

Company Registration Number: 09857254 (England & Wales)

COUNTESTHORPE LEYSLAND COMMUNITY COLLEGE

(A company limited by guarantee)

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

COUNTESTHORPE LEYSLAND COMMUNITY COLLEGE
(A company limited by guarantee)

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COUNTTESTHORPE LEYSLAND COMMUNITY COLLEGE
(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS

Members	R Fairhurst S Keyte S Lomasney S Uprichard R Wall
Governors	S Uprichard, Chair of Governors C Aitcheson, Principal A Bluff J Chinery J Hayes K Hollingshead S McDonald E Perkins R Wall S Busson (appointed 25 October 2018) K Rose (appointed 25 October 2018)
Company registered number	09857254
Company name	Countesthorpe Leysland Community College
Principal and registered office	Winchester Road Countesthorpe Leicestershire LE8 5PR
Company secretary	S Kaur
Senior management team	C Aitcheson, Principal T Gartside, Senior Assistant Principal D Thurston, Senior Assistant Principal S Kaur, Business Manager E Birch, Assistant Principal K Russell, Assistant Principal
Independent auditor	Cooper Parry Group Limited Chartered Accountants One Central Boulevard Blythe Valley Business Park Solihull West Midlands B90 8BG

COUNTSTHORPE LEYSLAND COMMUNITY COLLEGE
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REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Bankers

Natwest Bank Plc
7 Hinckley Road
Leicester
Leicestershire
LE3 8RA

Solicitors

Leicestershire County Council
Legal Services
County Hall
Glenfield
Leicestershire
LE3 8RA

COUNTESTHORPE LEYSLAND COMMUNITY COLLEGE
(A company limited by guarantee)

GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2019

The Governors present their annual report together with the financial statements and auditor's report of the charitable company for the period from 1 September 2018 to 31 August 2019. The annual report serves the purposes of both a Governors' report and a Directors' report, including a strategic report, under company law.

The Trust operates as an Academy Trust for pupils aged 11 to 19 serving a catchment area in South Leicestershire with a pupil capacity of 1,795 and 1,420 pupils currently enrolled based on the October 2019 Census.

Countesthorpe Leysland Community College is a merged Academy Trust. In September 2016, two academies, Countesthorpe Community College and Leysland High School merged to form Countesthorpe Leysland Community College. The Academy Trust caters for students from Year 7 to Year 13. A continuous learning experience is at the heart of the Academy Trust, providing a wide range of learning opportunities and experiences to prepare students for adult life.

The catchment area of Countesthorpe, Blaby, Whetstone and the outlying villages has a thriving community. Plans are in place for a significant increase in housing through Blaby District over the next five years which will see an increased demand for secondary school places, this is already evident in the primary phase.

Countesthorpe Leysland Community College have been associate members of the LiFE Multi-Academy Trust since September 2018. The LiFE MAT has similar ethos and values to Countesthorpe Leysland Community College. The Governors have decided that the best option for the College to ensure that outcomes for all students continue to improve is to join the LiFE MAT. During 2020, Countesthorpe Leysland Community College will have joined the LiFE MAT, this has been agreed by the Headteachers Board, ESFA, DfE and the RSC.

The first Ofsted inspection of Countesthorpe Leysland Community College took place on 2nd and 3rd July 2019.

Structure, governance and management

a. 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 Trust.

The Governors are also the Directors of the charitable company for the purposes of company law. The charitable company is known as Countesthorpe Leysland Community College.

Details of the Governors who served throughout the year and to the date the approval of this report and the financial statements are included in the Reference and Administrative Details on page 1.

b. 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.

c. Trustees' indemnities

In accordance with normal commercial practice, the College purchases insurance to protect Governors and Officers from claims arising from negligent act, errors or omissions whilst on College business. The cover under this policy is £5m.

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GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Structure, governance and management (continued)

d. Method of recruitment and appointment or election of Governors

The Trust is required to have a minimum of 3 Governors and is not subject to a maximum, as set out in its Articles of Association and funding agreement. Parent Governors are elected by paper ballot and they must be parents at the time of the election. Staff Governors are elected by staff at the Academy Trust. Co-opted Governors must live or work in the community served by the Academy Trust or are, in the opinion of the Governing Board, committed to the governance and success of the Academy Trust.

Governors are appointed for a 4 year period, except that this time limit does not apply to the Principal. Subject to remaining eligible to be a particular type of Governors, any Governor can be re-appointed or re-elected.

When appointing new Governors, the Board of Governors will give consideration to the skills and experience mix of existing Governor in order to ensure the Board of Governors has the necessary skills to contribute fully to the Academy Trust's ongoing development.

e. Policies adopted for the induction and training of Governors

The training and induction provided for new Governors will depend upon their existing experience but will always include a tour of the Academy Trust and a chance to meet staff and pupils. All Governors are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents they will need to undertake their role as Governors. All new Governors also have the opportunity to undertake National Governor Association and Leicestershire Governor Development Services training and all Governors receive regular National Governor Association updates. As there are normally only a few new Governor appointments each year, induction tends to be done informally and is tailored specifically to the individual. Advantage is taken of specific courses offered by various external organisations as appropriate.

A bespoke governance development program is operated throughout the year which allows Governors to meet informally as a team for training, so as to keep the Governors updated on relevant developments impacting on their roles and responsibilities, and to contribute to the strategic leadership and direction of the Academy Trust.

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GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Structure, governance and management (continued)

f. Organisational structure

The Governors are responsible for setting general policy, adopting an annual development plan and budget, approving the annual statutory accounts, monitoring the Academy Trust by the use of budgets and other data, and making the major decisions about the direction of the Academy Trust, capital expenditure and staff appointments.

The Board of Governors normally meet 8 times each year. The Board of Governors establishes an overall framework for the governance of the Academy Trust and determines membership, terms of reference and procedures of Committees of the Board of Governors and other groups. It receives reports including policies from its Committees for ratification. It monitors the activities of the Committees through the minutes of their meetings and through direct reporting from the elected Chair of each Committee. The Board of Governors may from time to time establish working groups to perform specific tasks over a limited timescale.

There are 2 Committees of the Board of Governors as follows:

- Full Governing Board – Achievement and Learning Focus
- Full Governing Board – Resources and Personnel Focus

Each Committee has its own terms of reference detailing the responsibilities discharged to it.

The following decisions are reserved to the full Board of Governors:

- to consider any proposals for changes to the status or constitution of the Academy Trust and its committee structure;
- to appoint or remove the Chair and / or Vice Chair; and
- to appoint and / or consider the performance management of the Principal

The Governors have devolved the day-to-day management of the Academy Trust to the Leadership Team ('LT'), which is led by the Principal. The LT comprises the Principal, 2 Senior Assistant Principals, 2 Assistant Principals and the Business Manager. The Principal is the Academy Trust's Accounting Officer and has overall responsibility for the day to day financial management of the Academy Trust. The LT implements the policies laid down by the Governors and reports back to them on performance.

g. Arrangements for setting pay and remuneration of key management personnel

The Governors consider the Board of Governors and the Senior Leadership Team to comprise the key management personnel of the Academy Trust in charge of directing and controlling, running and operating the Academy Trust on a day to day basis. All Governors give of their time freely and no Governor received any remuneration in the current or prior year, other than those Governors who are also employees of the Academy Trust. Details of Governors' remuneration and expenses are disclosed in note 11 of the financial statements.

The Board of Governors adheres to the School Teachers' Pay and Conditions Document (STPCD) 2018 and the National Joint Council for Local Government Services national agreement on Pay and Conditions of Service. All teaching staff salaries are reviewed annually by the Pay Committee by 31 October and the Principal's Annual Review by 31 December. The Pay Committee will set a 7 point Individual School Range (ISR) in accordance with the STPCD for the Principal and a 5 point ISR for the Senior Assistant Principals and Assistant Principals.

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GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Structure, governance and management (continued)

h. Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the year	4
Full-time equivalent employee number	175

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	-
1%-50%	4
51%-99%	-
100%	-

Percentage of pay bill spent on facility time £

Total cost of facility time	700
Total pay bill	7,481,089
Percentage of total pay bill spent on facility time	- %

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	- %
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i. Related parties and other connected charities and organisations

The Academy Trust is a member of the South Leicestershire Learning Partnership and is also the host school for the South Leicestershire Behaviour Partnership and manages the provision across South Leicestershire.

The Academy Governors do not consider the charity to be a connected charity as the Governors of the charity are not appointed by the Academy Trust or the Academy Governors, are not directed by or accountable to the Governors of the Academy Trust and as the charity's objects differ to and are wider than those of the Academy Trust. The details of the transactions between the Academy Trust and the charity are disclosed in note 18 to the financial statements.

There are no related parties or connected organisations which either control or significantly influence the decisions and operations of the Academy Trust.

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GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Objectives and activities

a. Objects and aims

The principle objects of the Academy Trust, as set out in its Articles of Association, are to:

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

b. Objectives, strategies and activities

The key priorities for the period are contained in the Academy Trust's Development Plan which is available from the Principal. The key activities of the Academy Trust for the year ended 31 August 2019 were focused as follows:

- The creation of a social ethos that encourages a sense of security, mutual respect and tolerance for all.
- The provision of effective courses and learning experiences which provide the maximum opportunity for all students to develop their academic, physical and other abilities, to achieve the best qualification possible and enable students to progress further in education and employment.
- The recruitment of high quality staff and a continuing investment in their training and development.
- The encouragement of a wide range of extracurricular activities, which will enrich the experience of the individual and the community as a whole.
- The maintenance of a safe and pleasant physical environment, which supports the learning and other activities to the academy environment.
- The development of links with the wider community to enable students to place the work of the academy within a proper context.
- The support of Community Learning and the utilisation of the academy facilities to further recreation and education within the locality.

The curriculum is reviewed annually to ensure it meets the needs of all its learners and ensures that the objects of the Academy are met. Staffing organisation within the Academy supports the Academy's objective with a focus on learning and teaching. The Academy operates an Equal Opportunities Policy, in line with the Equality Act 2010. The Academy is able to accommodate students or staff with disabilities. The Academy works with employers and other educational partners to achieve its opportunities.

c. Public benefit

The Academy Trust aims to advance for the public benefit education in the local area and the surrounding area, offering a broad curriculum and an excellent education environment for its pupils. The Academy Trust also allows use of its facilities for recreational and other leisure time occupation for the community at large in the interests of social welfare and with the interest of improving the life of that community.

The Trustees confirm that they have complied with the duty in the Charities Act 2011 to have due regard to the Charity Commission general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Academy Trust's aims and objectives and in planning its future activities.

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GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Strategic report

Achievements and performance

a. Review of activities

The Academy Trust continues to evolve and to adapt to the ever-changing educational environment. The Trust is in its 3rd year of operation since the merger of Countesthorpe Community College and Leysland High School. The Academy Trust is committed to continuous improvement which is achieved in a number of ways, including improvement planning, review meetings, continual professional development, lesson observations, performance management, self evaluation, data analysis and action planning.

The particular achievements and performance of the Academy Trust during the year ended 31 August 2019 were as follows:

The quality of Sixth Form provision remains very good. The judgement is supported by externally sourced ALPS Report that rates the College as a '4' and ranks us between 60th and 75th percentile nationally. This is an improvement on the '5' we achieved last year that had us at the 50th percentile nationally. Rankings go from 1 (the best) to 9 and include all schools and colleges that teach A-Levels, including independent schools. As such, the A-Level results are a strong and improving area of the College.

Subjects that scored particularly well in ALPS in 2019 include: Fine Art, Biology, Computer Science, English Literature, Geography, History, Music Technology, Psychology and Sociology. Each of these achieved results at the 50th percentile nationally or better. Chemistry, Maths, PE and Physics achieved results in the top 25% nationally. Areas for development include Further Maths and Media Studies. Actions are in place to rectify these issues through regular data meetings with Heads of Department and our Quality Assurance processes.

GCSE results were not as strong as A-Level results. We expect our Progress 8 score to be approximated -0.5 which means students were, on average, about half a grade down on national. Our independent benchmarking, using ALPS, gave the cohort a score of '7'. This means that students achieved at the 25th percentile nationally.

Maths results at GCSE continue to be strong and achieved slightly higher than national figures for value added. English results were disappointing. A new Head of Department is now in post and we have recruited to the department. Whilst Science results at A-Level showed big improvements, GCSE results have not yet seen the impact of new approaches and greater consistency in the department although there are indications of a positive upward trend for the next cohort.

Subjects of concern to us and those that are receiving greater input in 2019 at GCSE include Science, Design & Technology, English, Food Preparation & Nutrition, History, Media Studies, Music and PE.

A range of support strategies are in place to assist with improving results. We are using both internal and external sources of support. We continue to be members of PiXL and receive half-termly associate visits from a PiXL Advisor who is a former headteacher. Our LiFE MAT associate membership gives us 1 day a week support from the COO of the LiFE MAT and support within the MAT has been sought for Science and English (where cross MAT reviews are taking place) and in other areas such as Music.

Science is participating in a national scheme called 'Science Leadership Lite' which lasts for two years and involves two teachers, the Head of Department and a senior leader. Their work is disseminated across the department.

Internal support exists through data meetings and coaching whilst a comprehensive Quality Assurance programme consisting of work scrutiny, learning walks and 'deep dive' departmental inspections monitor and inform further interventions.

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GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Strategic report (continued)

Achievements and performance (continued)

The Academy was inspected by OfSTED on 2-3rd July 2019. The overall judgment was Inadequate although the Sixth Form was judged 'Good'. The College Strategic Plan addresses weaknesses identified in the OfSTED report, provides actions and timescales and is regularly reviewed to check progress.

The work of the Academy is monitored and evaluated strategically at all levels of management. Governors receive regular feedback on the performance of the Academy through presentations by key staff at all Full Governors Meetings and Sub Committee meetings (Achievement & Learning; Personnel & Resources). In addition to which, evidence of progress in relation to key areas for development are provided through Governor visits, meetings with key staff, reports and relevant documents.

Governors participate in the evaluation of analysis provided, leading to priorities and targets being identified for College improvement. The Academy carries out a detailed analysis of performance across all areas including achievement, behaviour, teaching and learning and the progress of disadvantaged groups. In conjunction with staff and governors, the College Strategic Plan is written which identifies the key areas for improvement that will be focused upon. Each member of the Leadership Team has specific areas of responsibility for the relevant part of the strategic plan. The Leadership Team work closely with Heads of Department and Heads of House to monitor, review and evaluate the performance of their Department/House and assess the progress made towards achieving targets set. Quality Assurance and data focused meetings assist with this.

All departments complete a detailed exam analysis on receipt of the GCSE and A-Level results and a formal meeting with the Principal and Vice Principal is held to discuss results and provide a focus for the Departmental Strategic Plan. This plan takes its lead from the College Strategic Plan and sets out actions and clear success criteria on how the department can develop. Departmental Strategic Plans are regularly reviewed as part of the Quality Assurance and Data Meeting cycles.

The Academy has a rigorous Quality Assurance programme in place which enables leaders and managers at all levels to evaluate teaching, learning, behaviour, outcomes and progress of all students, including disadvantaged students, through learning walks, lesson observations, student voice, work scrutiny and progress data.

The Academy has a curriculum which allows students to follow traditional academic routes or to access one or more vocational options. Students are guided towards choices although a personalized approach is taken with options to ensure the needs of all students are met and they can achieve the highest standards.

The Academy offers students the opportunity complete the Duke of Edinburgh Award and regular trips and visits take place for students in all year groups. Examples of residential trips included the Year 10 Geography residential to the Norfolk Coast and Year 13 Biology Residential. Other trips have recently included Caterpillar in Desford, Space Centre in Leicester and National Holocaust Centre and Museum in Nottinghamshire.

There are also opportunities for trips abroad. These having included the Ski Trip, Camps International Expedition to Cambodia and Year 9 France trip.

Disadvantaged Students

The strategic overview of the Pupil Premium Strategy is led by the Vice Principal, Character and Culture. In January 2019, we instigated a review of our strategy and expenditure through the Leicester Teaching School Alliance. This review involved inspection of documentation, lesson observation and interviews with students. The Principal and Vice Principal also visited a Leicester city school to see good practice in action. This process took approximately three months to complete. The result of this review has led to the creation of a sharper focus on our work with disadvantaged students which in turn will lead to better outcomes for this group.

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GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Strategic report (continued)

Achievements and performance (continued)

Strategies for Teaching, Learning and Assessment

In 2019 GCSE results showed that there had been some good progress made against the previous academic year and that the gap between disadvantaged students. (Progress 8 gap of 0.35 in 2019 relative to 0.78 in 2018 and 0.68 in 2017).

The Academy accepts that there is still work to be done in this area. We have increased our capacity of staffing to support our work in this area and are working hard to implement the strategy created following our review of performance. We are confident that the measures being put in place are starting to make a real difference to the attainment and progress of these students.

During 2019, CLCC undertook a review of Teaching and Learning (T&L) and in the Summer Term launched a new Teaching and Learning policy. This built on the work we had been doing throughout the academic year. Teaching and learning is at the heart of the College Strategic Plan and underpins the college priorities. We believe that all students should receive high quality teaching and learning across the curriculum so that they can achieve their maximum potential.

The College Values underpin the Teaching and Learning Policy in the following ways:-

- Resilience – Staff persist in having high expectations of all students in all key stages to be certain that no student will underachieve. Students be resilient and have high expectations of themselves and work towards their learning goals.
- Respect – Staff plan engaging and effective lessons and students respect others' learning. A mutual respect of teacher and learner will produce an optimal outcome.
- Success – Common goal with clear success criteria will be a key teaching principle. Well planned lessons with engaging, age appropriate activities will lead to successful outcomes. Students will work towards their learning goals.

The aim of the new policy is:-

- To provide a clear policy and procedure to the college's approach to teaching and learning that refer the changes introduced ready for the new academic year 2020.
- To be understandable for students, parents/carers, teachers and the governing board.
- To ensure that all teachers are equipped to plan and deliver effective high quality teaching for all students.
- To ensure students receive lessons that motivate them to become independent learners with a thirst for learning.
- To embed consistent application of CLCC tools for learning such as; the learning cycle, DTT, thinking hard and the marking and feedback process.

Where there is good or better teaching it is because:-

- Expectations are high
- Behaviour for learning is good
- College policies are applied consistently
- Lessons are planned to meet the needs of students and differentiation is evident
- Assessment information is accurate and used effectively
- Feedback is diagnostic and students act on it.
- Good evidence of this can be seen in Maths (KS4 & 5), Geography, MFL, Business, Dance and Drama.

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GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Strategic report (continued)

Achievements and performance (continued)

We recognise there is still work to do across the college as there is not yet enough consistency of good practice particularly in the following areas:-

- Student engagement
- Behaviour for learning
- Development of Literacy skills
- Planning for the needs of all students (especially those from disadvantaged backgrounds)

The new T&L policy addresses the areas we need to tackle. The quality of teaching, learning and assessment is measured by looking at a combination of learning walks, work scrutiny, lesson observations and student voice. We use our quality assurance programme as a vehicle for this.

Linked to this and in order to support our T&L policy, we have reviewed our Professional Development programme to ensure it is bespoke and targeted to the needs of our staff. We have also worked closely with the LIFE MAT who have supported the development and implementation of these policies.

The overall intention of Professional Development at CLCC is to improve pupil outcomes through improved teaching practices, the introduction of an improved literacy strategy and relentless continuous improvements to raise standards across the college. CLCC staff are encouraged to be open to challenge and willing to work together to achieve our collective aim. Our staff embrace opportunities to improve their practice and take part in college professional collaborations. Leaders at CLCC understand that we are all working within a climate where there is an increasing need to improve well being and this has been embedded throughout the CPD Strategy.

The combination of staff embracing opportunities to improve their practice and an excellent CPD strategy are two areas of focus which will now help to move the college forward at a rapid pace.

b. Key Financial Performance Indicators

The Academy Trust uses a number of benchmarks or performance indicators to evaluate its financial performance and drive budgetary control and monitoring.

A key financial performance indicator for the Trust is the level of reserves held at the balance sheet date and, in particular, the amount of unrestricted reserves plus restricted income reserves carried forward. At 31 August 2019, the balance of the unrestricted and restricted income reserves was £253,653 (2018: £425,545 deficit), which is after transfers of £206,054 to the restricted fixed asset fund to fund significant repairs of the premises during the year. Further details on the level of reserves held by the Academy Trust are set out in the Reserves Policy section below.

As the majority of the Academy Trust's funding is based on pupil numbers, pupil numbers are also a key performance indicator. The total number of pupils during the year ended 31 August 2019 were 1,420, which is a decrease of 4% from the previous year.

Staffing costs are another key performance indicator for the Academy Trust and the percentage of total staff costs to total educational grant funding (being GAG funding plus other operating educational grants from the ESFA and / or Local Authority) for the year was 85.3% (2018: 93.0%), while the percentage of staff costs to total costs (excluding depreciation and LGPS FRS102 pension cost charges) was 78.4% (2018: 77.9%).

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GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Strategic report (continued)

Achievements and performance (continued)

c. 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, 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 within the financial statements.

d. Fundraising

The Academy Trust has not undertaken any material fundraising activities during the year ended 31 August 2019.

Financial review

a. Reserves policy

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

The Governors have determined that the appropriate level of reserves should be approximately 1 month of staffing costs. The reason for this is to provide sufficient working capital to cover delays between spending and receipts of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance, long term staff absences etc. These reserves will typically be held in a combination of restricted funds and unrestricted funds, with the unrestricted funds representing the Academy Trust's free reserves.

The Academy Trust's current level of reserves at 31 August 2019 is £14,576,556 (2018: £16,289,011), of which £253,653 (2018: £425,545 deficit) is revenue reserves (that is, total funds less the amount held in the restricted fixed asset funds and restricted pension reserve funds).

In September 2016, Countesthorpe Community College (age range 14-19) and Leysland High School (age range 11-14) merged to form Countesthorpe Leysland Community College. Traditionally, Countesthorpe Community College had over 1,000 students on roll, with over 360 normally entering Year 10 and approximately 300 students in the 6th Form. Students attending Countesthorpe Community College came from two main feeder high schools; Leysland High School, 99% of students and Thomas Estley Community College 60% of students. The decision for Thomas Estley Community College to change its age range had a significant negative impact on Countesthorpe Leysland Community College.

The two staffing bodies were tupe'd over to Countesthorpe Leysland Community College without any reduction in staffing and with the reduction in pupil numbers, this meant that the staffing costs were much higher than they should have been and during the first year of the merger staff with the changes that had been implemented staff attendance was low which led to a significantly high % of staff absence, which included the Principal at the time.

In 2018/19, there was an in year cash flow deficit of £450,000 forecast, which led the Governors to agree to a major organisational restructure. A loan of £450,000 was secured by the Academy from ESFA, with the agreement that it would be paid back over three years starting in September 2019. High level benchmarking and integrated curriculum financial planning exercises were undertaken to determine that the teachers FTE should be reduced from 109 FTE to 80 FTE. Teachers with surplus teaching periods agreed to cover extra lessons from January 2019 and supply teachers covering permanent vacancies were cancelled. The curriculum was rewritten in January 2019 to accommodate these changes.

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GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Strategic report (continued)

Financial review (continued)

The organisational change restructure was launched in January 2019 and by August 2019, the teaching staffing body had been reduced from 109 FTE to 80 FTE. The various strategies which had been implemented by the Leadership Team led to an in year saving.

Although the current level of revenue reserves is below the target level identified above, the Governors continue to look at and evaluate strategies for raising additional income whilst also reviewing key areas of operational expenditure so as to ensure the targeted reserves can be achieved in future years.

The value of the restricted fixed asset fund at 31 August 2019 is £19,859,957 (2018: £20,162,556), which is represented by the fixed assets that are used exclusively for providing education and associated support services to the pupils of the Trust. These funds can only be realised by disposing of the associated tangible fixed assets.

b. Investment policy

All funds surplus to immediate requirements are invested to optimal effect by the Academy Trust with the objective of ensuring maximum return on assets invested but with minimal risk. On a daily basis this is achieved by automatic transfer of surplus funds to an overnight deposit account with the Academy Trust's principal bankers. Where cash flow allows, sums in excess of £500,000 may be invested on deposit for extended periods with the Academy Trust's principal bankers or other reputable financial institutions.

c. Principal risks and uncertainties

The Governors have assessed the major risks to which the Academy Trust is exposed, especially in the operational areas, such as in relation to teaching, health & safety, safeguarding and school trips, and in relation to the control of finances and strategic development of the Trust. They have introduced systems, including operational procedures and internal financial controls in order to minimise risk and have agreed a Risk Management Strategy and Risk Management Plan, which incorporates a Risk Register.

Where significant financial risk still remains, the Governors have ensured the Academy Trust has adequate insurance cover in place. The Risk Management Plan is constantly reviewed in light of any new information and formally reviewed annually.

The principal risks and uncertainties facing the Academy Trust are as follows:

Educational

The continuing success of the Academy Trust is dependent on continuing to attract pupil applicants in sufficient numbers by maintaining the highest educational standards across all key stages. To mitigate this risk, the Governors ensure that pupil success and achievement are closely monitored and reviewed, with corrective actions embedded at an early stage, and that relationships and partnerships with parents, the local community and other organisations and groups are maintained and are effective in producing a cohesive and supportive community.

Safeguarding and child protection

The Governors 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.

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GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Strategic report (continued)

Financial review (continued)

Financial

The Academy Trust has considerable reliance on continued Government funding through the ESFA. In the year, approximately 80% of the Academy Trust's income was ultimately Government funded. Whilst this level is expected to continue, 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, particularly in light continuing changes in the National Funding Formula for schools.

Continuing increases in employment costs, including pension costs association with both the Teachers' Pension Scheme and the Local Government Pension Scheme, and premises costs will also continue to place significant pressure on the Trust's financial position and its ability to deliver balance budgets in the future.

The Governors review the financial health of the Academy Trust formally every month reviewing performance against budgets and receiving update reports. They also review the financial performance and position of the Academy Trust every month, reviewing the latest management accounts and reports from the Chief Financial Officer, while the Governors also receive and review the monthly management accounts.

Staffing

The success of the Academy Trust is reliant on the quality of its staff so the Governors monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning.

Failures in governance and / or management

The risk in this area arises from the potential failure to effectively manage the Academy Trust's finances, internal controls, compliance with regulations and legislation, statutory returns etc. The Governors continue to review and ensure appropriate measures are in place to mitigate these risks, which includes those relating to fraud and mismanagement of funds.

Fraud and mismanagement of funds

The Academy Trust has engaged Leicestershire County Council's Audit Department to perform a program of work aimed at checking and reviewing the financial systems and records as required by the Academies Financial Handbook. All finance staff receive training to keep them up to date with financial practice requirements and to develop their skills in this area.

At the balance sheet date, the Academy Trust had no significant liabilities arising from trade creditors or debtors where there would be a significant effect on the Academy Trust's liquidity.

The Governors recognise that the LGPS deficit represents a significant potential liability to the Academy Trust. However, as the Governors consider the Academy Trust is able to meet its known annual contribution commitments for the foreseeable future, the risk from this liability is minimised.

COUNTTESTHORPE LEYSLAND COMMUNITY COLLEGE
(A company limited by guarantee)

GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Plans for future periods

The Academy Trust strives to continually improve levels of attainment for all pupils, equipping them with the qualifications, skills and character to follow their chosen pathway, whether it is into further and higher education or employment, as well as promoting the continued professional development of its staff. The Academy is committed to maintaining its performance, to improve the opportunities on offer and the facilities available for students and staff.

Under the Priority Schools Building Project 2 (PSBP2) the Leysland site was due to be refurbished. However, after detailed surveys ESFA have decided that a new build will be more economical and the Leysland site will be demolished. Works will hope to be started in 2020.

The Academy Trust's plans for future periods are to:

Improve the Quality of Students' Learning and Outcomes across the College and for everyone in our college community to make a positive difference. We will do this through a focus on:-

Leadership

- Creating leadership opportunities for all
- Establishing a coaching culture where professional collaborations sit at the heart of the college
- Achieving a positive P8 score through a rigorous accountability structure.

Positive Perceptions

- Rebranding our Sixth Form to increase number of applicants
- Implement a primary strategy and develop strong links with feeder schools which has positive impact on student numbers
- Establish community links where our students are supporting community activities.
- Improving home/school relations and communications with current families, to ensure positive status within the community.

Experience (Culture)

- To ensure that students in all key stages feel safe in college
- To ensure that students are respectful to each other and to staff
- To develop students resilience in all they do

Experience (Curriculum)

- Lessons are well planned and differentiated and students are engaged in their learning
- Students are able to articulate verbally and in writing key concepts and answers to questions
- We have a curriculum which reflects the needs of our students

Funds held as custodian on behalf of others

The Academy Trust and its Trustees do not act as Custodian Trustees of any other charity. The Academy does however hold Post 16 Bursary Funds on behalf of the ESFA, which are distributed to students as required and in line with the terms and conditions of the funds.

COUNTSTHORPE LEYSLAND COMMUNITY COLLEGE
(A company limited by guarantee)

GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Employee involvement and employment of disabled persons

The Academy Trust's policy is to consult and discuss with employees, through unions, staff councils and at meetings, matters likely to affect employees' interests. Information about matters of concern to employees is given through information bulletins, reports and meetings which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the Academy Trust's performance.

During employment the Trust seeks to work with employees, taking into account their personal circumstances, to ensure appropriate training, development and advanced employment opportunities are available to them to reach their full potential.

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment within the Academy Trust continues and that the appropriate training is arranged. It is the Academy Trust's policy that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

Disclosure of information to 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
- that Governors have taken all steps 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 Governors' report, incorporating a strategic report, was approved by order of the board of Governors, as the company directors, on 5 December 2019 and signed on its behalf by:



S Uprichard
Chair of Governors

COUNTESTHORPE LEYSLAND COMMUNITY COLLEGE
(A company limited by guarantee)

GOVERNANCE STATEMENT

Scope of responsibility

As Governors, we acknowledge we have overall responsibility for ensuring that Countesthorpe Leysland Community College 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 Countesthorpe Leysland Community College 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 9 times during the year ended 31 August 2019.

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

Governor	Meetings attended	Out of a possible
S Uprichard, Chair of Governors	9	9
C Aitcheson, Principal	9	9
A Bluff	9	9
J Chinery	9	9
J Hayes	5	9
K Hollingshead	7	9
S McDonald	5	9
E Perkins	7	9
R Wall	5	9
S Busson	3	8
K Rose	6	8

The Board of Governors reviewed the Trust's governance structure during the year to evaluate its impact and effectiveness. The Board of Governors has a wide range of skills that contribute to the successful governance of the Trust and are satisfied that the current structure in place is appropriate and effective for the Trust.

The Board of Governors reviews the latest management accounts and reports from the Chief Financial Officer, and the Trustees also receive and review the monthly management accounts of the Academy Trust. The Board of Governors is therefore satisfied that through these series of meetings and reviews of the Academy Trust's management accounts, there is appropriate and effective oversight of the Academy Trust's funds and financial position.

Governors agreed at the Full Governing Board meeting on 25 October 2018 to change the structure of meetings to avoid repetition. For future years there will be ten Full Governing Board meetings, five with an Achievement and Learning Focus and five with Resources and Personnel Focus.

The Resources and Audit Committee is a sub-Committee of the Board of Governors. Its purpose is to consider and manage the Academy Trust financial plan and annual budgets, ensuring all funds are used for the purposes of the Academy Trust and in accordance with the terms of the Funding Agreement, monitor premises and maintenance plan, consider capital expenditure and review Health and Safety. This committee met once during the year.

COUNTSTHORPE LEYSLAND COMMUNITY COLLEGE
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

Attendance during the year at meeting was as follows:

Governor	Meetings attended	Out of a possible
S Uprichard	1	1
C Aitcheson	1	1
A Bluff	1	1
R Wall	1	1

The Achievement and Learning Committee is a sub-committee of the main Governing Board. Its purpose is to consider and advise the Governing Board on standards and other matters relating to the Academy's curriculum including Statutory Requirements. In accordance with the terms of the Funding Agreement, the Achievement and Learning Committee considers curricular issues which may have implications for the Resource and Personnel Committee decisions and make recommendations to the relevant committees or the Governing Board. This committee met once during the year.

Attendance during the year at meetings was as follows:

Governor	Meetings attended	Out of a possible
S Uprichard	1	1
C Aitcheson	1	1
S McDonald	1	1
R Wall	1	1

The Personnel Committee is a sub-committee of the main Governing Board. Its purpose is to consider and advise the Governing Board on staffing structures and to establish Statutory Personnel Policies. In accordance with the terms of the Funding Agreement, the Personnel Committee considers personnel issue, which may have implications for the Resources and Achievement and Learning Committees and make recommendations to the relevant committees or the Governing Board. This committee met once during the year.

Attendance was as follows:

Governor	Meetings attended	Out of a possible
S Uprichard	1	1
C Aitcheson	0	1
J Chinery	1	1
E Perkins	1	1

COUNTTESTHORPE LEYSLAND COMMUNITY COLLEGE
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

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 appropriate. The Accounting Officer for the Academy Trust has delivered improved value for money during the year by:

- ensuring rigorous policies and procedures are in place
- segregation of duties
- regularly carrying out benchmarking and identifying key performance indicators
- using Integrated Curriculum Financial Planning to set an affordable curriculum

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 the Academy Trust's 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 Countesthorpe Leysland Community College for the period from 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Board of Governors have 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 are of the view that there is a formal on-going process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period from 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Governors.

COUNTSTHORPE LEYSLAND COMMUNITY COLLEGE
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

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 Governors
- regular reviews by the Resources and Personal 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 Leicestershire County Council to perform a program of additional internal reviews and checks.

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

- review of and testing of income recognition and recording systems and procedures
- review of and testing of payroll systems and procedures
- review of and testing of procurement systems and procedures
- review of and testing of bank control procedures
- Review of management information preparation procedures, including information prepared for and presented to the Board of Governors.

On an annual basis, the reviewer reports to the Board of Governors through the Resources and Personnel Committee on the operation of the systems of control and on the discharge of the Board of Governors' financial responsibilities.

The auditor has delivered their program of work during the year ended 31 August 2019 as planned. No internal control weaknesses were identified from the work completed.

COUNTSTHORPE LEYSLAND COMMUNITY COLLEGE
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Review of effectiveness

As accounting officer, the Principal has responsibility for reviewing the effectiveness of the system of internal control.

During the year ended 31 August 2019 the review has been informed by:

- the work of the reviewer;
- 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 Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance Committee and weaknesses in the systems have been addressed to ensure continuous improvement of the system is in place.

Approved by order of the members of the board of Governors on 5 December 2019 and signed on their behalf by:

.....*S Uprichard*.....
S Uprichard
Chair of Governors

.....*C Aitcheson*.....
C Aitcheson
Accounting Officer

COUNTESTHORPE LEYSLAND COMMUNITY COLLEGE
(A company limited by guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of the Countesthorpe Leysland Community College I have considered my responsibility to notify the Academy Trust's Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA 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. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

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

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.

.....
C Aitcheson
Accounting Officer
Date: 5 December 2019

COUNTRESTHORPE LEYSLAND COMMUNITY COLLEGE
(A company limited by guarantee)

STATEMENT OF GOVERNORS' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2019

The Governors (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Governors' report and the financial statements in accordance with the Academies Accounts Direction published by the Education & Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the Governors to prepare financial statements for each financial year. Under company law the Governors 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 Governors 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 2018 to 2019;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements 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 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 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 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 financial statements may differ from legislation in other jurisdictions.

Approved by order of the members of the board of Governors on 5 December 2019 and signed on its behalf by:


S Uprichard
Chair of Governors

COUNTESTHORPE LEYSLAND COMMUNITY COLLEGE
(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
COUNTESTHORPE LEYSLAND COMMUNITY COLLEGE**

Opinion

We have audited the financial statements of Countesthorpe Leysland Community College (the 'academy trust') for the year ended 31 August 2019 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. 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 Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019 issued by the Education & Skills Funding Agency.

In our opinion the financial statements:

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

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 financial statements 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 financial statements in the United Kingdom, including the Financial Reporting Council'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 related to going concern

We draw attention to note 1.2 in the financial statements, which explains that the financial statements have been prepared on the basis that the Academy Trust is no longer a going concern as the company plans to transfer its activities, assets and liabilities to LiFE Multi Academy Trust in 2020.

COUNTSTHORPE LEYSLAND COMMUNITY COLLEGE
(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
COUNTSTHORPE LEYSLAND COMMUNITY COLLEGE (CONTINUED)**

Other information

The Governors are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditor's report thereon. Other information includes the Reference and administrative details, the Governors' report including the Strategic report, and the Governance statement. Our opinion on the financial statements 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements 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 financial statements 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.

Opinion 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 Strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Governors' report and the 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 our 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 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 financial statements 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.

COUNTSTHORPE LEYSLAND COMMUNITY COLLEGE
(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
COUNTSTHORPE LEYSLAND COMMUNITY COLLEGE (CONTINUED)**

Responsibilities of trustees

As explained more fully in the Governors' responsibilities statement, the Governors (who are also the directors of the academy trust 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, and for such internal control as the Governors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, 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 academy trust or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements 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 financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's report.

Use of our report

This report is made solely to the academy 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 academy trust'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 academy trust and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Simon Atkins FCA (Senior statutory auditor)
for and on behalf of

Cooper Parry Group Limited

Chartered Accountants

Statutory Auditor

One Central Boulevard

Blythe Valley Business Park

Solihull

West Midlands

B90 8BG

5 December 2019

COUNTESTHORPE LEYSLAND COMMUNITY COLLEGE
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO
COUNTESTHORPE LEYSLAND COMMUNITY COLLEGE AND THE EDUCATION & SKILLS FUNDING
AGENCY**

In accordance with the terms of our engagement letter dated 26 September 2019 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2018 to 2019, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Countesthorpe Leysland Community College during the year 1 September 2018 to 31 August 2019 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Countesthorpe Leysland Community College and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Countesthorpe Leysland Community College 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 Countesthorpe Leysland Community College and ESFA, for our work, for this report, or for the conclusion we have formed.

**Respective responsibilities of Countesthorpe Leysland Community College's accounting officer
and the reporting accountant**

The accounting officer is responsible, under the requirements of Countesthorpe Leysland Community College's funding agreement with the Secretary of State for Education dated April 2016 and the Academies Financial Handbook, extant from 1 September 2018, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

COUNTSTHORPE LEYSLAND COMMUNITY COLLEGE
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO
COUNTSTHORPE LEYSLAND COMMUNITY COLLEGE AND THE EDUCATION & SKILLS FUNDING
AGENCY (CONTINUED)**

Approach

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

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

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

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

The work undertaken to draw our conclusions included:

- Reviewing the internal control policies and procedures implemented by the Academy Trust and evaluating their design and effectiveness to understand how the Academy Trust has complied with the framework of authorities;
- Reviewing the minutes of meetings of the Trustees, relevant sub-committees and other evidence made available to us, relevant to our consideration of regularity;
- Enquiries of the Accounting Officer, including reviewing the work undertaken by the Accounting Officer in relation to their Statement on Regularity, Propriety and Compliance; and
- Detailed testing of the income and expenditure of the Academy Trust based on our assessment of the risk of material irregularity, impropriety and non-compliance. This work was integrated with our audit of the financial statements where appropriate and included analytical review and detailed substantive testing of transactions.

Conclusion

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



Cooper Parry Group Limited

Date: 5 December 2019

COUNTTESTHORPE LEYSLAND COMMUNITY COLLEGE
(A company limited by guarantee)

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

	Note	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £	Total funds 2018 £
Income from:						
Donations and capital grants	3	-	-	130,804	130,804	412,426
Charitable activities	4	285,596	8,487,148	-	8,772,744	8,327,587
Other trading activities	5	371,493	-	-	371,493	362,027
Investments	6	3,085	-	-	3,085	101
Total income		<u>660,174</u>	<u>8,487,148</u>	<u>130,804</u>	<u>9,278,126</u>	<u>9,102,141</u>
Expenditure on:						
Raising funds	7	124,099	-	-	124,099	144,119
Charitable activities	7	536,075	8,452,004	433,403	9,421,482	9,799,274
Total expenditure		<u>660,174</u>	<u>8,452,004</u>	<u>433,403</u>	<u>9,545,581</u>	<u>9,943,393</u>
Net income/(expenditure)		<u>-</u>	<u>35,144</u>	<u>(302,599)</u>	<u>(267,455)</u>	<u>(841,252)</u>
Transfers between funds	18	-	206,054	(206,054)	-	-
Net income/(expenditure)		<u>-</u>	<u>241,198</u>	<u>(508,653)</u>	<u>(267,455)</u>	<u>(841,252)</u>
Other recognised gains/(losses):						
Actuarial (losses)/gains on defined benefit pension schemes	25	-	(1,445,000)	-	(1,445,000)	760,000
Net movement in funds		<u>-</u>	<u>(1,203,802)</u>	<u>(508,653)</u>	<u>(1,712,455)</u>	<u>(81,252)</u>
Reconciliation of funds:						
Total funds brought forward		-	(3,873,545)	20,162,556	16,289,011	16,370,263
Net movement in funds		-	(1,203,802)	(508,653)	(1,712,455)	(81,252)
Total funds carried forward		<u>-</u>	<u>(5,077,347)</u>	<u>19,653,903</u>	<u>14,576,556</u>	<u>16,289,011</u>

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 32 to 54 form part of these financial statements.

COUNTESTHORPE LEYSLAND COMMUNITY COLLEGE


(A company limited by guarantee)

REGISTERED NUMBER: 09857254

**BALANCE SHEET
AS AT 31 AUGUST 2019**

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	13	19,653,903	20,073,638
Current assets			
Stocks	14	13,549	13,549
Debtors	15	99,088	98,980
Cash at bank and in hand		1,179,468	397,495
		<u>1,292,105</u>	<u>510,024</u>
Creditors: amounts falling due within one year	16	(721,644)	(834,151)
Net current assets / (liabilities)		<u>570,461</u>	<u>(324,127)</u>
Total assets less current liabilities		<u>20,224,364</u>	<u>19,749,511</u>
Creditors: amounts falling due after more than one year	17	(316,808)	(12,500)
Net assets excluding pension liability		<u>19,907,556</u>	<u>19,737,011</u>
Defined benefit pension scheme liability	25	(5,331,000)	(3,448,000)
Total net assets		<u><u>14,576,556</u></u>	<u><u>16,289,011</u></u>
Funds of the academy trust			
Restricted funds:			
Fixed asset funds	18	19,653,903	20,162,556
Restricted income funds	18	253,653	(425,545)
Pension reserve	18	(5,331,000)	(3,448,000)
Total restricted funds	18	<u>14,576,556</u>	<u>16,289,011</u>
Unrestricted income funds	18	<u>-</u>	<u>-</u>
Total funds		<u><u>14,576,556</u></u>	<u><u>16,289,011</u></u>

The financial statements on pages 29 to 54 were approved by the Governors, and authorised for issue on 05 December 2019 and are signed on their behalf, by:

.....
S Uprichard
Chair of Governors

The notes on pages 32 to 54 form part of these financial statements.

COUNTESTHORPE LEYSLAND COMMUNITY COLLEGE
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2019

	Note	2019 £	2018 £
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	20	207,476	(339,474)
Cash flows from investing activities	22	120,221	89,019
Cash flows from financing activities	21	454,276	-
		<hr/>	<hr/>
Change in cash and cash equivalents in the year		781,973	(250,455)
Cash and cash equivalents at the beginning of the year		397,495	647,950
Cash and cash equivalents at the end of the year	23	<hr/> <hr/> 1,179,468	<hr/> <hr/> 397,495

The notes on pages 32 to 54 form part of these financial statements

COUNTSTHORPE LEYSLAND COMMUNITY COLLEGE

(A company limited by guarantee)

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

1. Accounting policies

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

1.1 Basis of preparation of financial statements

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

1.2 Going concern

The Governors 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.

In 2020 Countesthorpe Leysland Community College will join LiFE Multi Academy Trust and all of its assets, liabilities and activities will be transferred to the Trust on that date. From this date, the legal entity known as Countesthorpe Leysland Community College will cease to operate and for this reason the Governors consider this legal entity will no longer be a going concern. The financial statements have therefore been prepared on the basis that the entity is not a going concern.

The assets and liabilities will be transferred to LiFE Multi Academy Trust at their book values as at that date.

1.3 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.

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

Capital grants are recognised 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.

- **Other income**

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

COUNTTESTHORPE LEYSLAND COMMUNITY COLLEGE
(A company limited by guarantee)

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

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.

- **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.

All resources expended are inclusive of irrecoverable VAT.

1.5 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 Part 11, chapter 3 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

COUNTTESTHORPE LEYSLAND COMMUNITY COLLEGE
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.6 Tangible fixed assets

Assets costing £2,500 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

Depreciation is provided on the following basis:

Long-term leasehold property	-	2% straight line
Furniture and equipment	-	25% straight line
Plant and machinery	-	8% straight line

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 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.8 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.9 Cash at bank and in hand

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

1.10 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.

COUNTTESTHORPE LEYSLAND COMMUNITY COLLEGE
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.11 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 bases are as follows:

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 15. Prepayments are not financial instruments. Amounts due to the academy trust's wholly owned subsidiary are held at face value less any impairment. Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 16 and 17. 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. Amounts due to the academy trust's wholly owned subsidiary are held at face value less any impairment.

1.12 Pensions

The academy trust operates a defined contribution pension scheme and the pension charge represents the amounts payable by the academy trust to the fund in respect of the year.

The academy trust is also a member of a multi-employer plan. Where it is not possible for the academy trust to obtain sufficient information to enable it to account for the plan as a defined benefit plan, it accounts for the plan as a defined contribution plan.

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 funders where the asset acquired or created is held for a specific purpose.

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

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

COUNTRESTHORPE LEYSLAND COMMUNITY COLLEGE
(A company limited by guarantee)

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

2. 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 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 25, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2019. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Tangible fixed assets are depreciated over their economic useful lives taking into account residual values where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors.

Critical areas of judgment:

The classification of expenditure between restricted and unrestricted is deemed as a critical area of judgement as certain expenditure can be applied to both funds. Where this is the case and the amounts in question are considered material the expenditure is apportioned to both funding streams on an appropriate basis.

The Academy Trust obtains use of fixed assets as a lessee. The classification of such leases as operating or finance lease requires the Academy Trust to determine, based on an evaluation of the terms and conditions of the arrangements, whether it retains or acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the balance sheet.

3. Income from donations and capital grants

	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Capital Grants	130,804	130,804	412,426
	<hr/>	<hr/>	<hr/>
Total 2018	<hr/> 412,426 <hr/>	<hr/> 412,426 <hr/>	

COUNTTESTHORPE LEYSLAND COMMUNITY COLLEGE
(A company limited by guarantee)

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

4. Funding for the academy's direct costs

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
DfE/ESFA grants				
General Annual Grant (GAG)	-	6,749,810	6,749,810	6,619,233
Other DfE/ESFA Grants	-	391,240	391,240	361,387
	-	7,141,050	7,141,050	6,980,620
Other government grants				
Local Authority Grants	-	190,297	190,297	114,102
	-	190,297	190,297	114,102
Income from the academy trust's educational operations	285,596	1,155,801	1,441,397	1,232,865
Total 2019	285,596	8,487,148	8,772,744	8,327,587
Total 2018	285,293	8,042,294	8,327,587	

5. Income from other trading activities

	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Hire of facilities	93,005	93,005	113,994
Other income	278,488	278,488	248,033
	371,493	371,493	362,027

COUNTTESTHORPE LEYSLAND COMMUNITY COLLEGE
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

6. Investment income

	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Bank interest	3,085	3,085	101

7. Expenditure

	Staff Costs 2019 £	Premises 2019 £	Other 2019 £	Total 2019 £	Total 2018 £
Expenditure on raising funds:					
Direct costs	72,091	-	52,008	124,099	144,119
Academy's educational operations:					
Direct costs	5,888,881	433,403	1,060,720	7,383,004	7,874,175
Allocated support costs	1,520,117	490,211	28,150	2,038,478	1,925,099
Total 2019	7,481,089	923,614	1,140,878	9,545,581	9,943,393
Total 2018	7,741,891	808,381	1,393,121	9,943,393	

8. Analysis of expenditure by activities

	Activities undertaken directly 2019 £	Support costs 2019 £	Total funds 2019 £	Total funds 2018 £
Charitable activities	7,383,004	2,038,478	9,421,482	9,799,274
Total 2018	7,874,175	1,925,099	9,799,274	

COUNTTESTHORPE LEYSLAND COMMUNITY COLLEGE
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

8. Analysis of expenditure by activities (continued)

Analysis of support costs

	Activities 2019 £	Total funds 2019 £	Total funds 2018 £
Staff costs	1,182,117	1,182,117	1,178,730
IT costs	31,597	31,597	9,030
Utilities	152,674	152,674	159,859
Governance costs	31,038	31,038	22,500
Insurance	91,369	91,369	69,258
Maintenance of premises and equipment	219,554	219,554	115,072
Security	4,483	4,483	2,945
Other support costs	104,851	104,851	164,205
Rates	26,614	26,614	27,345
Printing, stationery and reprographics	15,437	15,437	29,525
Catering	178,744	178,744	146,630
Total 2019	<u><u>2,038,478</u></u>	<u><u>2,038,478</u></u>	<u><u>1,925,099</u></u>

9. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2019 £	2018 £
Depreciation of tangible fixed assets	433,403	436,852
Fees paid to auditor for:		
- audit	11,075	11,075
- other services	<u><u>2,425</u></u>	<u><u>4,718</u></u>

COUNTTESTHORPE LEYSLAND COMMUNITY COLLEGE
(A company limited by guarantee)

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

10. Staff costs

a. Staff costs

Staff costs during the year were as follows:

	2019	2018
	£	£
Wages and salaries	5,421,010	5,661,492
Social security costs	492,684	516,808
Pension costs	1,269,746	1,230,248
	<hr/>	<hr/>
	7,183,440	7,408,548
Agency staff costs	285,918	308,343
Staff restructuring costs	11,731	25,000
	<hr/>	<hr/>
	<u>7,481,089</u>	<u>7,741,891</u>

Staff restructuring costs comprise:

	2019	2018
	£	£
Severance payments	11,731	25,000
	<hr/>	<hr/>
	<u>11,731</u>	<u>25,000</u>

b. Non-statutory/non-contractual staff severance payments

Included in staff restructuring costs is one non statutory/non-contractual severance payment totalling £11,731 (2018: £25,000).

c. Staff numbers

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

	2019	2018
	No.	No.
Teachers	106	110
Administration and support	135	137
Management	6	7
	<hr/>	<hr/>
	<u>247</u>	<u>254</u>

COUNTTESTHORPE LEYSLAND COMMUNITY COLLEGE
(A company limited by guarantee)

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

10. Staff costs (continued)

c. Staff numbers (continued)

The average headcount expressed as full-time equivalents was:

	2019 No.	2018 No.
Teachers	98	103
Administration and support	75	58
Management	6	7
	<u>179</u>	<u>168</u>

d. Higher paid staff

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

	2019 No.	2018 No.
£60,001 - £70,000	-	2
£70,001 - £80,000	2	1
£80,001 - £90,000	1	1
£90,001 - £100,000	1	1
	<u>1</u>	<u>1</u>

e. Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £525,292 (2018: £568,770).

COUNTTESTHORPE LEYSLAND COMMUNITY COLLEGE
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

11. Governors' remuneration and expenses

One or more Governors has been paid remuneration or has received other benefits from an employment with the academy trust. The principal and other staff Governors only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment. The value of Governors' remuneration and other benefits was as follows:

		2019	2018
		£	£
C Aitcheson	Remuneration	95,000 - 100,000	90,000 - 95,000
	Pension contributions paid	15,000 - 20,000	10,000 - 15,000
J Hayes	Remuneration	50,000 - 55,000	45,000 - 50,000
	Pension contributions paid	5,000 - 10,000	5,000 - 10,000
S Busson (appointed 25 October 2019)	Remuneration	25,000 - 30,000	0 - 5,000
	Pension contributions paid	-	-

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

12. Governors' and Officers' insurance

In accordance with normal commercial practice, the academy trust has purchased insurance to protect Governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2019 was £581 (2018 - £553). The cost of this insurance is included in the total insurance cost.

COUNTTESTHORPE LEYSLAND COMMUNITY COLLEGE
(A company limited by guarantee)

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

13. Tangible fixed assets

	Long-term leasehold property £	Furniture and equipment £	Computer equipment £	Total £
Cost or valuation				
At 1 September 2018	20,098,782	123,410	763,855	20,986,047
Additions	-	10,997	2,671	13,668
At 31 August 2019	20,098,782	134,407	766,526	20,999,715
Depreciation				
At 1 September 2018	642,170	86,768	183,471	912,409
Charge for the year	340,896	32,224	60,283	433,403
At 31 August 2019	983,066	118,992	243,754	1,345,812
Net book value				
At 31 August 2019	19,115,716	15,415	522,772	19,653,903
At 31 August 2018	19,456,612	36,642	580,384	20,073,638

14. Stocks

	2019 £	2018 £
Catering and stationery	13,549	13,549

15. Debtors

	2019 £	2018 £
Trade debtors	3,315	1,484
VAT recoverable	14,961	19,968
Prepayments and accrued income	80,812	77,528
	99,088	98,980

COUNTTESTHORPE LEYSLAND COMMUNITY COLLEGE
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

16. Creditors: Amounts falling due within one year

	2019	2018
	£	£
Loans	157,468	7,500
Trade creditors	24,852	168,564
Other taxation and social security	239,528	242,478
Other creditors	14,793	2
Accruals and deferred income	285,003	415,607
	<u>721,644</u>	<u>834,151</u>
	<u>2019</u>	<u>2018</u>
	<u>£</u>	<u>£</u>
Deferred income at 1 September 2018	296,307	194,211
Resources deferred during the year	278,293	296,307
Amounts released from previous periods	(296,307)	(194,211)
	<u>278,293</u>	<u>296,307</u>

At the balance sheet date the academy was holding grant funding received in advance where the academy was not yet entitled to the funding as the conditions of the grants were yet to be met.

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

	2019	2018
	£	£
Loans	<u>316,808</u>	<u>12,500</u>

Included with loans are:

A loan of £450,000 from the ESFA: zero interest, repayable over 3 years with monthly repayments of £12,500;

A loan of £7,500 from the ESFA under the Condition Improvement Fund: zero interest, repayable over 2 years with biannual repayments of £2,500;

A loan of £10,276 from the ESFA under the Condition Improvement Fund: zero interest, repayable over 7 years with biannual repayments of £734; and

A loan of £6,500 from Salix: zero interest, repayable over 7 years with biannual repayments of £500.

COUNTSTHORPE LEYSLAND COMMUNITY COLLEGE
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

18. Statement of funds

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
Unrestricted funds						
General Funds	-	660,174	(660,174)	-	-	-
Restricted general funds						
General Annual Grant (GAG)	(414,999)	6,749,810	(6,476,129)	206,054	-	64,736
Other Dfe/ESFA Grants	2,653	391,240	(393,893)	-	-	-
Behaviour Partnership	(34,237)	919,928	(754,355)	-	-	131,336
Grants from local authority	-	190,297	(170,333)	-	-	19,964
Parental Contributions	21,038	235,873	(219,294)	-	-	37,617
Pension reserve	(3,448,000)	-	(438,000)	-	(1,445,000)	(5,331,000)
	<u>(3,873,545)</u>	<u>8,487,148</u>	<u>(8,452,004)</u>	<u>206,054</u>	<u>(1,445,000)</u>	<u>(5,077,347)</u>
Restricted fixed asset funds						
Restricted Fixed Asset Funds	<u>20,162,556</u>	<u>130,804</u>	<u>(433,403)</u>	<u>(206,054)</u>	<u>-</u>	<u>19,653,903</u>
Total Restricted funds	<u>16,289,011</u>	<u>8,617,952</u>	<u>(8,885,407)</u>	<u>-</u>	<u>(1,445,000)</u>	<u>14,576,556</u>
Total funds	<u>16,289,011</u>	<u>9,278,126</u>	<u>(9,545,581)</u>	<u>-</u>	<u>(1,445,000)</u>	<u>14,576,556</u>

COUNTESTHORPE LEYSLAND COMMUNITY COLLEGE
(A company limited by guarantee)

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

18. Statement of funds (continued)

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

General Annual Grant (GAG)

Funds from the ESFA for the provision of education in line with the funding agreement.

Other DfE/ESFA Grants

Other funds provided by the DfE/ESFA for particular purposes within the academy's educational operations. This includes funds carried forward for Pupil Premium.

Behaviour Partnership

Funds received to improve outcomes for KS4 pupils; raise educational standard and personalise provision for vulnerable young people in their area.

Grants from local authority

Funds received from the local authority for specific projects.

Parental Contributions

Funds generated from parents of students for use towards specific educational expenditure, e.g. trips.

Pension Reserve

Being the fund in relation to the defined benefit pension scheme liability included in the Balance Sheet. This fund is in deficit given the nature of the liability, but is not payable immediately,

Restricted Fixed Asset Fund

Represents the fixed assets that are held by the academy, which are used by the academy to achieve its educational objectives.

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

COUNTSTHORPE LEYSLAND COMMUNITY COLLEGE
(A company limited by guarantee)

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

18. Statement of funds (continued)

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

	Balance at 1 September 2017 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2018 £
Unrestricted funds						
General Funds	74,125	647,421	(645,177)	(76,369)	-	-
Restricted general funds						
General Annual Grant (GAG)	(172,778)	6,619,132	(6,937,722)	76,369	-	(414,999)
Other Dfe/ESFA Grants	(42,158)	119,981	(75,170)	-	-	2,653
Pupil Premium	-	241,406	(241,406)	-	-	-
Behaviour Partnership	131,096	846,164	(1,011,497)	-	-	(34,237)
Grants from local authority	6,681	114,102	(120,783)	-	-	-
Capital Grants	1,903	-	(1,903)	-	-	-
Parental Contributions	28,412	73,809	(81,183)	-	-	21,038
Other	-	25,806	(25,806)	-	-	-
Exam Fees	-	1,894	(1,894)	-	-	-
Pension Reserve	(3,844,000)	-	(364,000)	-	760,000	(3,448,000)
	<u>(3,890,844)</u>	<u>8,042,294</u>	<u>(8,861,364)</u>	<u>76,369</u>	<u>760,000</u>	<u>(3,873,545)</u>
Restricted fixed asset funds						
Restricted Fixed Asset Funds	20,186,982	412,426	(436,852)	-	-	20,162,556
Total Restricted funds	<u>16,296,138</u>	<u>8,454,720</u>	<u>(9,298,216)</u>	<u>76,369</u>	<u>760,000</u>	<u>16,289,011</u>
Total funds	<u><u>16,370,263</u></u>	<u><u>9,102,141</u></u>	<u><u>(9,943,393)</u></u>	<u><u>-</u></u>	<u><u>760,000</u></u>	<u><u>16,289,011</u></u>

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**NOTES TO THE FINANCIAL STATEMENTS
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19. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £
Tangible fixed assets	-	19,653,903	19,653,903
Current assets	1,292,105	-	1,292,105
Creditors due within one year	(721,644)	-	(721,644)
Creditors due in more than one year	(316,808)	-	(316,808)
Provisions for liabilities and charges	(5,331,000)	-	(5,331,000)
Total	<u>(5,077,347)</u>	<u>19,653,903</u>	<u>14,576,556</u>

Analysis of net assets between funds - prior year

	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £
Tangible fixed assets	-	20,073,638	20,073,638
Current assets	421,106	88,918	510,024
Creditors due within one year	(834,151)	-	(834,151)
Creditors due in more than one year	(12,500)	-	(12,500)
Provisions for liabilities and charges	(3,448,000)	-	(3,448,000)
Total	<u>(3,873,545)</u>	<u>20,162,556</u>	<u>16,289,011</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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20. Reconciliation of net expenditure to net cash flow from operating activities

	2019 £	2018 £
Net expenditure for the year (as per Statement of financial activities)	(267,455)	(841,252)
Adjustments for:		
Depreciation	433,403	436,852
Interest receivable	(3,085)	(101)
Defined benefit pension scheme finance cost	438,000	760,000
Decrease/(increase) in stocks	-	(7,387)
(Increase)/decrease in debtors	(108)	56,576
Decrease in creditors	(262,475)	(331,736)
Capital grants from DfE and other capital income	(130,804)	(412,426)
Net cash provided by/(used in) operating activities	207,476	(339,474)

21. Cash flows from financing activities

	2019 £	2018 £
Cash inflows from new borrowing	461,744	-
Repayments of borrowing	(7,468)	-
Net cash provided by financing activities	454,276	-

22. Cash flows from investing activities

	2019 £	2018 £
Dividends, interest and rents from investments	3,085	101
Purchase of tangible fixed assets	(13,668)	(323,508)
Capital grants from DfE Group	130,804	412,426
Net cash provided by investing activities	120,221	89,019

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23. Analysis of cash and cash equivalents

	2019	2018
	£	£
Cash in hand	1,179,468	397,495
Total cash and cash equivalents	1,179,468	397,495

24. Capital commitments

	2019	2018
	£	£
Contracted for but not provided in these financial statements		
Acquisition of tangible fixed assets	-	62,298

25. Pension commitments

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

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

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

Teachers' Pension Scheme

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

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

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25. Pension commitments (continued)

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

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

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

The employer's pension costs paid to TPS in the year amounted to £549,105 (2018 - £572,248).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2019 was £382,000 (2018 - £393,000), of which employer's contributions totalled £304,000 (2018 - £312,000) and employees' contributions totalled £ 78,000 (2018 - £81,000). The agreed contribution rates for future years are 25.3 per cent for employers and 5.5% - 12.5% per cent for employees.

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

Principal actuarial assumptions

	2019	2018
	%	%
Rate of increase in salaries	3.3	3.4
Rate of increase for pensions in payment/inflation	2.3	2.4
Discount rate for scheme liabilities	1.8	2.8

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25. Pension commitments (continued)

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

	2019 Years	2018 Years
<i>Retiring today</i>		
Males	21.2	22.1
Females	23.4	24.3
<i>Retiring in 20 years</i>		
Males	22.2	23.8
Females	24.7	26.2

Sensitivity analysis

	2019 £000	2018 £000
0.5% decrease in Real Discount Rate	1,431	1,089
0.5% increase in the Salary Increase Rate	269	227
0.5% increase in the Pension Increase Rate (CPI)	1,127	843

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

	At 31 August 2019 £	At 31 August 2018 £
Equities	3,367,000	3,194,000
Corporate bonds	1,799,000	1,391,000
Property	464,000	464,000
Cash and other liquid assets	176,000	103,000
Total market value of assets	5,806,000	5,152,000

The actual return on scheme assets was £377,390 (2018 - £242,144).

The amounts recognised in the Statement of financial activities are as follows:

	2019 £	2018 £
Current service cost	(642,000)	(577,000)
Interest income	148,000	119,000
Interest cost	(248,000)	(218,000)
Total amount recognised in the Statement of financial activities	(742,000)	(676,000)

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25. Pension commitments (continued)

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

	2019 £	2018 £
At 1 September	8,600,000	8,428,000
Current service cost	642,000	577,000
Interest cost	248,000	218,000
Employee contributions	78,000	81,000
Actuarial losses/(gains)	1,641,000	(654,000)
Benefits paid	(72,000)	(50,000)
	<hr/>	<hr/>
At 31 August	11,137,000	8,600,000
	<hr/> <hr/>	<hr/> <hr/>

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

	2019 £	2018 £
At 1 September	5,152,000	4,584,000
Interest income	148,000	119,000
Actuarial gains	196,000	106,000
Employer contributions	304,000	312,000
Employee contributions	78,000	81,000
Benefits paid	(72,000)	50,000
	<hr/>	<hr/>
At 31 August	5,806,000	5,252,000
	<hr/> <hr/>	<hr/> <hr/>

26. Operating lease commitments

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

	academy trust 2019 £	academy trust 2018 £
Not later than 1 year	10,771	10,771
Later than 1 year and not later than 5 years	-	10,771
	<hr/>	<hr/>
	10,771	21,542
	<hr/> <hr/>	<hr/> <hr/>

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NOTES TO THE FINANCIAL STATEMENTS
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27. Members' liability

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

28. Related party transactions

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

29. Agency arrangements

The academy trust distributes 16-19 Bursary funds to students as an agent for the ESFA. In the accounting period ending 31 August 2019, the trust received £24,382 (2018: £8,277) and disbursed £17,866 from the fund. An amount of £14,793 is included in other creditors relating to the undistributed funds that are repayable to the ESFA.