
TOTAL INCOME		<u>237,435</u>	<u>1,711,327</u>	<u>7,017,128</u>	<u>8,965,890</u>	<u>2,768,058</u>
EXPENDITURE ON:						
Charitable activities		194,470	2,242,348	125,950	2,562,768	682,877
TOTAL EXPENDITURE	5	<u>194,470</u>	<u>2,242,348</u>	<u>125,950</u>	<u>2,562,768</u>	<u>682,877</u>
NET INCOME / (EXPENDITURE) BEFORE OTHER GAINS AND LOSSES						
		42,965	(531,021)	6,891,178	6,403,122	2,085,181
Actuarial gains/(losses) on defined benefit pension schemes	21	-	(612,000)	-	(612,000)	72,000
NET MOVEMENT IN FUNDS		<u>42,965</u>	<u>(1,143,021)</u>	<u>6,891,178</u>	<u>5,791,122</u>	<u>2,157,181</u>
RECONCILIATION OF FUNDS:						
Total funds brought forward		205,070	(127,921)	2,080,032	2,157,181	-
TOTAL FUNDS CARRIED FORWARD		<u><u>248,035</u></u>	<u><u>(1,270,942)</u></u>	<u><u>8,971,210</u></u>	<u><u>7,948,303</u></u>	<u><u>2,157,181</u></u>

THE LEARNING PARTNERSHIP TRUST

(A Company Limited by Guarantee)

REGISTERED NUMBER: 09380027

**BALANCE SHEET
AS AT 31 AUGUST 2016**

	Note	£	2016 £	£	2015 £
FIXED ASSETS					
Tangible assets	12		8,906,666		2,080,032
CURRENT ASSETS					
Debtors	13	134,380		67,857	
Cash at bank and in hand		711,885		519,465	
		<u>846,265</u>		<u>587,322</u>	
CREDITORS: amounts falling due within one year	14	(233,628)		(161,173)	
NET CURRENT ASSETS			<u>612,637</u>		<u>426,149</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>9,519,303</u>		<u>2,506,181</u>
Defined benefit pension scheme liability	21		(1,571,000)		(349,000)
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES			<u><u>7,948,303</u></u>		<u><u>2,157,181</u></u>
FUNDS OF THE ACADEMY					
Restricted funds :					
Restricted funds	15	300,058		221,079	
Restricted fixed asset funds	15	8,971,210		2,080,032	
		<u>9,271,268</u>		<u>2,301,111</u>	
Restricted funds excluding pension liability					
Pension reserve		(1,571,000)		(349,000)	
		<u></u>		<u></u>	
Total restricted funds			7,700,268		1,952,111
Unrestricted funds	15		248,035		205,070
			<u>7,948,303</u>		<u>2,157,181</u>
TOTAL FUNDS			<u><u>7,948,303</u></u>		<u><u>2,157,181</u></u>

The financial statements were approved by the Trustees, and authorised for issue, on and are signed on their behalf, by:

14 December 2016

Diane Hancock
Chair of Trustees

The notes on pages 20 to 36 form part of these financial statements.

THE LEARNING PARTNERSHIP TRUST
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2016

	Note	2016 £	2015 £
Cash flows from operating activities			
Net cash provided by operating activities	17	28,602	402,359
Cash flows from investing activities:			
Purchase of tangible fixed assets		(63,655)	(40,063)
Capital grants from DfE/EFA		128,199	6,408
Cash transferred on conversion to an academy		98,362	150,589
Net cash provided by investing activities		162,906	116,934
Interest received		912	172
Net cash provided by financing activities		912	172
Change in cash and cash equivalents in the year		192,420	519,465
Cash and cash equivalents brought forward		519,465	-
Cash and cash equivalents carried forward		711,885	519,465

THE LEARNING PARTNERSHIP TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

1. ACCOUNTING POLICIES

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

1.1 Basis of preparation of financial statements

The financial statements of the Trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2015 to 2016 issued by EFA, the Charities Act 2011 and the Companies Act 2006.

The Learning Partnership Trust constitutes a public benefit entity as defined by FRS 102.

1.2 Fund accounting

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

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

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

1.3 Income

All income is recognised once the Trust has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Statement of Financial Activities Incorporating Income and Expenditure Account 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 entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the Statement of Financial Activities Incorporating Income and Expenditure Account in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance of the restricted fixed asset fund.

Donations are recognised on a receivable basis where there is certainty of receipt and the amount can be reliably measured.

Other income, including the hire of facilities, is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

THE LEARNING PARTNERSHIP TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

1. ACCOUNTING POLICIES (continued)

1.4 Expenditure

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

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Going concern

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

1.6 Tangible fixed assets and depreciation

All assets costing more than £2,500 are capitalised.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the Government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities Incorporating Income and Expenditure Account and carried forward in the Balance Sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of Financial Activities Incorporating Income and Expenditure Account. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

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

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	-	50 years straight line
Leasehold land	-	125 years straight line
Long leasehold property	-	50 years straight line
Fixtures and fittings	-	10 years straight line
Computer equipment	-	5 years straight line

1.7 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Trust; this is normally upon notification of the interest paid or payable by the bank.

THE LEARNING PARTNERSHIP TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

1. ACCOUNTING POLICIES (continued)

1.8 Operating leases

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

1.9 Liabilities and provisions

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.10 Taxation

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

1.11 Pensions

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 21, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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

THE LEARNING PARTNERSHIP TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

1. ACCOUNTING POLICIES (continued)

1.12 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 21, 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 2016. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

2. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	As restated Total funds 2015 £
Transferred on conversion	98,362	(560,000)	5,149,706	4,688,068	1,798,172
Donations	-	19,175	1,739,223	1,758,398	24,577
Capital grants	-	-	128,199	128,199	6,408
Subtotal	-	19,175	1,867,422	1,886,597	30,985
Total donations and capital grants	98,362	(540,825)	7,017,128	6,574,665	1,829,157

Included in donations are fixed assets of £1,722,619 transferred from Essex County Council in respect of the opening of Roseacres Primary Academy. The opening of this School did not meet the definition of an Academy conversion and therefore is not included in note 20.

In 2015, of the total income from donations and capital grants, £165,155 was to unrestricted funds and £1,664,002 was to restricted funds.

THE LEARNING PARTNERSHIP TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

3. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	As restated Total funds 2015 £
DfE/EFA grants				
General Annual Grant (GAG)	-	1,978,014	1,978,014	451,129
Other DfE / EFA grants	-	157,846	157,846	163,616
Start up grant	-	-	-	256,730
Pupil premium	-	29,680	29,680	15,021
	<u>-</u>	<u>2,165,540</u>	<u>2,165,540</u>	<u>886,496</u>
Other government grants				
Other government grants	-	86,612	86,612	9,146
	<u>-</u>	<u>86,612</u>	<u>86,612</u>	<u>9,146</u>
Other funding				
Catering income	63,988	-	63,988	13,465
	<u>63,988</u>	<u>-</u>	<u>63,988</u>	<u>13,465</u>
	<u>63,988</u>	<u>2,252,152</u>	<u>2,316,140</u>	<u>909,107</u>

In 2015, of the total income from charitable activities, £13,465 was to unrestricted funds and £895,642 was to restricted funds.

4. OTHER TRADING ACTIVITIES

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	As restated Total funds 2015 £
Lettings income	1,875	-	1,875	1,247
Other activities	72,298	-	72,298	28,375
	<u>74,173</u>	<u>-</u>	<u>74,173</u>	<u>29,622</u>

In 2015, of the total income from other trading activities, £29,622 was to unrestricted funds and £NIL was to restricted funds.

THE LEARNING PARTNERSHIP TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

5. EXPENDITURE

	Staff costs 2016 £	Premises 2016 £	Other costs 2016 £	Total 2016 £	As restated Total 2015 £
Provision of education:					
Direct costs	1,430,827	-	126,884	1,557,711	380,577
Support costs	419,063	265,720	320,274	1,005,057	303,300
	<u>1,849,890</u>	<u>265,720</u>	<u>447,158</u>	<u>2,562,768</u>	<u>683,877</u>

In 2016, of the total expenditure, £194,470 (2015 - £3,344) was to unrestricted funds, £2,242,348 (2015 - £670,502) was to restricted funds and £125,950 (2015 - £10,031) was to restricted fixed asset funds.

6. CHARITABLE ACTIVITIES

	2016 £	As restated 2015 £
Direct costs	1,557,711	380,577
Support costs	1,005,057	303,300
	<u>2,562,768</u>	<u>683,877</u>

	2016 £	As restated 2015 £
Analysis of support costs:		
Support staff costs	419,063	74,274
Technology costs	74,431	16,224
Premises costs excluding depreciation	139,770	47,753
Other support costs	232,323	144,225
Governance costs	13,520	10,793
Depreciation	125,950	10,031
	<u>1,005,057</u>	<u>303,300</u>

7. NET INCOMING RESOURCES/(RESOURCES EXPENDED)

This is stated after charging:

	2016 £	2015 £
Depreciation of tangible fixed assets:		
- owned by the Trust	125,950	10,031
Auditors' remuneration - audit	6,950	7,000
Auditors' remuneration - non-audit	4,950	3,793
Operating lease rentals	1,732	904
	<u>139,582</u>	<u>24,528</u>

THE LEARNING PARTNERSHIP TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

8. STAFF COSTS

Staff costs were as follows:

	2016	2015
	£	£
Wages and salaries	1,464,837	339,456
Social security costs	104,213	21,409
Operating costs of defined benefit pension schemes	262,980	53,494
	1,832,030	414,359
Supply teacher costs	17,860	5,859
	1,849,890	420,218

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

	2016	2015
	No.	No.
Teachers	22	7
Administration and support	32	20
Management	4	7
	58	34

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

	2016	2015
	No.	No.
In the band £ 60,001 - £ 70,000	1	1

The key management personnel of the Academy Trust comprise the Trustees and the Senior Management Team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the Trust was £242,554 (2015: £94,679).

9. TRUSTEES' REMUNERATION AND EXPENSES

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

Mr J Clements (Headteacher)

Remuneration £65,000-£70,000 (2015: £45,000-£50,000)

Employer's pension contributions paid £10,000-£15,000 (2015: £5,000-£10,000)

Mrs V Marrow (Staff Trustee)

Remuneration £45,000-£50,000 (2015: £25,000-£30,000)

Employer's pension contributions paid £5,000-£10,000 (2015: £0-£5,000)

During the period ended 31 August 2016, expenses totalling £98 (2015: £NIL) were reimbursed or paid directly to 2 Trustees (2015: £NIL) in relation to out of pocket expenses incurred as part of their role staff members.

Comparative figures for 2015 relate to the period from February – August 2015 only.

Other related party transactions involving the Trustees are set out in note 24.

THE LEARNING PARTNERSHIP TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

10. CENTRAL SERVICES

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

- Other support costs
- Technology costs
- Governance costs

The Trust charges for these services by way of a 2.5% GAG top slice.

The Trust has generated a surplus on its central services function in the current year which will be used to support the it's scools as they continue to make the operational transition from maintained to academy schools.

The actual amounts charged during the year were as follows:

	2016	2015
	£	£
Other support costs	22,599	-
Technology costs	21,384	-
Governance costs	23,820	-
	67,803	
Total	67,803	

11. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the Trust has purchased insurance to protect Trustees and Officers from claims arising from negligent acts, errors or omissions occurring whilst on Trust business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2016 was included in the total insurance cost.

12. TANGIBLE FIXED ASSETS

	Freehold property £	L/Term leasehold property £	Fixtures and fittings £	Computer equipment £	Total £
Cost					
At 1 September 2015	-	2,050,000	3,295	36,768	2,090,063
Additions	-	1,691,750	101,194	9,934	1,802,878
Assets received on conversion	5,118,727	-	30,979	-	5,149,706
	5,118,727	3,741,750	135,468	46,702	9,042,647
Depreciation					
At 1 September 2015	-	9,566	107	358	10,031
Charge for the year	51,076	55,853	9,856	9,165	125,950
	51,076	65,419	9,963	9,523	135,981
Net book value					
At 31 August 2016	5,067,651	3,676,331	125,505	37,179	8,906,666
At 31 August 2015	-	2,040,434	3,188	36,410	2,080,032

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

13. DEBTORS

	2016 £	2015 £
Trade debtors	1,335	7,024
VAT recoverable	99,079	43,775
Prepayments and accrued income	33,966	17,058
	134,380	67,857
	134,380	67,857

14. CREDITORS: Amounts falling due within one year

	2016 £	2015 £
Trade creditors	70,294	90,923
Other taxation and social security	35,254	10,714
Other creditors	32,158	9,480
Accruals and deferred income	95,922	50,056
	233,628	161,173
	233,628	161,173

	2016 £	2015 £
Deferred income		
Deferred income at 1 September 2015	18,354	-
Resources deferred during the year	67,469	18,354
Amounts released from previous years	(18,354)	-
	67,469	18,354
	67,469	18,354

Deferred income relates to universal free school meals funding received during the year in question which relates to the 2016-17 academic year.

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15. STATEMENT OF FUNDS

	Brought forward £	Income £	Expenditure £	Transfers in/out £	Gains/ (losses) £	Carried forward £
Unrestricted funds						
Unrestricted funds	205,070	237,435	(194,470)	-	-	248,035
Restricted funds						
General Annual Grant (GAG)	-	1,978,014	(1,717,602)	-	-	260,412
Special Educational Needs (SEN)	-	42,117	(42,117)	-	-	-
Start Up Grant	76,079	-	(76,079)	-	-	-
Pupil Premium	-	82,917	(55,921)	-	-	26,996
Other DfE/EFA grants	145,000	104,609	(236,979)	-	-	12,630
Other government grants	-	44,495	(44,495)	-	-	-
Restricted trip donations	-	19,175	(19,155)	-	-	20
Pension reserve	(349,000)	(560,000)	(50,000)	-	(612,000)	(1,571,000)
	<u>(127,921)</u>	<u>1,711,327</u>	<u>(2,242,348)</u>	<u>-</u>	<u>(612,000)</u>	<u>(1,270,942)</u>
Restricted fixed asset funds						
Fixed assets	2,080,032	6,888,929	(125,950)	63,655	-	8,906,666
Capital grants	-	128,199	-	(63,655)	-	64,544
	<u>2,080,032</u>	<u>7,017,128</u>	<u>(125,950)</u>	<u>-</u>	<u>-</u>	<u>8,971,210</u>
Total restricted funds	<u>1,952,111</u>	<u>8,728,455</u>	<u>(2,368,298)</u>	<u>-</u>	<u>(612,000)</u>	<u>7,700,268</u>
Total of funds	<u><u>2,157,181</u></u>	<u><u>8,965,890</u></u>	<u><u>(2,562,768)</u></u>	<u><u>-</u></u>	<u><u>(612,000)</u></u>	<u><u>7,948,303</u></u>

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

Unrestricted funds

This represents income received that does not have restrictions.

General Annual Grant (GAG)

This represents funding from the EFA to cover the costs of recurrent expenditure.

Special Educational Needs (SEN)

This represents funding from the Local Authority and it is used towards the education of pupils with special educational needs and disabilities.

Start Up Grant

This represents funding from the EFA to assist with raising standards and transform educational attainment

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15. STATEMENT OF FUNDS (continued)

Pupil premium

This represents funding to help raise achievement and improve outcomes for pupils from low income families who are eligible for free school meals.

Other DfE/EFA grants

This represents specific allocated funding for the purpose of delivering education in line with the Academy Funding Agreement.

Other government grants

This represents various grants from local and national government bodies for the provision of specific services to pupils of the Academies.

Restricted trip donations

This represents amounts received as contributions towards trips.

Pension reserve

This reserve represents the Trust's share of the deficit on the Local Government Pension Scheme (LGPS) transferred to the Academies on conversion from state controlled schools.

Restricted fixed asset fund

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

Capital grants

This relates to funding from the Local Authority and EFA in respect of either recurrent or capital expenditure agreed between the Secretary of State and the Trust.

ANALYSIS OF ACADEMIES BY FUND BALANCE

Fund balances at 31 August 2016 were allocated as follows:

	Total 2016 £	Total 2015 £
Hatfield Heath Primary Academy	126,202	302,050
Takeley Primary Academy	141,087	-
Roseacres Primary Academy	167,901	124,099
Central Services	112,903	-
Total before fixed asset fund and pension reserve	548,093	426,149
Restricted fixed asset fund	8,971,210	2,080,032
Pension reserve	(1,571,000)	(349,000)
Total	7,948,303	2,157,181

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15. STATEMENT OF FUNDS (continued)

ANALYSIS OF ACADEMIES BY COST

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2016 £	Total 2015 £
Hatfield Heath Primary Academy	597,974	165,313	53,501	175,210	991,998	673,846
Takeley Primary Academy	592,295	202,732	58,225	105,037	958,289	-
Roseacres Primary Academy	240,558	51,018	12,968	111,994	416,538	-
Central Services	-	-	2,190	67,803	69,993	-
	<u>1,430,827</u>	<u>419,063</u>	<u>126,884</u>	<u>460,044</u>	<u>2,436,818</u>	<u>673,846</u>

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	Total funds 2015 £
Tangible fixed assets	-	-	8,906,666	8,906,666	2,080,032
Current assets	248,035	533,686	64,544	846,265	587,322
Creditors due within one year	-	(233,628)	-	(233,628)	(161,173)
Provisions for liabilities and charges	-	(1,571,000)	-	(1,571,000)	(349,000)
	<u>248,035</u>	<u>(1,270,942)</u>	<u>8,971,210</u>	<u>7,948,303</u>	<u>2,157,181</u>

17. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2016 £	2015 £
Net income for the year (as per Statement of Financial Activities)	6,403,122	2,085,181
Adjustment for:		
Depreciation charges	125,950	10,031
Dividends, interest and rents from investments	(912)	(172)
Increase in debtors	(66,523)	(67,857)
Increase in creditors	72,455	161,173
Capital grants from DfE and other capital income	(128,199)	(6,408)
Defined benefit pension scheme obligation inherited	560,000	403,000
Defined benefit pension adjustments	50,000	18,000
Fixed assets transferred on conversion	(5,149,706)	(2,050,000)
Cash transferred on conversion	(98,362)	(150,589)
Fixed asset donations	(1,739,223)	-
Net cash provided by operating activities	<u>28,602</u>	<u>402,359</u>

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FOR THE YEAR ENDED 31 AUGUST 2016

18. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2016 £	2015 £
Cash in hand	711,885	519,465
Total	711,885	519,465

19. CONVERSION TO AN ACADEMY TRUST

On 1 January 2016 Takeley Primary School converted to Academy Trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to The Learning Partnership Trust from Essex County Council for £NIL consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the Balance Sheet under the appropriate headings with a corresponding net amount recognised as a net gain in the Statement of Financial Activities Incorporating Income and Expenditure Account 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 Incorporating Income and Expenditure Account.

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
Leasehold land and buildings	-	-	5,149,706	5,149,706
Budget surplus/(deficit) on other school funds	98,362	-	-	98,362
LGPS pension surplus/(deficit)	-	(560,000)	-	(560,000)
Net assets/(liabilities)	98,362	(560,000)	5,149,706	4,688,068

The above net assets include £98,362 that were transferred as cash.

20. MEMBERS' LIABILITY

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

THE LEARNING PARTNERSHIP TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

21. PENSION COMMITMENTS

The Trust's employees belong to two principal pension schemes: the Teacher's Pension Scheme for England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Essex County Council. Both are Multi-Employer Defined Benefit Pension Schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2013.

Contributions amounting to £32,158 were payable to the schemes at 31 August 2016 (2015 - £9,480) and are included within creditors.

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

Not less than every four years 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 (currently 14.1%);
- 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; and
- 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%.

During the previous year the employer contribution rate was 14.1%. The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The next valuation of the TPS will be as at March 2016, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The employer's pension costs paid to TPS in the period amounted to £146,719 (2015 - £29,714).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (www.teacherspensions.co.uk/news/employers/2014/06/publication-of-the-valuation-report.aspx).

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

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NOTES TO THE FINANCIAL STATEMENTS
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21. PENSION COMMITMENTS (continued)

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2016 was £47,000 (2015 - £26,000), of which employer's contributions totalled £35,000 (2015 - £20,000) and employees' contributions totalled £12,000 (2015 - £6,000). The agreed contribution rates for future years are 12.2% for employers and 6.5% for employees.

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

Principal actuarial assumptions:

	2016	2015
Discount rate for scheme liabilities	2.20 %	4.00 %
Rate of increase in salaries	4.10 %	4.50 %
Rate of increase for pensions in payment	2.30 %	2.70 %

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

	2016	2015
Retiring today		
Males	22.9	22.8
Females	25.3	25.2
Retiring in 20 years		
Males	25.2	25.1
Females	27.7	27.6

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

	Fair value at 31 August 2016 £	Fair value at 31 August 2015 £
Equities	154,000	54,000
Bonds	18,000	6,000
Property	24,000	9,000
Alternative assets	9,000	3,000
Other managed funds	11,000	4,000
Cash	7,000	2,000
	<u>223,000</u>	<u>78,000</u>
Total market value of assets	<u>223,000</u>	<u>78,000</u>

The actual return on scheme assets was £20,000 (2015 - £NIL).

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21. PENSION COMMITMENTS (continued)

The amounts recognised in the Statement of Financial Activities Incorporating Income and Expenditure Account are as follows:

	2016 £	2015 £
Current service cost (net of employee contributions)	(119,000)	(31,000)
Net interest cost	(27,000)	(7,000)
	<u> </u>	<u> </u>
Total	(146,000)	(38,000)
	<u> </u>	<u> </u>
Actual return on scheme assets	15,000	-
	<u> </u>	<u> </u>

Movements in the present value of the defined benefit obligation were as follows:

	2016 £	2015 £
Opening defined benefit obligation	426,000	-
Upon conversion	560,000	455,000
Current service cost	119,000	31,000
Interest cost	32,000	7,000
Contributions by employees	29,000	6,000
Actuarial losses/(gains)	627,000	(73,000)
	<u> </u>	<u> </u>
Closing defined benefit obligation	1,793,000	426,000
	<u> </u>	<u> </u>

Movements in the fair value of the Trust's share of scheme assets:

	2016 £	2015 £
Opening fair value of scheme assets	78,000	-
Upon conversion	-	52,000
Interest income	5,000	1,000
Actuarial gains and (losses)	15,000	(1,000)
Contributions by employer	96,000	20,000
Contributions by employees	29,000	6,000
	<u> </u>	<u> </u>
Closing fair value of scheme assets	223,000	78,000
	<u> </u>	<u> </u>

22. OPERATING LEASE COMMITMENTS

At 31 August 2016 the total of the Trust's future minimum lease payments under non-cancellable operating leases was:

	2016 £	2015 £
Amounts payable:		
Within 1 year	2,357	786
Between 1 and 5 years	2,861	1,572
	<u> </u>	<u> </u>
Total	5,218	2,358
	<u> </u>	<u> </u>

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23. RELATED PARTY TRANSACTIONS

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

No related party transactions took place in the period of account.