

**Countesthorpe Leysland Community College**

**(A Company Limited by Guarantee)**

**Annual Report and Financial Statements**

**For the Period ended 29<sup>th</sup> February 2020**

**Company Registration Number:  
09857254 (England and Wales)**

**COUNTTESTHORPE LEYSLAND COMMUNITY COLLEGE  
(A COMPANY LIMITED BY GUARANTEE)**

**CONTENTS**

	<b>Page</b>
Reference and Administrative Details	3-4
Governors' report	5-17
Governance Statement	18-21
Statement on Regularity, Propriety and Compliance	22
Statement of Governors' Responsibilities	23
Independent Auditor's Report on the Financial Statements	24-26
Independent Reporting Accountant's Report on Regularity	27-28
Statement of Financial Activities incorporating Income and Expenditure Account	29
Balance Sheet	30
Statement of Cash Flows	31
Notes to the Financial Statements	32

**COUNTTESTHORPE LEYSLAND COMMUNITY COLLEGE  
(A COMPANY LIMITED BY GUARANTEE)**

**REFERENCE AND ADMINISTRATIVE DETAILS**

<b>Members</b>	R Fairhurst (resigned 1 December 2019) S Keyte (resigned 18 October 2019) S Lomasney S Uprichard R Wall
<b>Governors</b>	S Uprichard – Chair of Governors C Aitcheson – Principal A Bluff J Chinery J Hayes K Hollingshead (resigned 23 November 2019) S McDonald E Perkins (resigned 30 October 2019) R Wall (resigned 4 November 2019) S Busson K Rose
<b>Company Registration Number</b>	09857254
<b>Company name</b>	Countesthorpe Leysland Community College
<b>Principal and registered office</b>	Winchester Road Countesthorpe Leicestershire LE8 5PR
<b>Company secretary</b>	S Kaur
<b>Senior management team</b>	C Aitcheson – Principal T Gartside – Vice Principal D Thurston – Vice Principal S Kaur – Business Manager E Birch – Assistant Principal (up to December 2019) A McKenzie - Assistant Principal (from January 2020) K Russell – Assistant Principal K Challinor – Assistant Principal
<b>Independent auditors</b>	Burrows Scarborough Chartered Accountants Sovereign House 12-14 Warwick Street Earlsdon Coventry CV5 6ET

**COUNTSTHORPE LEYSLAND COMMUNITY COLLEGE  
(A COMPANY LIMITED BY GUARANTEE)**

**REFERENCE AND ADMINISTRATIVE DETAILS (CONT'D)**

**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  
PERIOD ENDED 29<sup>TH</sup> FEBRUARY 2020**

The Governors present their annual report together with the financial statements and auditor's report of the charitable company for the period 1 September 2019 to 29 February 2020. 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 Leysland 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 four 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 first Ofsted inspection of Countesthorpe Leysland Community College took place on 2<sup>nd</sup> and 3<sup>rd</sup> July 2019. LiFE MAT will act as the sponsor from March 1<sup>st</sup> 2020. This has been agreed by the Head teachers Board, ESFA, DfE and the RSC.

## **Structure, governance and management**

### **a. Constitution**

The Academy Trust is a charitable company limited by guarantee and an exempt charity. The charitable company's Memorandum and Articles of Association is the primary governing document of the academy 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.

**COUNTSTHORPE LEYSLAND COMMUNITY COLLEGE  
(A COMPANY LIMITED BY GUARANTEE)**

PERIOD ENDED 29<sup>TH</sup> FEBRUARY 2020

**GOVERNORS' REPORT (CONT'D)**

**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 and procedures 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 that 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.

**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.

All meetings are Full Governing Board meetings with a specific focus on either

- Achievement and Learning or
- Resources and Personnel Focus

**COUNTSTHORPE LEYSLAND COMMUNITY COLLEGE  
(A COMPANY LIMITED BY GUARANTEE)**

PERIOD ENDED 29<sup>TH</sup> FEBRUARY 2020

**GOVERNORS' REPORT (CONT'D)**

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 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 expense are disclosed in note 12 of the financial statements.

The Board of Governors adheres to the School Teachers' Pay and Conditions Document (STPCD) 2019 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.

**h. Trade union facility time**

**Relevant union officials**

Number of employees who were relevant union officials during the year	3
Full-time equivalent number	175

**Percentage of time spent on facility time**

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

**Percentage of pay bill spent on facility time** **£**

Total cost of facility time	700
Total salary bill	7,481,089

**COUNTSTHORPE LEYSLAND COMMUNITY COLLEGE  
(A COMPANY LIMITED BY GUARANTEE)**

PERIOD ENDED 29<sup>TH</sup> FEBRUARY 2020

**GOVERNORS' REPORT (CONT'D)**

Percentage of total pay bill spent on facility time 0%

**Paid trade union activities**

Time spent on paid trade union activities as a percentage of total paid facility time hours 0%

**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 29 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.

**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 forgoing 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 period ended 29<sup>th</sup> February 2020 were focused as follows:

- The creation of a social ethos that encourage 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 student 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.



**COUNTTESTHORPE LEYSLAND COMMUNITY COLLEGE  
(A COMPANY LIMITED BY GUARANTEE)**

PERIOD ENDED 29<sup>TH</sup> FEBRUARY 2020

**GOVERNORS' REPORT (CONT'D)**

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 interest 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.

**Strategic report**

**Achievements and performance**

**a. Review of activities**

The Academy Trust continues to evolve and to adapt to the every-changing educational environment. The Trust is in its 4<sup>th</sup> 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 period ended 29<sup>th</sup> February 2020 were as follows:

The quality of Sixth Form provision remains very good. The judgement is supported by externally sourced ALPS Report that rate the College as a '4' and ranks us between 60<sup>th</sup> and 75<sup>th</sup> percentile nationally. This is an improvement on the '5' we achieved last year that had us at the 50<sup>th</sup> 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 during the period include: Fine Art, Biology, Computer Science, English Literature, Geography, History, Music Technology, Psychology and Sociology. Each of these achieved results at the 50<sup>th</sup> 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 approximately -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 25<sup>th</sup> percentile nationally.

**COUNTRESTHORPE LEYSLAND COMMUNITY COLLEGE  
(A COMPANY LIMITED BY GUARANTEE)**

PERIOD ENDED 29<sup>TH</sup> FEBRUARY 2020

**GOVERNORS' REPORT (CONT'D)**

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 a second in 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 which is a former head teacher. Our LIFE MAT associate membership gives us 1 day a week support from COO of the LIFE MAT and support within the MAT has been sought for Science and English (where cross MAT review 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 2 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.

The Academy was inspected by OfSTED on 2-3<sup>rd</sup> July 2019. The overall judgement 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 Full Governors Meetings and Sub Committee meetings (Achievement & Learning; Personnel & Resources). In addition to which, evidence of progress in relation to key areas of 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.

**COUNTSTHORPE LEYSLAND COMMUNITY COLLEGE  
(A COMPANY LIMITED BY GUARANTEE)**

PERIOD ENDED 29<sup>TH</sup> FEBRUARY 2020

**GOVERNORS' REPORT (CONT'D)**

The Academy offers students the opportunity to 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.

**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 implementing 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 through 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 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 marking and feedback process.

**COUNTSTHORPE LEYSLAND COMMUNITY COLLEGE  
(A COMPANY LIMITED BY GUARANTEE)**

PERIOD ENDED 29<sup>TH</sup> FEBRUARY 2020

**GOVERNORS' REPORT (CONT'D)**

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

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 through 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 29<sup>th</sup> February 2020, the balance of the unrestricted and restricted income reserves was £685,579 (at 31<sup>st</sup> August 2019 £253,653). 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 Academy Trust's funding is based on pupil numbers, pupil numbers are also a key performance indicator. The total number of pupils during the period ended 29<sup>th</sup> February 2020 were 1384 which is a decrease of 1.4% from the previous year.

**COUNTESTHORPE LEYSLAND COMMUNITY COLLEGE  
(A COMPANY LIMITED BY GUARANTEE)**

PERIOD ENDED 29<sup>TH</sup> FEBRUARY 2020

**GOVERNORS' REPORT (CONT'D)**

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 82.04% (2019 85.3%), while the percentage of staff costs to total costs, (excluding depreciation and LGPS FRS102 pension cost charges) was 72% (2019: 78.4%)

**c. Going concern**

On 1 March 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 assets and liabilities will be transferred to LiFE Multi Academy Trust at their book values as at that date.

**d. Fundraising**

The Academy Trust has not undertaken any material fundraising activities during the period ended 29<sup>th</sup> February 2020.

**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 29<sup>th</sup> February 2020 is £14,724,461 (2019: £14,576,556) of which £665,579 (2019: £253,653) 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 6<sup>th</sup> 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 tuped 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.

**COUNTSTHORPE LEYSLAND COMMUNITY COLLEGE  
(A COMPANY LIMITED BY GUARANTEE)**

PERIOD ENDED 29<sup>TH</sup> FEBRUARY 2020

**GOVERNORS' REPORT (CONT'D)**

In 2019/20 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.

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 29<sup>th</sup> February 2020 is £19,596,882 (2019: £19,859,957) 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 strategical 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.

**COUNTTESTHORPE LEYSLAND COMMUNITY COLLEGE  
(A COMPANY LIMITED BY GUARANTEE)**

PERIOD ENDED 29<sup>TH</sup> FEBRUARY 2020

**GOVERNORS' REPORT (CONT'D)**

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.

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 its 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 of continuing changes in the National Funding Formula for schools.

Continuing increases in employment costs, including pension cost 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 delivery 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 the 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 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)**

PERIOD ENDED 29<sup>TH</sup> FEBRUARY 2020

**GOVERNORS' REPORT (CONT'D)**

**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 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)**

PERIOD ENDED 29<sup>TH</sup> FEBRUARY 2020

**GOVERNORS' REPORT (CONT'D)**

**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 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.

**Auditors**

The auditors, Burrows Scarborough, were appointed as the Trusts accountants' from 1 September 2019 to 29 February 2020 and have undertaken the audit of the trusts accounts for 19/20.

The Governors' report, incorporating a strategic report, was approved by order of the board of Governors, as the company directors, on 1 October 2020 and signed on its behalf by:

.....

S Uprichard  
Chair of Governors

This report was approved by order of the Board of Trustees as the company directors, on and signed on its behalf by:

**COUNTSTHORPE LEYSLAND COMMUNITY COLLEGE  
(A COMPANY LIMITED BY GUARANTEE)**

PERIOD ENDED 29<sup>TH</sup> FEBRUARY 2020

**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 Governor' report and in the Statement of Governors' responsibilities. The board of Governors has met formally 5 times during the period ended 29<sup>th</sup> February 2020.

Attendance during the Year at meetings of the board of Trustees was as follows:

<b>Governor</b>	<b>Meetings attended</b>	<b>Out of a possible</b>
S Uprichard – Chair of Governors	5	5
C Aitcheson – Principal	5	5
A Bluff - Governor	4	5
J Chinery - Governor	5	5
J Hayes – Staff Governor	2	5
K Hollingshead - Governor	1	3
S McDonald - Governor	4	5
E Perkins - Governor	1	2
R Wall - Governor	1	3
S Busson – Staff Governor	4	5
K Rose - Governor	4	5
T Gartside – Vice Principal	5	5
S Kaur – Business Manager	5	5
D Thurston – Vice Principal	3	5

**COUNTESTHORPE LEYSLAND COMMUNITY COLLEGE  
(A COMPANY LIMITED BY GUARANTEE)**

PERIOD ENDED 29<sup>TH</sup> FEBRUARY 2020

**GOVERNANCE STATEMENT (CONT'D)**

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 for the Academy Trust. The Board of Governors is therefore satisfied that through these series of meeting and reviews of the Academy Trust's management accounts, there is appropriate and effective oversight of the Academy Trust's funds and financial position.

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.

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.

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.

<b>Governor</b>	<b>Meetings attended</b>	<b>Out of a possible</b>
S Uprichard – Chair of Governors	5	5
C Aitcheson – Principal	5	5
A Bluff - Governor	4	5
J Chinery - Governor	5	5
J Hayes – Staff Governor	2	5
K Hollingshead - Governor	1	3
S McDonald - Governor	4	5
E Perkins - Governor	1	2
R Wall - Governor	1	3
S Busson – Staff Governor	4	5
K Rose - Governor	4	5
T Gartside – Vice Principal	5	5
S Kaur – Business Manager	5	5
D Thurston – Vice Principal	3	5

**COUNTTESTHORPE LEYSLAND COMMUNITY COLLEGE  
(A COMPANY LIMITED BY GUARANTEE)**

PERIOD ENDED 29<sup>TH</sup> FEBRUARY 2020

**GOVERNANCE STATEMENT (CONT'D)**

**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 Account 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 Academy 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 1 September 2019 to 29 February 2020 and up to the date of approval of the annual report and financial statements.

**Capacity to Handle Risk**

The Board of Governors has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Governors is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy's significant risks that has been in place for the period 1 September 2019 to 29 February 2020 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Governors.

**The Risk and Control Framework**

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

**COUNTRESTHORPE LEYSLAND COMMUNITY COLLEGE  
(A COMPANY LIMITED BY GUARANTEE)**

PERIOD ENDED 29<sup>TH</sup> FEBRUARY 2020

**GOVERNANCE STATEMENT (CONT'D)**

In particular, it includes;

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Governors;
- regular reviews by the Finance Committees 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 Trusts financial systems. In particular, the checks carried out in the current period included;

- review of and testing of income recognition and recording system 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 period ended 29 February 2020 as planned. No internal control weaknesses were identified from the work completed.

**Review of Effectiveness**

As Accounting Officer, the Principal has responsibility for reviewing the effectiveness of the system of internal control.

During the period ended 29 February 2020, 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 1 October 2020 and signed on their behalf, by:



S Uprichard  
Chair of Governors



C Aitcheson  
Accounting Officer

**COUNTESTHORPE LEYSLAND COMMUNITY COLLEGE  
(A COMPANY LIMITED BY GUARANTEE)**

PERIOD ENDED 29<sup>TH</sup> FEBRUARY 2020

**STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE**

As Accounting Officer of Countesthorpe Leysland Community College, I have considered my responsibility to notify the Academy Trust's Board of Trustees and the Education Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

I confirm that I and the Academy Trusts 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 trusts funding agreement and the Academies Financial Handbook 2019.

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: 1 October 2020**

**COUNTTESTHORPE LEYSLAND COMMUNITY COLLEGE  
(A COMPANY LIMITED BY GUARANTEE)**

PERIOD ENDED 29<sup>TH</sup> FEBRUARY 2020

**STATEMENT OF TRUSTEES' RESPONSIBILITIES**

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 and 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 in the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019
- make judgments 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 1 October 2020 and signed on its behalf by:



S Uprichard  
Chair of Governors

**COUNTESTHORPE LEYSLAND COMMUNITY COLLEGE  
(A COMPANY LIMITED BY GUARANTEE)**

PERIOD ENDED 29<sup>TH</sup> FEBRUARY 2020

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

**Opinion**

We have audited the financial statements of Countesthorpe Leysland Community College (the 'academy trust') for the period ended 29 February 2020 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 and 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 and 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 29 February 2020, and of its incoming resources and application of resources, including its income and expenditure, for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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 and 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 UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

We 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 on 1 March 2020.

**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.



**COUNTSTHORPE LEYSLAND COMMUNITY COLLEGE  
(A COMPANY LIMITED BY GUARANTEE)**

PERIOD ENDED 29<sup>TH</sup> FEBRUARY 2020

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

**Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the Governors' report including the 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.

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.

**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 trustees 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's 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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditor's report.

**COUNTTESTHORPE LEYSLAND COMMUNITY COLLEGE  
(A COMPANY LIMITED BY GUARANTEE)**

PERIOD ENDED 29<sup>TH</sup> FEBRUARY 2020

**INDEPENDENT AUDITOR'S REPORT TO  
THE MEMBERS OF COUNTTESTHORPE LEYSLAND COMMUNITY COLLEGE  
ON THE FINANCIAL STATEMENTS (CONT'D)**

**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.



**Zoe Walsh FCCA  
Senior Statutory Auditor  
For and on behalf of  
Burrows Scarborough  
Chartered Accountants  
Statutory Auditors  
Sovereign House  
12 – 14 Warwick Street  
Earlsdon  
Coventry  
CV5 6ET**

Date: 1.10.20

**COUNTESTHORPE LEYSLAND COMMUNITY COLLEGE  
(A COMPANY LIMITED BY GUARANTEE)**

PERIOD ENDED 29<sup>TH</sup> FEBRUARY 2020

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

In accordance with the terms of our engagement letter dated 23<sup>rd</sup> April 2020 and further to the requirements of the Education and 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 period from 1 September 2019 to 29 February 2020 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 the 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 the ESFA, for our work, for this report, or for the conclusion we have formed.

**Respective responsibilities 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 1 April 2012 and the Academies Financial Handbook, extant from 1 September 2019, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2018 to 2019. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period from 1 September 2019 to 29 February 2020 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

**Approach**

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

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

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

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

The work undertaken to draw our conclusions includes:

- 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.

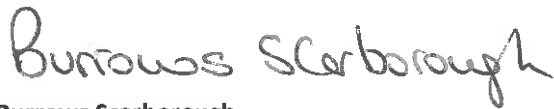
**COUNTESTHORPE LEYSLAND COMMUNITY COLLEGE  
(A COMPANY LIMITED BY GUARANTEE)**

PERIOD ENDED 29<sup>TH</sup> FEBRUARY 2020

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO COUNTESTHORPE LEYSLAND COMMUNITY COLLEGE AND THE EDUCATION AND SKILLS FUNDING AGENCY (CONT'D)

**Conclusion**

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period from 1 September 2019 to 29 February 2020 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



**Burrows Scarborough  
Chartered Accountants  
Sovereign House  
12-14 Warwick Street  
Earlsdon  
Coventry  
CV5 6ET**

Date: 1.10.20.....

**COUNTRESTHORPE LEYSLAND COMMUNITY COLLEGE**  
**(A COMPANY LIMITED BY GUARANTEE)**

PERIOD ENDED 29<sup>TH</sup> FEBRUARY 2020

**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT**

	Note	Unrestricted Funds 2020 £	Restricted General Funds 2020 £	Restricted Fixed Asset Funds 2020 £	6 months to 29 February Total Funds 2020 £	Year to 31 August Total Funds 2019 Restated £
<b>Income from:</b>						
Donations and capital grants	3		184,093	151,578	335,671	130,804
Charitable activities	4		4,320,082	19,425	4,339,507	8,772,744
Other trading activities	5	484,831	4,849	-	489,680	371,493
Investments	6	3,523	-	-	3,523	3,085
<b>Total income</b>		<b>488,354</b>	<b>4,509,024</b>	<b>171,003</b>	<b>5,168,381</b>	<b>9,278,126</b>
<b>Expenditure on:</b>						
Raising funds	7	-	-	-	-	124,099
Charitable activities	8	311,851	4,424,984	208,034	4,944,869	9,421,482
<b>Total expenditure</b>		<b>311,851</b>	<b>4,424,984</b>	<b>208,034</b>	<b>4,944,869</b>	<b>9,545,581</b>
<b>Net income / (expenditure)</b>		<b>176,503</b>	<b>84,040</b>	<b>(37,031)</b>	<b>223,512</b>	<b>(267,455)</b>
<b>Transfer between funds</b>		<b>(156,503)</b>	<b>156,503</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net income / (expenditure)</b>		<b>20,000</b>	<b>240,543</b>	<b>(37,031)</b>	<b>223,512</b>	<b>(267,455)</b>
<b>Other recognised gains/(losses):</b>						
Actuarial (losses)/gains on defined benefit pension schemes	27	-	982,000	-	982,000	(1,445,000)
<b>Net movement in funds</b>		<b>20,000</b>	<b>1,222,543</b>	<b>(37,031)</b>	<b>1,205,512</b>	<b>(1,712,455)</b>
<b>Reconciliation of funds:</b>						
Total funds brought forward (As previously stated)		-	(5,077,347)	19,653,903	14,576,556	16,289,011
Prior year adjustments		-	(37,617)	(19,990)	(57,607)	-
Total funds brought forward (As restated)		-	(5,114,964)	19,633,913	14,518,949	-
Net movement in funds		20,000	1,222,543	(37,031)	1,205,512	(1,712,455)
<b>Total funds carried forward</b>		<b>20,000</b>	<b>(3,892,421)</b>	<b>19,596,882</b>	<b>15,724,461</b>	<b>14,576,556</b>

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

The notes on pages 32 to 53 form part of these financial statements

**COUNTSTHORPE LEYSLAND COMMUNITY COLLEGE**  
**(A COMPANY LIMITED BY GUARANTEE)**

PERIOD ENDED 29<sup>TH</sup> FEBRUARY 2020  
(COMPANY NUMBER 09857254)

BALANCE SHEET				
	Notes	6 months to 29 February 2020		Year to 31 August 2019
		£	£	Restated £
<b>Fixed assets</b>				
Tangible assets	15		19,596,882	19,653,903
<b>Current assets</b>				
Stocks	16	14,811		13,549
Debtors	17	429,707		99,088
Cash at bank and in hand		1,135,557		1,179,468
		<u>1,580,075</u>		<u>1,292,105</u>
<b>Creditors: Amounts falling due within one year</b>	18	<u>(894,496)</u>		<u>(721,644)</u>
<b>Net current assets/(liabilities)</b>			685,579	570,461
<b>Total assets less current liabilities</b>			<u>20,282,461</u>	<u>20,224,364</u>
<b>Creditors: amounts falling due after more than one year</b>	19		-	(316,808)
<b>Net assets excluding pension scheme liability</b>			<u>20,282,461</u>	<u>19,907,556</u>
Defined benefit pension scheme liability	27		(4,558,000)	(5,331,000)
<b>Total net assets</b>			<u>15,724,461</u>	<u>14,576,556</u>
<b>Funds of the academy trust</b>				
<b>Restricted funds:</b>				
Fixed asset fund	20	19,596,882		19,653,903
Restricted income funds	20	665,579		253,653
Pension reserve	20	(4,558,000)		(5,331,000)
<b>Total restricted funds</b>			<u>15,704,461</u>	<u>14,576,556</u>
<b>Unrestricted income funds</b>			20,000	-
<b>Total funds</b>			<u>15,724,461</u>	<u>14,576,556</u>

The financial statements on pages 29 to 53 were approved by the trustees, and authorised for issue on 1 October 2020 and are signed on their behalf by:

....

S Uprichard  
Chair of Governors

**COUNTESTHORPE LEYSLAND COMMUNITY COLLEGE  
(A COMPANY LIMITED BY GUARANTEE)**

PERIOD ENDED 29<sup>TH</sup> FEBRUARY 2020

**STATEMENT OF CASH FLOWS**

	<b>Notes</b>	<b>6 months to 29 February 2020 £</b>	<b>Year to 31 August 2019 £</b>
<b>Cash flows from operating activities</b>			
Net cash (used in)/provided by operating activities	22	(134,498)	207,476
<b>Cash flows from investing activities</b>	24	169,321	120,221
<b>Cash flows from financing activities:</b>	23	(78,734)	454,276
<b>Change in cash and cash equivalents in the year</b>		<u>(43,911)</u>	<u>781,973</u>
Cash and cash equivalents at 1 September 2019		<u>1,179,468</u>	<u>1,940,719</u>
<b>Cash and cash equivalents at 29 February 2020</b>	25	<u><u>1,135,557</u></u>	<u><u>1,179,468</u></u>

**COUNTSTHORPE LEYSLAND COMMUNITY COLLEGE  
(A COMPANY LIMITED BY GUARANTEE)**

PERIOD ENDED 29<sup>TH</sup> FEBRUARY 2020

**NOTES TO THE FINANCIAL STATEMENTS (CONT'D)**

**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 General information and basis of preparation of financial statements**

Countesthorpe Leysland Community College is a company limited by guarantee incorporated in England and Wales. The address of the registered office is given in the Reference and Administrative Details given on pages 3-4 of these financial statements. The nature of the academy trusts operations and principal activities are set out in the Trustees' Report on pages 5-17.

The reporting period is for 6 months and this is because the assets liabilities and operations were transferred to LiFE Multi Academy Trust on 1 March 2020. The company will be wound up in the near future

Due to this, the comparative amounts presented in the accounts (including the related notes) are not entirely comparable. The trust has the legal authority to change its reporting period as the trust has ceased to trade.

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

**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 academy trust to continue as a going concern.

On 1 March 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 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.



**COUNTTESTHORPE LEYSLAND COMMUNITY COLLEGE  
(A COMPANY LIMITED BY GUARANTEE)**

PERIOD ENDED 29<sup>TH</sup> FEBRUARY 2020

**NOTES TO THE FINANCIAL STATEMENTS (CONT'D)**

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

Capital grants are recognised when there is an unconditional entitlement to the grant. Unspent amounts of capital grant are reflected in the balance 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 period it is receivable and to the extent the academy trust has provided goods or services.

**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.

**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.

**COUNTSTHORPE LEYSLAND COMMUNITY COLLEGE  
(A COMPANY LIMITED BY GUARANTEE)**

PERIOD ENDED 29<sup>TH</sup> FEBRUARY 2020

**NOTES TO THE FINANCIAL STATEMENTS (CONT'D)**

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, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful lives, as follows:

Long-term leasehold property	2% and 10% straight line
Leasehold improvements	5% and 10% straight line
Furniture and equipment	25% straight line
Computer equipment	25% 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 discount 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.

#### **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 basis 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 17. Prepayments are not financial instruments. Amounts due to the charity's wholly owned subsidiary are held at face value less any impairment.

*Cash at bank* – is classified as a basic financial instrument and is measure at face value.

**COUNTSTHORPE LEYSLAND COMMUNITY COLLEGE  
(A COMPANY LIMITED BY GUARANTEE)**

PERIOD ENDED 29<sup>TH</sup> FEBRUARY 2020

**NOTES TO THE FINANCIAL STATEMENTS (CONT'D)**

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

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

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

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

**1.14. Agency Arrangements**

The academy trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the statement of financial activities, as the academy trust does not have control over the charitable application of the funds. The funds received and paid and any balances held are disclosed in note 31.

**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 (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 27, will

**COUNTSTHORPE LEYSLAND COMMUNITY COLLEGE  
(A COMPANY LIMITED BY GUARANTEE)**

PERIOD ENDED 29<sup>TH</sup> FEBRUARY 2020

**NOTES TO THE FINANCIAL STATEMENTS (CONT'D)**

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 29 February 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

**Critical areas of judgement:**

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.

**COUNTTESTHORPE LEYSLAND COMMUNITY COLLEGE**  
**(A COMPANY LIMITED BY GUARANTEE)**

PERIOD ENDED 29<sup>TH</sup> FEBRUARY 2020

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

**3 Income from donations and capital grants**

	Restricted Funds 2020 £	6 months to 29 February 2020 £	Year to 31 August 2019 £
Capital grants	335,671	335,671	130,804
<b>Total 2019</b>	<b>130,804</b>	<b>130,804</b>	

**4 Funding for academy's direct costs**

	Unrestricted Funds 2020 £	Restricted Funds 2020 £	6 months to 29 February 2020 £	Year to 31 August 2019 £
<b>DfE/EFA grants</b>				
General Annual Grant (GAG)	-	3,382,326	3,382,326	6,749,810
Other DfE/EFA grants	-	134,489	134,489	391,240
		3,516,815	3,516,815	7,141,050
<b>Other Government grants</b>				
Local authority grants	-	453,302	453,302	190,297
		453,302	453,302	190,297
Income from the academy trust's educational operations	-	369,390	369,390	1,441,397
<b>Total 2020</b>	<b>-</b>	<b>4,339,507</b>	<b>4,339,507</b>	<b>8,772,744</b>
<b>Total 2019</b>	<b>285,596</b>	<b>8,487,148</b>	<b>8,772,744</b>	

**5 Income from other trading activities**

	Unrestricted funds 2020 £	Restricted Funds 2020 £	6 months to 29 February 2020 £	Year to 31 August 2019 £
Hire of facilities	-	130,290	130,290	93,005
Other income	4,849	354,541	359,390	278,488
	4,849	484,831	489,680	371,493

**COUNTESTHORPE LEYSLAND COMMUNITY COLLEGE**  
**(A COMPANY LIMITED BY GUARANTEE)**

PERIOD ENDED 29<sup>TH</sup> FEBRUARY 2020

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

**6 Investment income**

	Unrestricted Funds £	6 months to 29 February 2020 £	Year to 31 August 2019 £
Bank interest	3,523	3,523	3,085

**7 Expenditure**

	Staff Costs 2020 £	Premises 2020 £	Other Costs 2020 £	6 months to 29 February 2020 £	Year to 31 August 2019 Restated £
Expenditure on raising funds:					
Direct costs					124,099
Academy educational operations:					
Direct costs	3,016,437	199,733	672,276	3,888,446	7,383,004
Allocated support costs	585,721	195,698	275,004	1,056,423	2,038,478
<b>Total 2020</b>	3,602,158	395,431	947,280	4,944,869	9,545,581
<b>Total 2019</b>	7,481,089	923,614	1,140,878	9,545,581	

**8 Funding for academy's direct costs**

	Activities undertaken directly 2020 £	Support costs 2020 £	6 months to 29 February 2020 £	Year to 31 August Restated 2019 £
Charitable activities	3,888,446	1,056,423	4,944,869	9,421,482
<b>Total 2019</b>	7,383,004	2,038,478	9,421,482	

**COUNTTESTHORPE LEYSLAND COMMUNITY COLLEGE  
(A COMPANY LIMITED BY GUARANTEE)**

PERIOD ENDED 29<sup>TH</sup> FEBRUARY 2020

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

**9 Analysis of support costs**

	Educational operations 2020 £	6 months to 29 February Total funds 2020 £	Year to 31 August Total funds 2019 £
Support staff costs	585,721	585,721	1,182,117
IT costs	42,233	42,233	31,597
Utilities	82,062	82,062	152,674
Governance costs	4,843	4,843	31,038
Insurance	23,089	23,089	91,369
Maintenance of premises and equipment	98,036	98,036	219,554
Security	5,152	5,152	4,483
Other support costs	72,139	72,139	104,851
Rates	10,448	10,448	26,614
Printing, stationery and reprographics	23,485	23,485	15,437
Catering	110,215	110,215	178,744
<b>Total 2020</b>	<b>1,056,423</b>	<b>1,056,423</b>	<b>2,038,478</b>

**10 Prior year adjustment**

Adjustments have been made to prior year figures in relation to depreciation and accrued income

Opening reserves on 1 September 2019 (as previously stated)	14,576,556
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Prior year adjustments:

a) Depreciation	(19,990)
b) Deferred income adjustment	<u>(37,617)</u>
	(57,607)

Opening reserves at 1 September 2019 (restated)	14,518,949
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**a) Depreciation**

The depreciation charge was incorrectly calculated last year

**b) Deferred income**

Parental contributions is for school trip money for trips that are taking place in 19/20 and should have been deferred against the costs that were posted to the accounts in 19/20. It is not a fund balance but money received for a specific event.

**COUNTTESTHORPE LEYSLAND COMMUNITY COLLEGE**  
**(A COMPANY LIMITED BY GUARANTEE)**

PERIOD ENDED 29<sup>TH</sup> FEBRUARY 2020

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

**11 Net income/(expenditure)**

Net expenditure for the year includes:

	6 months to 29 February Total funds 2020 £	Year to 31 August Total funds 2019 Restated £
Depreciation of tangible fixed assets	206,904	433,403
Fees paid to auditor for;		
audit	7,500	11,075
other services	1,350	2,425
	<hr/>	<hr/>

**12. Staff costs**

**a. Staff costs**

	6 months to 29 February Total funds 2020 £	Year to 31 August Total funds 2019 £
Wages and salaries	2,576,785	5,421,010
Social security	235,744	492,684
Pension costs	580,829	1,269,746
	<hr/>	<hr/>
	3,393,448	7,183,440
Agency staff costs	166,762	285,918
Staff restructuring costs	-	11,731
	<hr/>	<hr/>
	3,560,210	7,481,089

Staff restructuring costs comprise:

	6 months to 29 February 2020 £	Year to 31 August 2019 £
Severance payments	-	11,731
	<hr/>	<hr/>

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

Included in staff restructuring costs is one non statutory/non-contractual severance payment totalling £nil (2019: £11,731)



**COUNTRESTHORPE LEYSLAND COMMUNITY COLLEGE**  
**(A COMPANY LIMITED BY GUARANTEE)**

PERIOD ENDED 29<sup>TH</sup> FEBRUARY 2020

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

**c. Staff numbers**

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

	6 months to 29 February 2020 No.	Year to 31 August 2019 No.
Teachers	76	106
Administration and support	153	135
Management	7	6
	236	247

**d. Higher paid staff**

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

	6 months to 29 February 2020 No.	Year to 31 August 2019 No.
£60,001 - £70,000	2	2
£70,001 - £80,000	2	1
£80,001 - £90,000	1	1
£90,001 - £100,000	1	1

**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 £323,978 (2019: £568,770).

**13 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:

		6 months to 29 February 2020 £	Year to 31 August 2019 £
C Aitcheson	Remuneration	95,000 - 100,000	95,000 - 100,000
	Pension contributions paid	15,000 - 20,000	15,000 - 20,000
J Hayes	Remuneration	50,000 - 55,000	50,000 - 55,000

**COUNTSTHORPE LEYSLAND COMMUNITY COLLEGE**  
**(A COMPANY LIMITED BY GUARANTEE)**

PERIOD ENDED 29<sup>TH</sup> FEBRUARY 2020

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

	Pension contributions paid	5,000 - 10,000	5,000 - 10,000
S Busson	Remuneration	35,000 - 40,000	25,000 - 30,000
	Pension contributions paid	-	-

During the period ended 29 February 2020, no Governor expenses have been incurred (2019 £Nil)

**14 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 period ended 29 February 2020 was £280 (2019 £581). The cost of this insurance is included in the total insurance cost.

**15 Tangible fixed assets - restated**

	Long-term leasehold property £	Leasehold improvements	Furniture and equipment £	Computer equipment £	Total £
<b>Cost</b>					
At 1 September 2019	20,098,782	659,306	134,407	107,220	20,999,715
Additions	-	169,873	-	-	169,873
At 29 February 2020	20,098,782	829,178	134,407	107,220	21,169,588
<b>Depreciation</b>					
At 1 September 2019 (As previously stated)	983,066	145,465	118,992	98,289	1,345,812
Prior year adjustment	19,990				19,990
At 1 September 2019 (As restated)	1,003,056				1,365,802
Charged in period	175,808	23,925	3,809	3,362	206,904
At 29 February 2020	1,178,865	169,390	122,800	101,651	1,572,706
<b>Net book values</b>					
At 29 February 2020	18,919,917	659,788	11,607	5,569	19,596,882
At 31 August 2019	19,095,725	513,841	15,415	8,931	19,653,903

**16 Stocks**

	6 months to 29 February 2020 £	Year to 31 August 2019 £
Catering and stationery	14,811	13,549

**COUNTSTHORPE LEYSLAND COMMUNITY COLLEGE**  
**(A COMPANY LIMITED BY GUARANTEE)**

PERIOD ENDED 29<sup>TH</sup> FEBRUARY 2020

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

**17 Debtors**

	<b>6 months to 29 February 2020 £</b>	<b>Year to 31 August 2019 £</b>
Trade debtors	103,128	3,315
VAT recoverable	35,972	14,961
Prepayments and accrued income	290,607	80,812
	<hr/> 429,707	<hr/> 99,088

**18 Creditors: amounts falling due within one year**

	<b>6 months to 29 February 2020 £</b>	<b>Year to 31 August 2019 Restated £</b>
Loans	395,542	157,468
Trade creditors	118,453	24,852
Other taxation and social security	116,757	239,528
Other creditors	175,290	14,793
Accruals and deferred income	88,454	285,003
	<hr/> 894,496	<hr/> 721,644

	<b>6 months to 29 February 2020 £</b>	<b>Year to 31 August 2019 £</b>
<b>Deferred income</b>		
Deferred income at 1 <sup>st</sup> September 2019	278,293	296,307
Resources deferred during the year	38,802	278,293
Amounts released from previous periods	(278,293)	(296,307)
Prepayments and accrued income	<hr/> 38,802	<hr/> 278,293

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.

**COUNTTESTHORPE LEYSLAND COMMUNITY COLLEGE**  
**(A COMPANY LIMITED BY GUARANTEE)**

PERIOD ENDED 29<sup>TH</sup> FEBRUARY 2020

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

**19 Creditors: amounts falling due after more than one year**

	6 months to 29 February 2020 £	Year to 31 August 2019 £
Loans	316,808	316,808

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 bi-annual repayments of £2,500;

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

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

**COUNTRESTHORPE LEYSLAND COMMUNITY COLLEGE**  
**(A COMPANY LIMITED BY GUARANTEE)**

PERIOD ENDED 29<sup>TH</sup> FEBRUARY 2020

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

**20 Statement of funds**

	Balance at 1 September 2019 (as previously stated) £	Prior year adjustment (note (9))	Income £	Expenditure £	Transfers In/out £	Gains, Losses and Transfers £	Balance at 29 February 2020 £
<b>Unrestricted funds</b>							
General Funds			488,354	(311,851)	(156,503)		20,000
<b>Restricted general funds</b>							
General Annual Grant (GAG)	64,736		3,638,791	(3,614,514)	176,467		265,480
Other DfE/ESFA Grants			118,817	(118,817)			
Behaviour Partnership Grants from local authority	131,366 19,964		632,983	(364,220)	(19,964)		400,099
Parental contributions	37,617	(37,617)	118,433	(118,433)			
Pension reserve	(5,331,000)			(209,000)		982,000	(4,558,000)
	(5,077,347)	(37,617)	4,509,024	(4,424,984)	156,503	982,000	(3,892,421)
<b>Restricted fixed asset funds</b>							
Restricted fixed asset funds	19,653,903	(19,990)	171,003	(208,034)			19,596,882
<b>Total restricted funds</b>	14,576,556	(57,607)	4,680,027	(4,633,018)	156,503	982,000	15,704,461
<b>Total funds</b>	14,576,556	(57,607)	5,168,381	(4,944,869)	-	982,000	15,724,461

The specific purposes for which the funds are to be applied 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 reports.

**Parental contributions**

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

**Pension reserve**

**COUNTRESTHORPE LEYSLAND COMMUNITY COLLEGE**  
**(A COMPANY LIMITED BY GUARANTEE)**

PERIOD ENDED 29<sup>TH</sup> FEBRUARY 2020

**NOTES TO THE FINANCIAL STATEMENTS (CONT'D)**

Being the fund in relation to the defined benefit pension scheme liability included in the Balance Sheet.

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

	<b>Restated</b> Balance at 1 September 2019 £	<b>Income</b> £	<b>Restated</b> Expenditure £	<b>Transfers</b> In/out £	<b>Gains, Losses and Transfers</b> £	<b>Restated</b> Balance at 31 August 2019 £
<b>Unrestricted funds</b>						
General Funds	-	660,174	(660,174)	-	-	-
<b>Restricted general funds</b>						
General Annual Grant (GAG)	(414,999)	6,749,810	(6,476,129)	206,054	-	64,736
Other DfE/ESFA grants	2,653	-	-	-	-	-
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)
	<b>(3,873,545)</b>	<b>8,487,148</b>	<b>(8,452,004)</b>	<b>206,054</b>	<b>(1,445,000)</b>	<b>(5,077,347)</b>
<b>Restricted fixed asset funds</b>						
Restricted fixed asset funds	20,162,556	130,804	(433,403)	(206,054)	-	19,633,913
<b>Total restricted funds</b>	<b>16,289,011</b>	<b>8,617,952</b>	<b>(8,885,407)</b>	<b>-</b>	<b>(1,445,000)</b>	<b>14,576,556</b>
<b>Total funds</b>	<b>16,289,011</b>	<b>9,278,126</b>	<b>(9,545,581)</b>	<b>-</b>	<b>(1,445,000)</b>	<b>14,576,556</b>

**COUNTSTHORPE LEYSLAND COMMUNITY COLLEGE**  
**(A COMPANY LIMITED BY GUARANTEE)**

PERIOD ENDED 29<sup>TH</sup> FEBRUARY 2020

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

**21 Analysis of net assets between funds**

Analysis of net assets between funds – current 6 month period ended 29 February 2020

	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Restricted Fixed Asset Funds 2020 £	Total Funds 2020 £
Tangible fixed assets			19,596,882	19,596,882
Current assets	20,000	1,560,075	-	1,580,075
Creditors within one year		(894,496)	-	(894,496)
Creditors due in more than one year		-	-	-
Pension scheme liability		(4,558,000)	-	(4,558,000)
<b>Total</b>	<b>20,000</b>	<b>(3,892,421)</b>	<b>19,596,882</b>	<b>15,724,461</b>

Analysis of net assets between funds – prior year ended 31 August 2019

	Restricted Funds 2019 £	Restricted Fixed Asset Funds 2019 £	Restated Total Funds 2019 £
Tangible fixed assets		19,653,903	19,653,903
Current assets	1,292,105	-	1,292,105
Creditors within one year	(759,261)	-	(759,261)
Creditors due in more than one year	(316,808)	-	(316,808)
Pension scheme liability	(5,331,000)	-	(5,331,000)
<b>Total</b>	<b>(5,077,347)</b>	<b>19,653,903</b>	<b>14,576,556</b>

**COUNTSTHORPE LEYSLAND COMMUNITY COLLEGE**  
**(A COMPANY LIMITED BY GUARANTEE)**

PERIOD ENDED 29<sup>TH</sup> FEBRUARY 2020

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

**22 Reconciliation of net income to net cash inflow from operating activities**

	6 months to 29 February 2020 £	Year to 31 August 2019 £
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	223,512	(267,455)
<b>Adjustments for:</b>		
Depreciation	206,904	433,403
Interest receivable	(3,523)	(3,085)
Defined benefit pension scheme finance cost less contributions payable	(37,975)	438,000
(Increase) in stocks	(1,262)	
(Increase) / decrease in debtors	(330,619)	(108)
Decrease / (increase) in creditors	144,136	(262,475)
Capital grants from DfE and other capital income	(335,671)	(130,804)
<b>Net cash (used in)/provided by operating activities</b>	<b>(134,498)</b>	<b>207,476</b>

**23 Cash flows from financing activities**

	6 months to 29 February 2020 £	Year to 31 August 2019 £
Cash inflows from new borrowings		461,744
Repayments of borrowing	(78,734)	(7,468)
<b>Net cash provided by financing activities</b>	<b>(78,734)</b>	<b>454,276</b>

**24 Cash flows from investing activities**

	6 months to 29 February 2020 £	Year to 31 August 2019 £
Dividends, interest and rents from investments	3,523	3,085
Purchase of tangible fixed assets	(169,873)	(13,668)
Capital grants from DfE Group	335,671	130,804
<b>Net cash provided by investing</b>	<b>169,321</b>	<b>120,221</b>



**COUNTTESTHORPE LEYSLAND COMMUNITY COLLEGE  
(A COMPANY LIMITED BY GUARANTEE)**

PERIOD ENDED 29<sup>TH</sup> FEBRUARY 2020

**NOTES TO THE FINANCIAL STATEMENTS (CONT'D)**

**25 Analysis of cash and cash equivalents**

	<b>6 months to 29 February 2020 £</b>	<b>Year to 31 August 2019 £</b>
Cash in hand	1,135,557	1,179,468
<b>Total cash in cash equivalents</b>	<u>1,135,557</u>	<u>1,179,468</u>

**26 Capital commitments**

	<b>6 months to 29 February 2020 £</b>	<b>Year to 31 August 2019 £</b>
<b>Contracted for but not provided in these financial statements</b>		
Acquisition of tangible fixed assets	—	62,298

**27 Pension and similar obligations**

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

The latest actuarial valuation of the TPS was 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 period.

**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.

**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

**COUNTRESTHORPE LEYSLAND COMMUNITY COLLEGE  
(A COMPANY LIMITED BY GUARANTEE)**

PERIOD ENDED 29<sup>TH</sup> FEBRUARY 2020

**NOTES TO THE FINANCIAL STATEMENTS (CONT'D)**

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; and
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%.

The TPS valuation for 2012 determined an employer rate of 16.4% which was payable from September 2015. The next valuation of 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<sup>st</sup> March 2020.

The employer's pension costs paid to TPS in the period amounted to £420,740 (2019: £549,105).

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 scheme, with the assets held in separate trustee-administered funds. The total contribution made for the period ended 29 February 2020 was £200,000 (2019: £382,000), of which employer's contributions totalled £160,000 (2019: £304,000), and employees' contributions totalled £40,000 (2019: £78,000). The current agreed contribution rates for future years are 25.3% for employers and 5.5% - 12.5% for employees.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy trust 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 assumptions**

	At 29 February 2020	At 31 August 2019
Rate of increase in salaries	2.6%	3.3%
Rate of increase for pensions in payment / inflation	2.1%	2.3%
Discount rate for scheme liabilities	1.8%	1.8%

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

	At 29 February 2020 Years	At 31 August 2019 Years
<b>Retiring today</b>		
Males	21.5	21.2

**COUNTTESTHORPE LEYSLAND COMMUNITY COLLEGE**  
**(A COMPANY LIMITED BY GUARANTEE)**

PERIOD ENDED 29<sup>TH</sup> FEBRUARY 2020

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

Females	22.2	23.4
<i>Retiring in 20 years</i>		
Males	22.2	22.2
Females	25.2	24.7

**Sensitivity analysis**

	At 29 February 2020 £000	At 31 August 2019 £000
0.5% decrease in Real Discount Rate	1,187	1,431
0.5% increase in the Salary Increase Rate	109	269
0.5% increase in the Pension increase Rate (CPI)	1,060	1,127

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

	At 29 February 2020 £	At 31 August 2019 £
Equity instruments	3,010,000	3,367,000
Corporate bonds	1,839,000	1,799,000
Property	502,000	464,000
Cash and other liquid assets	223,000	176,000
<b>Total market value of assets</b>	<b>5,574,000</b>	<b>5,806,000</b>

The actual return on scheme assets was £69,672 (2019: £377,390).

The amounts recognised in the statement of financial activities are as follows;

	At 29 February 2020 £	At 31 August 2019 £
Current service cost	(321,000)	(642,000)
Interest income	53,000	148,000
Interest cost	(101,000)	(248,000)
Net interest cost	(369,000)	(742,000)
<b>Total amount recognised in the statement of financial activities</b>	<b>(369,000)</b>	<b>(742,000)</b>

**COUNTTESTHORPE LEYSLAND COMMUNITY COLLEGE  
(A COMPANY LIMITED BY GUARANTEE)**

PERIOD ENDED 29<sup>TH</sup> FEBRUARY 2020

**NOTES TO THE FINANCIAL STATEMENTS (CONT'D)**

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

	<b>At 29 February 2020 £</b>	<b>At 31 August 2019 £</b>
<b>At 1 September 2019</b>	11,137,000	8,600,000
Current service cost	321,000	642,000
Interest cost	101,000	248,000
Employee contributions	40,000	78,000
Actuarial losses/(gains)	(1,412,000)	1,641,000
Benefits paid	(55,000)	(72,000)
<b>At 29 February 2020</b>	<u>10,132,000</u>	<u>11,137,000</u>

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

	<b>At 29 February 2020 £</b>	<b>At 31 August 2019 £</b>
<b>At 1 September 2019</b>	5,806,000	5,152,000
Interest income	53,000	148,000
Actuarial gains	(430,000)	196,000
Employer contributions	160,000	304,000
Employee contributions	40,000	78,000
Benefits paid	(55,000)	(72,000)
<b>At 29 February 2020</b>	<u>5,574,000</u>	<u>5,806,000</u>

## **28 Operating lease commitments**

At 29 February 2020 the academy trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	<b>At 29 February 2020 £</b>	<b>At 31 August 2019 £</b>
Not later than 1 year	7,337	10,771
Later than 1 year and not later than 5 years	<u>7,337</u>	<u>10,771</u>

## **29 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 the debts and liabilities contracted before he/she ceases to be a member.

**COUNTTESTHORPE LEYSLAND COMMUNITY COLLEGE  
(A COMPANY LIMITED BY GUARANTEE)**

PERIOD ENDED 29<sup>TH</sup> FEBRUARY 2020

**NOTES TO THE FINANCIAL STATEMENTS (CONT'D)**

**30 Related Party Transactions**

No related party transactions took place in the period of accounts, other than certain trustees' remuneration and expenses already disclosed in note 13.

**31 Agency arrangements**

The academy trust distributes 16-19 Bursary Funds to students as an agent for the ESFA. In the accounting period ended 29 February 2020, the trust received £8,444 (2019 - £19,164) and disbursed £2,452 from the fund. An amount of £20,786 is included in other creditors relating to the undistributed funds that are repayable to the ESFA.

**32 Post balance sheet event**

On 1 March 2020 all assets, liabilities and operations were transferred to LiFE Multi Academy Trust.