

LiFE Multi Academy Trust
(A Company Limited by Guarantee)
Trustees' Report and Financial Statements
For the Year ended 31 August 2019

Company Registration Number:
07992438 (England and Wales)



**LIFE MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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YEAR ENDED 31ST AUGUST 2019

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LIFE MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

REFERENCE AND ADMINISTRATIVE DETAILS

YEAR ENDED 31ST AUGUST 2019

Members	Atika Kohli Ian Kinnis (appointment submitted) Hazel Cole(resignation submitted) Colin Crane Maria Everley
Trustees	Iain Kinnis ¹ (resigned 30/09/19) Christopher Parkinson, Executive Headteacher and Accounting Officer Geoffrey Hurst ¹ (resigned 1/7/19) Maria Everley, (Chair of Trustees 1/10/18 to 27/01/18) ¹ Jennifer Hobden (resigned 2/9/19) Andrew Smith ¹ (acting Chair 28/1/19 to 31/8/19) Christopher Garnett David Noble (appointed 12/2/19) Liam McDonagh (appointed 2/9/19) Hazel Cole (appointed 7/11/19)
	¹ Member of Finance, infrastructure and audit Committee
Company Registration Number	07992438
Company name	Life Multi-Academy Trust
Principal and registered office	Leicester Lane Desford Leicester Leicestershire LE9 9JL
Company secretary	Sarah Mayes
Executive Headteacher	Christopher Parkinson
Senior management team	Christopher Parkinson, Executive Headteacher Sarah Mayes, Business Manager Simon Brown, Head of School (Bosworth Academy) Dave Bennett, Head of School (The Winstanley School) Gareth Williams, Chief Operating Officer Julie Olsen, Head of School (Kingsway Primary School)

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REFERENCE AND ADMINISTRATIVE DETAILS CONTINUED

YEAR ENDED 31ST AUGUST 2019

Independent auditors	Burrows Scarborough Chartered Accountants Sovereign House 12-14 Warwick Street Earlsdon Coventry CV5 6ET
Bankers	Yorkshire Bank PLC 29 Horsefair Street Leicester LE1 5BL
Solicitors	Anthony Collins Solicitors LLP 134 Edmund Street Birmingham B2 2ES
Senior leadership team	Christopher Parkinson, Executive Headteacher Simon Brown, Head of School (Bosworth Academy) Dave Bennett, Head of School (The Winstanley School) Gareth Williams, Chief Operating Officer Julie Olsen, Head of School (Kingsway Primary School) Sarah Mayes, MAT Business Manager
Bosworth Academy	Leicester Lane Desford Leicester Leicestershire LE9 9JL
The Winstanley School	Kingsway North Braunstone Town Leicester Leicestershire LE3 3BD
Kingsway School	Kingsway N Braunstone Town Leicestershire LE3 3BD

**LIFE MULTI-ACADEMY TRUST
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TRUSTEES' REPORT

FOR THE YEAR ENDED 31ST AUGUST 2019

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

The trust operates over two secondary and two primary schools (Braunstone Frith Primary joined September 2019) serving Leicester and Leicestershire children. Its academies have a combined pupil capacity of 3207 and had a roll of 3114 in the school census on 3rd October 2019.

Structure, governance and management

a. Constitution

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

All of the Trustees of Life Multi-Academy Trust are also the directors of the charitable company for the purpose of company law.

The charitable company is known as Life Multi Academy Trust.

Details of the Trustees who served during the period are included in the Reference and Administrative details on page 1 - 2.

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

Since the incorporation of the Charitable Company on 15 March 2012, the Trustees (directors) have been indemnified in respect of their legal liability for financial loss arising as a result of a negligent act, accidental error or omission in the course of their official duties. The limit of indemnity cover is £3 million in this respect.

d. Method of recruitment and appointment or election of Trustees

The leadership and strategic leadership of the Multi Academy Trust (MAT) is the responsibility of the Trustees who are elected and/or co-opted under the terms of the Articles of Association.

The Members may appoint all Trustees through such process as they may determine.

e. Policies and procedures adopted for the induction and training of Trustee

Induction for new Trustees is tailored according to their experience and background. External Trustees are provided with a Life Multi Academy Trust induction pack by the Clerk to Trustees. New Trustees requiring guidance on their role have the opportunity to attend external training. Their development is supported through participation in school meetings and by discussion with staff and other Trustees.

Other training for Trustees is provided as required through the Trustee training programme that is purchased through Leicestershire County Council.

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31ST AUGUST 2019

f. Organisational structure

The LIFE Multi Academy Trust was formed on the 1st October 2016. The current membership of the MAT is:

Bosworth Academy (lead school)

The Winstanley School

Kingsway Primary School

Braunstone Frith Primary School (joined September 2019)

Countesthorpe Leysland Community College has been approved to join the MAT which is expected to take place in early 2020.

The Trustees are responsible for:

- Setting the vision, ethos and objectives for the MAT
- Approving strategic plans and monitoring and evaluating the performance of the MAT against these plans and objectives
- Approving the annual budget and ensuring the solvency of the MAT
- Ensuring that appropriate arrangements are in place to enable the MAT to meet statutory responsibilities
- Providing support and challenge to the leadership team of the MAT

To discharge their responsibilities effectively, the Trustees have established specific roles and responsibilities for its Trustees:

- Executive Headteacher
- Finance & Leisure
- Business Management
- Human Resources
- Educational Improvement and Data Handling
- Leadership
- Nursery
- Learning & Teaching

A Chair of Trustees was appointed from the above list of Trustees and for the period 1st September 2018 to 31st August 2019. The trustee with responsibility for Learning and Teaching was Chair until 27th January 2019. However, due to a period of absence of the substantive chair, the director with responsibility for Finance was acting Chair from 28th January 2019 until 2nd September 2019.

The Chief Operating Officer (CEO) is responsible to the Trustees for the implementation and monitoring of plans and policies, student safeguarding and education. The Senior Leadership Teams from each school in the MAT are responsible to the CEO for the implementation and monitoring of plans and policies, student safeguarding, education and the day-to-day operation of their specific schools within the trust. They also provide information to CEO on a range of educational and business management functions.

The Trustees have approved four schemes of financial delegation (one for each school) that allows financial responsibilities to be delegated within appropriate limits, to facilitate the effective running of the MAT.

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

The Board of Trustees performance manage the Pay Performance of the Executive Head of Life Multi Academy Trust and have delegated authority for the Executive Headteacher to set pay and remuneration of key management personnel and bring to recommendations to Trustees for ratification.

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31ST AUGUST 2019

h. Trade union facility time

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

Percentage of time spent on facility time

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

Percentage of pay bill spent on facility time

Total cost of facility time	0
Total salary bill	
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%
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i. Related parties and other connected charities and organisations

The MAT works closely with the feeder primary schools (including Kingsway Primary School) for both Bosworth and Winstanley to ensure the students in the area benefit from a smooth transition throughout their education. Although Braunstone Frith is not a direct feeder to either Bosworth or Winstanley they have worked on joint projects involving students across the schools. The MAT also works closely to improve standards of teaching and therefore learning and opportunities for all students, monitoring performance and working towards all schools becoming outstanding schools within the locality.

The MAT also works closely with:

- Challenge Partners
- The Jubilee Network
- Whole Education
- TELA
- LeTS
- Hinckley and Bosworth Behaviour Partnership
- Leicester City's Education Improvement Partnership
- Leicester and Leicestershire Enterprise Partnership
- Groby and Partners School Direct
- World Class Schools
- Leicester Citizens (now known as Leicestershire Citizens)
- Leicestershire County Council

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31ST AUGUST 2019

Ofsted grading's for schools in the trust are:

Bosworth Academy	Outstanding (October 2017)
Braunstone Frith Primary School	Requires Improvement (February 2018)
Kingsway Primary School	Good (May 2014)
The Winstanley School	Awaiting inspection

All schools within the trust are annually peer reviewed through Challenge Partners. Through this partnership the trust is been able to demonstrate the following areas of excellence:

- Science
- Learning Technologies
- Leadership

The secondary schools within the MAT also invite pupils from their feeder primary schools for taster Language and Science days. Bosworth Academy has a well-established programme of taster days for Year 11 students from other secondary schools who are exploring their Post 16 options.

Members of the MAT have also provided support to other MATs/schools who are not directly connected to the Trust, on a consultancy basis.

The MAT regularly supports the 'Open Hands' charity across the two secondary schools, by providing food hampers at Christmas and facilitating an annual fundraising Bike Ride during the autumn term. Open Hands is a local charity that provides help and support to local homeless people. Dave Bennett, Head of School at Winstanley, is on the board of Open Hands. This interest has been declared. Neither school has made any financial contribution to the charity.

Objectives and Activities

a. Objects and aims

Vision:

The LIFE Multi Academy has a compelling desire to provide high quality, personalised and rounded education for everyone, right in the heart of our local community. We believe that that no school can be deemed successful unless all those around it are also successful, popular and flourishing. Hence, we believe that dynamic, mutually accountable collaboration and challenge between local schools as members of the LIFE MAT is the cornerstone of our future success.

Each school is seen as a leader of and vital to its local community; each school is regarded as fundamental to the identity of its surrounding community.

Values:

- Ensuring that every student achieves positive, life changing outcomes
- Providing a whole education: academic excellence co-existing with an exceptional commitment to activity beyond
- **The relentless pursuit of excellence by;** expecting this of every person, every day; recognising and celebrating behaviours that lead to great progress and promoting and celebrating elite performance inside school and in the wider world
- Valuing the diversity and qualities of our staff and students
- Ensuring that all students and staff feel known, appreciated and supported
- Committing whole-heartedly to collaboration within, between and beyond our academies.

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31ST AUGUST 2019

b. Objectives, strategies and activities

Long term objectives/goals

- Outcomes equal to the best nationally and internationally for every school and every child
- Every child receives a truly rounded education resulting in a strong moral compass, a globally competitive skill set and a confident sense of self
- Every school is a hub for community activities, a centre for extended services and a source of immense pride for students, their families and other local stakeholders.
- Providing high quality buildings, engaging classrooms and excellent sporting facilities
- Delivering innovative learning resources and materials
- Ensuring a well-disciplined and caring environment
- Exploiting cutting edge technologies to expand the opportunities for students, staff and our community to benefit from learning in a digital age.
- MAT growth to 8 – 10 schools

Medium term objectives

- Each school is confident and thriving in its development; schools are beyond challenge from OFSTED in achieving the aims and values of the LIFE MAT."
- MAT growth
- To develop strategies to address the Gender Pay Gap across the MAT
- Develop strategies to support staff wellbeing, through the Mindful Employer Charter.

Short term objectives

- To bring Countesthorpe Leysland Community College into the MAT (this is planned for early 2020)
- To open a Primary SEMH Hub
- Provide MAT to MAT support to other Trusts
- To continue to centralise support functions across the MAT

c. Public benefit

The Trustees note and acknowledge their responsibilities for the advancement of education for public benefit as set out in the guidance from the Charity Commission. The Articles of Association and Funding Agreement provide details of the structure for the day-to-day operation of the MAT in accordance with these guidelines. We have also advanced the education for public benefit by:

- Providing a programme of extracurricular activities for students
- Hosting a wide range of child and adult sporting activities across both secondary schools including a large Learn to Swim programme
- Providing pre-school education at Bosworth Academy (Bosworth Day Nursery) and providing facilities for a pre-school group at Winstanley; which has now relocated to Kingsway Primary School
- Working with the local communities that serve trust schools to improve the local environment
- Providing ICT support to a number of local primary schools

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31ST AUGUST 2019

Strategic report

Achievements and performance

Performance

Bosworth Academy				The Winstanley School							
Progress 8		-0.14		Progress 8				-1.12			
5+ 9-4 including English & Maths		61.1%		5+ 9-4 including English & Maths				32%			
Grade 4 or better in English & Maths		68%		Grade 4 or better in English & Maths				38%			
5+ passes		95%		5+ passes				92%			
At least one qualification		99.4%		At least one qualification				98%			
Attainment 8		47.4%		Attainment 8				33.5%			
EBACC Entered		62%		EBACC Entered				8%			
Achieved		25%		Achieved				4%			
% of students going onto higher education		77%		% of students going onto higher education				n/a			
Attainment by: Kingsway Primary & National	No	Combined Schools Information		Reading		Writing		Maths		EGPS	
		EXS+	GDS	EXS+	GDS	EXS+	GDS	EXS+	GDS	EXS+	GDS
National all pupils 2018		64%	9%	75%	25%	78%	18%	76%	17%	78%	31%
School all pupils 2018	42	64%	5%	74%	17%	79%	7%	76%	19%	74%	21%
National all pupils 2019		65%	11%	73%	27%	78%	20%	79%	27%	78%	36%
School all pupils 2019	42	74%	19%	83%	36%	81%	21%	83%	40%	83%	38%

GDS – Working at greater depth within expected standards

EXS+ - Working at expected standards

Ultimately, we are a group of schools, and as such our effectiveness has to be judged in terms of the success of our students.

Achievements

Key LIFE Multi Academy Trust achievements:

- Formation of the LIFE Multi Academy Trust on 1st October 2016
- The Winstanley School joined the MAT on 1st January 2017
- Kingsway Primary School joined the MAT on 1st January 2018
- Opening of SHINE Centre (SEMH Hub) opened at The Winstanley School September 2019
- Braunstone Frith Primary School joined the MAT on 1st September 2019
- Plans for Countesthorpe Leysland Community College to join the trust in early 2020
- Introduction of MAT Top Slice for 2019/2020
- Appointment of Chief Operating Officer (January 2019)
- Centralisation of some of the key support functions of the trust (Finance, HR, Data and ICT)
- A number of key staff working across the trust to raise educational standards
- Running the catering provision at Bosworth Academy, The Winstanley School, Kingsway Primary School and Braunstone Frith Primary School

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31ST AUGUST 2019

Key Bosworth Academy achievements:

- Year 7 oversubscribed
- First ever cohort of students completed their KS4 studies and 'graduated' from year 11 having been the first to join in Year 7
- Record attainment and value added achieved by KS5 (sixth form) students 2018/19.
- Retained our 'Gold' Investors in People status following our mid-term review in July 2019
- Achieved Careers Mark accreditation
- Young Enterprise School Quality Mark
- Retained our World Class School status because of the success of our students

Key Winstanley achievements :

- Overall headline results were down in summer 2019 however in terms of the next educational step for the students all apart from 1 are currently studying for A levels, College courses or apprenticeships which is much higher than in previous years.
- We have our strongest teaching team ever in place from the start of the year. All our qualified teachers and there are no long term supply teachers.
- All year groups are full and three are slightly over capacity which shows the increased popularity of the school.
- We had our best attended Open Day ever in the summer.
- We opened the SHINE Centre (a specialist SEMH provision in August) which is becoming well established with a growing staff team who will provide excellent capacity for the school and MAT. There are currently 4 students and it will grow to 15 by the September 2020.
- We had our second Challenge Partner's Review in October 2019 - the school was judged to be effective in all areas.
- We have appointed more prefects than ever because so many of our Year 11 students are focused and doing the right thing - we will be appointing more prefects in the coming weeks.
- A key area for development this year is authentic experiences - visits out of school and visitors in - so far the students have had the opportunity to go on careers visits, take part in a mock wedding in the local Baptist Church, compete in school teams, work with a published author, write poems and stories for a published book, co-chair a meeting of Leicester Citizens, go to New York, visit Derbyshire for Geography fieldwork, be on East Midland News at the opening of the Steven Lawrence Research Centre.

Kingsway Primary School achievements

- Pre-school opened again in September 2019 and successfully using the refurbished mobiles
- (New mobile has taken longer than anticipated but is now being used by intervention groups and storage)
- Successful Challenge Partner review in 18/19.
- Attendance good and above national.
- Year 6 residential to Beaumanor - great outcomes for self-esteem, resilience and teamwork
- Gardening club won a 'planter' competition and took 12 pupils to Chatsworth House to display planter (National Event)
- Route to Resilience CPD for all staff completed
- Gold Sports Award.
- Bronze National Travel Award
- Maths Peer review extremely successful and outcomes in Maths at KS2 Greater Depth close to Outstanding
- Remodelling process successfully completed

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31ST AUGUST 2019

Staff recruitment and retention

Teacher recruitment continues to be a national problem and one the MAT works tirelessly to overcome. The MAT has earned a reputation as being a 'Go-to' school, which has led to all schools being fully staffed at the start of the autumn term 2019.

Bosworth Academy was re-accredited with the Investors in People's Gold award in summer 2018 and received a monitoring visit during autumn term 2019 which showed that further improvements had been made. This accreditation demonstrates the trust's commitment to the professional, personal and wellbeing development of its staff.

The trust made a public pledge to support staff wellbeing by signing the Mindful Employer Charter in June 2019.

The Trust has developed professional learning pathways to enable on-going improvements to teaching and learning across the trust. These pathways have been developed by, and made available to trust members along with Countesthorpe Leysland Community College who are associate members of the trust.

The Trust continues to work with 'Whole Education Network' to improve staff recruitment and retention.

a. Key Performance Indicators

In a challenging financial climate both nationally and locally, the schools within the Trust set and maintained a balanced 18/19 budget carrying forward a planned surplus into 2019/20 for the purpose of securing outcomes for students as well as achieving the best set of outcomes for pupils.

	Bosworth Academy	Kingsway Primary	The Winstanley School
Average teacher cost	£54,086	£50,954	£56,221
Pupil teacher ratio	19.35	20.13	16.17
Funded NOR	KS 3 & 4 - 1182 KS 5 - 325	KS1 & 2 - 314	KS 3 & 4 - 585 KS 5 - n/a
GAG funding per pupil	KS 3 & 4 - £4600 KS 5 - £4145	KS1 & 2 - £3666	KS 3 & 4 - £5507

b. Going concern

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

Student recruitment in all schools remains strong, with:

Bosworth Academy being significantly oversubscribed in Years 7. Along with positive recruitment in Post 16.

Braunstone Frith Primary School expects to recruit to its PAN for 2020/21

Kingsway Primary School expects to recruit to its PAN for 2020/21

Winstanley's Year 7 intake for 2020/21 is expected to reach its PAN of 120 (plus recruitment to SEMH Hub - 15 students)

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31ST AUGUST 2019

There are many measures by which schools' success is measured; some government imposed, some common sense and some driven by compelling moral imperative. It is the latter that we follow. As a result, we support our students to go on to achieve fantastic things.

Financial Review

The trusts accounting period is the year to 31st August 2019.

Most of the trust's income is derived from the Education & Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to particular purposes. During the year ended 31st August 2019, total income received in relation to Restricted General Funds was £12,779,394 (2018 - £10,541,027). Total expenditure in relation to Restricted General Funds was £13,416,498.

The trust also received grants for the fixed assets from the ESFA. Such grants are shown in the statement of financial activities as restricted income in the fixed asset fund. The restricted fixed asset fund will be reduced by annual depreciation charges over the expected useful life of the assets concerned.

LiFE MAT Services (previously BA Services) is the Trusts subsidiary company and runs the non-school related income generation activities across the Trust. These activities include:

- Sports facility lettings
- Swimming lessons
- Room hire
- Nursery provision
- Crèche
- ICT support schools outside of the trust

School	18/19 Gift aid from LiFE Services
Bosworth Academy	£ 122,218
The Winstanley School	£ 31,408
Kingsway Primary School	£ 1,336
Total	£ 154,962

These profits are gifted back to the schools.

The financial performance of the Trust for this year as with previous years, has been in line with Trustees expectations and plans. Trustees believe the Trust will continue to achieve the financial plans set.

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31ST AUGUST 2019

a. Reserves policy

School	Surplus Funds £
Bosworth Academy	324,591
Kingsway Primary School	143,542
LIFE MAT	1,000
The Winstanley School	63,223
Total	532,356

The Trust ensures that there are sufficient reserves to ensure that cash balances are maintained across the Trust. The Trust are aiming to sustain reserve levels of 2% of revenue funding.

b. Investments policy

The aim of the MAT's investment policy is to ensure that funds which the Trust does not immediately need to cover anticipated expenditure are invested in such a way as to maximise income and minimise risk. Our aim is to spend the public monies with which we are entrusted for the direct educational benefit of students as soon as is prudent. The Trust does not consider the investment of surplus funds as a primary activity, rather it is the result of good practice as and when circumstances allow.

c. Financial risk management objectives and policies

The Trustees have assessed the major risks to which the trust is exposed, in particular those related to the operations and finances of the trust, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks. A Risk Register is monitored through director meetings. The Risk Register is routinely discussed at governor committee level with updates made to the register as deemed necessary and escalated as necessary.

d. Principal risks and uncertainties

The principle risk facing the trust is insufficient demand for the trust's services leaving it unsustainable. This would lead to a decrease in the grant funding received and the necessity to reorganise the trust to ensure it could remain with a balanced budget or a plan to recover from a deficit. Pupil numbers are monitored and a 5-year plan drawn up to ensure the situation is considered fully by Trustees.

Bosworth Academy continues to feel the financial effects of age-range change and is entering into its third and final year of in-year funding. The academy will revert back to lag funding in 20/21. It is anticipated that Post 16 recruitment from Bosworth's Year 11 will grow due to the increased pupil numbers, ensuring its financial security.

Due to continued growth in pupil numbers at Bosworth in 18/19 and further growth forecast in 19/20 the trust has commissioned a new 6 classroom Modern Foreign Languages suite (due to open December 2019), partly funded by a Section 106 grant from the local authority.

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31ST AUGUST 2019

e. Fundraising

The Trust is in the process of fundraising for a new 3G pitch at Bosworth Academy. A large proportion of the funding for this project has been agreed in principle, and the academy is in the process of raising the remaining funds in conjunction with Desford Football Club.

The SHINE Centre at Winstanley have successfully raised funds to secure a minibus from the Variety Club to support our SEMH students.

The Trust plans to make fundraising across the Trust a more prominent priority following the appointment of the Chief Operating Officer in January 2019.

In the circumstances when fundraising is undertaken, systems and controls are in place to separate and protect funds. The trust is mindful of its responsibilities under the Charities (Protection and Social Investment) Act 2016 and legal rules, and ensures all activities are agreed and monitored at Senior Leadership Team level in each school in compliance with relevant legal rules. Recognised standards are applied to ensure that fundraising is open, honest and respectful, protecting the public from undue pressure to donate. Complaints are handled and monitored through the trust's complaints procedure.

f. Funds held as custodian

LiFE MAT Services (previously BA Services) are custodians for the School Games Programme funding and expenditure. The services company facilitates the use of its bank account to enable the programme to function effectively. LiFE MAT Services doesn't make any charge for this facility.

The trust also distributes 16-19 bursary funds to students as an agent for the ESFA. Financial information is provided in note 33 to the accounts.

g. Employees and disabled persons

As the trust employs over 250 persons it is required to have a policy in respect of applications for employment for disabled persons, the treatment of employees who become disabled and the training, career development and promotion of disabled persons. This policy can be accessed on the trust website.

Employees have been consulted on issues of concern to them by means of regular consultative committee and staff meetings and have been kept informed on specific matters directly by management.

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as the Trustees are aware, there is no relevant audit information of which the charitable group's auditors are unaware, and
- the Trustees have taken all the steps that ought to have been taken as a Trustee in order to be aware of any information needed by the charitable group's auditors in connection with preparing their report and to establish that the charitable group's auditors are aware of that information.

Auditors

The auditors, Burrows Scarborough, were appointed as the Trusts accountants from 1st September 2019 and have undertaken the audit of the trusts accounts for 18/19

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


Maria Everley
Chair of Trustees

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GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31ST AUGUST 2019

Scope of Responsibility

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

The board of Trustees has delegated the day-to-day responsibility to the CEO, as Accounting Officer (AO), 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 LiFE Multi-Academy Trust and the Secretary of State for Education. The AO is also responsible for reporting to the board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' report and in the Statement of Trustees' responsibilities. The board of Trustees has formally met 7 times during the Year. Attendance during the Year at meetings of the board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
	5	6
Maria Everley (Chair 1.10.18 to 27.01.18)		
Christopher Parkinson, Executive Headteacher and Accounting Officer	6	6
Christopher Garnett	5	6
Jenny Hobden	1	6
Geoff Hurst*	6	6
Iain Kinnis	5	6
David Nobel #	3	3
Andrew Smith (acting Chair 28.01.19 to 31.08.19)	6	6
Sarah Mayes (CFO/Company Secretary)	1	1
Gareth Williams (COO)	4	4
Hazel Cole (Observer)	4	4

* resigned during the year

new appointment during the year

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GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31ST AUGUST 2019

A representative from the local governing bodies of the schools within the trust attended the Directors Finance Committee meetings during the year. The schemes of delegation set out the varying delegated powers for each school. The purpose of these meetings is to (in consultation with the Head Teachers, Heads of School and Business Manager):

- draft the first formal budget plan of the financial year
- establish and maintain an up to date 5 year financial plan
- monitor relevant income and expenditure for all areas
- have a trust wide perspective on the MAT budget – reporting significant anomalies
- check the budgets for accuracy and completeness
- ensure the trust operates within its Financial Regulations and the direction of the ESFA
- annually review charges, remissions and expenses policies
- approve and make decisions in respect of service agreements
- approve and make decisions on expenditure following recommendations from other committees
- consider/approve the Executive Head's expenses, to review and update policies relating to financial matters

Attendance at finance, Infrastructure and audit committee meetings in the Year was as follows:

LIFE MAT – Finance, Infrastructure and Audit Committee

Director/Governor	Meetings attended	Out of a possible
Andrew Smith (Chair)	3	3
Geoff Hurst (Bosworth Governor)	3	3
Michael Knowles (Kingsway Governor)	3	3
Steve Reeves (Winstanley Governor)	3	3
Iain Kinnis	2	3
Sarah Mayes (CFO)	3	3

Review of Value for money

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

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

- Continues to question the VFM of the trust timetable structure
- Continues to question the replacement of staff to enable efficiencies to be made where possible
- Regular benchmarking within the trust and nationally
- ICFP across the MAT
- Creation of centralised support staff functions with the long term aim of saving money
- Continued with the implementation of energy saving strategies
- Tight control of departmental spending, ensuring that budget holders are held to account for budgets

**LIFE MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31ST AUGUST 2019

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 LiFE Multi-Academy Trust for the Year 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

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

The Risk and Control Framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of Trustees;
- 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 Trustees has considered the need for a specific internal audit function and has decided to appoint Leicestershire County Council Auditors as internal auditor (an audit across the MAT was undertaken in the summer term 2019).

The internal auditor's role includes giving advice on financial matters and performing a range of checks on the Trusts financial systems. On an annual basis, the internal auditor reports to the board of Trustees on the operation of the systems of control and on the discharge of the board of Trustees' financial responsibilities.

They will also act as the Trust's Responsible Officer (RO). The RO's role includes giving advice on financial matters and performing a range of checks on the Trusts financial systems. On an annual basis, the RO reports to the Trustees on the operation of the systems of control and on the discharge of the Trustees financial responsibilities.

Checks undertaken by the responsible officer include:

- Testing of payroll systems
- Testing of purchase systems
- Testing of control account/bank reconciliations

**LIFE MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31ST AUGUST 2019

Review of Effectiveness

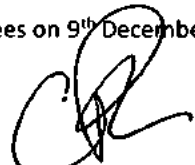
As Accounting Officer, the Executive Headteacher has responsibility for reviewing the effectiveness of the system of internal control. During the Year in question the review has been informed by:

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

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

Approved by order of the members of the board of Trustees on 9th December 2019 and signed on their behalf, by:


Maria Everley
Chair of Trustees


Christopher Parkinson
Accounting Officer

**LIFE MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

FOR THE YEAR ENDED 31ST AUGUST 2019

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

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

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



Mr Christopher Parkinson

Accounting Officer

9th December 2019

**LIFE MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31ST AUGUST 2019

The trustees (who act as governors of Life Multi-Academy Trust and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' 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 trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles 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 trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

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

Approved by order of the members of the board of trustees on 9th December 2019 and signed on its behalf by:



Maria Everley
Chair of Trustees

**LIFE MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LIFE MULTI-ACADEMY TRUST
ON THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31ST AUGUST 2019

Opinion

We have audited the financial statements of Life Multi-Academy Trust (the 'parent academy') and its subsidiaries (the group) for the year ended 31 August 2019 which comprise the Group Consolidated Statement of Financial Activities incorporating the income and expenditure account, the Group Consolidated Balance Sheet, the Group Consolidated Statement of Cash Flows and notes to the financial statements, 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 Group's and of the parent Academy Trust's affairs as at 31 August 2019, and of the Group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019 issued by the Education 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 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 have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

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

**LIFE MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LIFE MULTI-ACADEMY TRUST
ON THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31ST AUGUST 2019 (CONTINUED)

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report (incorporating the Group strategic report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report and the Group 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 Group and the parent Academy Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Group strategic report and the Trustees' report.

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

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

**LIFE MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LIFE MULTI-ACADEMY TRUST
ON THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31ST AUGUST 2019 (CONTINUED)

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (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 trustees are responsible for assessing the Group's and the parent 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 trustees either intend to liquidate the Group or the parent Academy Trust or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

Use of our report

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

Burrows Scarborough

**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**

9th December 2019

**LIFE MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO LIFE MULTI-ACADEMY TRUST AND THE
EDUCATION AND SKILLS FUNDING AGENCY**

FOR THE YEAR ENDED 31ST AUGUST 2019

In accordance with the terms of our engagement letter dated 10 July 2019 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 LIFE Multi-Academy Trust during the year from 1 September 2018 to 31 August 2019 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities LIFE Multi-Academy Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of LIFE Multi-Academy Trust's funding agreement with the Secretary of State for Education dated 1 April 2012 and the Academies Financial Handbook, extant from 1 September 2018, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

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.

**LIFE MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO LIFE MULTI-ACADEMY TRUST AND THE
EDUCATION AND SKILLS FUNDING AGENCY**

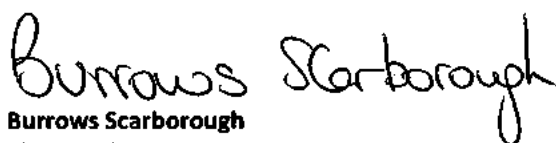
FOR THE YEAR ENDED 31ST AUGUST 2019 (CONTINUED)

The work undertaken to draw our conclusions includes:

- A review of the work undertaken and conclusions reached by DRB Management.
- A review of the minutes of the Finance and Estates Committee and other relevant committees to establish action taken on the reports of DRB Management and to establish that appropriate action taken.
- A review of accounting controls and procedures.
- A review of transactions to ensure compliance with Academies Financial Handbook.
- Meetings with the Accounting Officer to confirm full knowledge of Academies Financial Handbook.

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 2018 to 31 August 2019 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



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

9th December 2019

LIFE MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31ST AUGUST 2019

	Note	Unrestricted Funds 2019 £	Restricted General Funds 2019 £	Restricted Fixed Asset Funds 2019 £	Total funds 2019 £	Total funds 2018 £
Income from:						
Donations and capital grants	2	32,020	(19,862)	724,648	736,805	904,603
<i>Charitable activities:</i>						
<i>Funding for the Academy</i>						
<i>Trust's educational operations</i>	3	19,508	12,779,394	-	12,798,902	10,819,441
<i>Other trading activities</i>	4	953,618	-	-	953,618	919,888
<i>Investments</i>	5	2,928	-	-	2,928	141
<i>Transfer on Academy combination</i>	30	-	-	-	-	3,045,581
Total income		1,008,074	12,759,532	724,648	14,492,253	15,689,654
Expenditure on:						
<i>Raising funds</i>		667,740	-	-	667,740	206,918
<i>Charitable activities:</i>						
<i>Academy trust educational operations</i>		347,958	13,416,498	463,732	14,228,188	13,161,263
Total expenditure	6	1,015,698	13,416,498	463,732	14,895,928	13,368,181
Net income / (expenditure) before other recognised gains and losses		(7,624)	(656,966)	260,916	(403,675)	2,321,473
Transfer between funds		(773,054)	680,789	92,265	-	-
Actuarial (losses) / gains on defined benefit pension schemes	26	-	(1,829,000)	-	(1,829,000)	902,000
Net movement in funds		(780,678)	(1,805,177)	353,181	(2,223,674)	3,223,473
Reconciliation of funds:						
Total funds brought forward		780,678	(3,974,467)	23,535,184	20,341,395	17,117,922
Total funds carried forward		-	(5,779,644)	23,888,365	18,108,721	20,341,395

LIFE MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

CONSOLIDATED BALANCE SHEET

31ST AUGUST 2019

	Notes	2019 £	2019 £	2018 £	2018 £
Fixed assets					
Tangible assets	13		23,886,859		23,549,267
Current assets					
Stocks	16	23,881		5,255	
Debtors	17	1,013,656		785,756	
Cash at bank and in hand		1,225,914		802,984	
		<u>2,263,451</u>		<u>1,593,995</u>	
Creditors: Amounts falling due within one year	18	<u>(1,469,589)</u>		<u>(693,867)</u>	
Net current assets			<u>1,216,528</u>		<u>900,128</u>
Total assets less current liabilities			<u>25,103,387</u>		<u>24,449,395</u>
Creditors: amounts falling due after more than one year	19		<u>(260,000)</u>		<u>(260,000)</u>
Net assets excluding pension scheme liabilities			<u>24,843,387</u>		<u>24,189,395</u>
Defined benefit pension scheme liability	26		<u>(6,312,000)</u>		<u>(3,848,000)</u>
Total net assets including pension scheme liabilities			<u>18,108,721</u>		<u>20,341,395</u>
Funds of the academy:					
Restricted funds					
Restricted income funds	21	532,356		(126,467)	
Restricted fixed asset funds	21	23,888,365		23,535,184	
Restricted income funds excluding pension liability		24,420,721		23,408,717	
Pension reserve	21	<u>(6,312,000)</u>		<u>(3,848,000)</u>	
Total restricted income funds			18,108,721		19,560,717
Unrestricted income funds			-		780,678
Total funds			<u>18,108,721</u>		<u>20,341,395</u>

The financial statements on pages 26 to 50 were approved by the trustees, and authorised for issue on 9th December 2019 and are signed on their behalf by:


Maria Everley
Trustee

Company Limited by Guarantee
Registration Number 07992438

**LIFE MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

ACADEMY TRUST BALANCE SHEET

31ST AUGUST 2019

	Notes	2019 £	2019 £	2018 £	2018 £
Fixed assets					
Tangible assets	13		23,886,859		23,549,267
Investments	14		<u>1</u>		<u>1</u>
			23,886,860		23,549,268
Current assets					
Stocks	16	23,881		5,255	
Debtors	17	1,012,639		888,691	
Cash at bank and in hand		<u>1,064,523</u>		<u>689,368</u>	
		2,101,043		1,583,314	
Creditors: Amounts falling due within one year	18	<u>(1,462,139)</u>		<u>(683,186)</u>	
Net current assets			638,904		900,128
Total assets less current liabilities					24,449,396
Creditors: amounts falling due after more than one year	19		<u>(260,000)</u>		<u>(260,000)</u>
Net assets excluding pension scheme liabilities			24,265,764		24,189,396
					<u>24,189,396</u>
Defined benefit pension scheme liability	26		(6,312,000)		(3,848,000)
Total net assets including pension scheme liabilities			<u>17,953,764</u>		<u>20,341,396</u>
					<u>20,341,396</u>
Funds of the academy:					
Restricted funds					
Restricted income funds	21	377,399		-	
Restricted fixed asset funds	21	<u>23,888,365</u>		<u>23,549,267</u>	
Restricted income funds excluding pension asset		24,265,764			
				23,408,717	
Pension reserve	21	<u>(6,312,000)</u>		<u>(3,848,000)</u>	
Total restricted income funds			17,953,764		19,701,267
Unrestricted income funds					640,129
Total funds			<u>17,953,764</u>		<u>20,341,396</u>

The financial statements on pages 26 to 50 were approved by the trustees, and authorised for issue on 9th December 2019 and are signed on their behalf by:

Maria Everley
Trustee



Company Limited by Guarantee
Registration Number 07992438

LIFE MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31ST AUGUST 2019

	Notes	2019 £	2018 £
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	23	516,540	(1,383,794)
Cash flows from investing activities	24	(93,610)	(13,941)
Cash flows from financing activities:	25	-	260,000
Change in cash and cash equivalents in the year		<u>422,930</u>	<u>(1,137,735)</u>
Cash and cash equivalents at 1 September 2018		802,984	1,940,719
Cash and cash equivalents at 31 August 2019	26	<u>1,225,914</u>	<u>802,984</u>

**LIFE MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST AUGUST 2019

1 Statement of 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.

General information and basis of preparation

LiFE Multi-Academy Trust 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 1-2 of these financial statements. The nature of the academy trusts operations and principal activities are set out in the Trustees' Report on pages 3-14.

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.

LiFE Multi-Academy Trust constitutes a public benefit as defined by FRS 102.

The Statement of financial activities (SOFA) and Balance sheet consolidate the financial statements of the Academy Trust and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

No separate SOFA has been presented for the Academy Trust alone as permitted by section 408 of the Companies Act 2006.

Basis of consolidation

The financial statements consolidate the accounts of LiFE Multi-Academy Trust and all of its subsidiary undertakings ('subsidiaries').

The Academy Trust has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own income and expenditure account.

The income and expenditure account for the year dealt with in the accounts of the Academy Trust was £ (2,223,674) deficit (2018 - £3,223,473 surplus).

Going Concern

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

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.

**LIFE MULTI-ACADEMY TRUST
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FOR THE YEAR ENDED 31ST AUGUST 2019 (CONTINUED)

- **Grants**

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

General Annual Grant is recognised in full in the Statement of Financial Activities in the 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.

- **Sponsorship income**

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

- **Donations**

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

- **Other income**

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

- **Donated goods, facilities and services**

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

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

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.

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- **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.

Tangible Fixed Assets

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

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding 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:

Freehold property	2%
Leasehold property	0.8%
Furniture and fixtures	10%
Plant and equipment	20%
Motor Vehicles	20%
Computer equipment	25%

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

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.

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.

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FOR THE YEAR ENDED 31ST AUGUST 2019 (CONTINUED)

Provisions

Provisions are recognised when the academy trust has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

Leased Assets

Rentals under operating leases are charged on a straight line basis over the lease term.

Investments

The Academy Trust's shareholding in the wholly owned subsidiary, Life MAT Services Limited, is included in the Balance Sheet at the cost of the share capital owned less any impairment. There is no readily available market value and the cost of valuation exceeds the benefit derived.

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.

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.

Stock

Unsold textbooks and catering stocks are valued at the lower of cost or net realisable value.

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.

Pensions Benefits

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

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FOR THE YEAR ENDED 31ST AUGUST 2019 (CONTINUED)

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

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

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

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.

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

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FOR THE YEAR ENDED 31ST AUGUST 2019 (CONTINUED)

2 Donations and capital grants

	Unrestricted Funds £	Restricted Funds £	Total 2019 £	Total 2018 £
Capital grants	-	724,648	724,648	899,109
Transfer of an existing academy into the trust	-	(19,862)	(19,862)	-
Other donations	32,020	-	32,020	5,494
	<u>32,020</u>	<u>704,786</u>	<u>736,806</u>	<u>904,603</u>

3 Funding for academy trust's educational operations

	Unrestricted Funds £	Restricted Funds £	Total 2019 £	Total 2018 £
DfE/EFA revenue grants				
General Annual Grant (GAG)	-	11,286,603	11,286,603	9,681,975
Pupil premium	-	494,189	494,189	462,088
Universal free school meals	-	52,459	52,459	55,717
Rates relief	-	53,990	53,990	19,146
Other DfE/EFA grants	-	36,260	36,260	-
	<u>-</u>	<u>11,923,501</u>	<u>11,923,501</u>	<u>10,218,926</u>
Other Government grants				
Local authority grants	-	317,158	317,158	265,857
Other income from the academy trust's educational operations	19,508	538,735	558,244	344,658
	<u>19,508</u>	<u>12,779,394</u>	<u>12,798,902</u>	<u>10,819,441</u>

4 Other trading activities

	Unrestricted Funds £	Restricted Funds £	Total 2019 £	Total 2018 £
Sports centre and nursery income	516,059	-	516,059	551,280
Catering income	434,196	-	434,196	368,608
Other	3,364	-	3,364	-
	<u>953,618</u>	<u>-</u>	<u>953,618</u>	<u>919,888</u>

5 Investment income

	Unrestricted Funds £	Restricted Funds £	Total 2019 £	Total 2018 £
Short term deposits	2,928	-	2,928	141
	<u>2,928</u>	<u>-</u>	<u>2,928</u>	<u>141</u>

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST AUGUST 2019 (CONTINUED)

6 Expenditure

	Staff Costs £	Premises £	Other Costs £	Total 2019 £	Total 2018 £
Academy educational operations:					
Direct costs	8,792,212	-	991,432	9,783,644	9,542,911
Allocated support costs	2,593,749	676,676	1,841,859	5,112,284	3,825,270
	<u>11,385,961</u>	<u>676,676</u>	<u>2,833,291</u>	<u>14,895,928</u>	<u>13,368,181</u>

7 Analysis of expenditure by activities

	Total 2019 £	Total 2018 £
Direct costs – educational operations	9,783,644	9,542,911
Support costs – educational operations	<u>5,112,284</u>	<u>3,825,270</u>
	<u>14,895,928</u>	<u>13,368,181</u>
Analysis of support costs	Educational operations £	Educational operations £
Support staff costs	2,593,749	1,558,142
Depreciation	463,732	565,281
Technology costs	99,369	97,706
Premises costs	676,676	485,107
Other support costs	1,101,865	1,009,545
Governance costs	<u>176,893</u>	<u>109,489</u>
Total support costs	<u>5,112,284</u>	<u>3,825,270</u>

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8 Net income/(expenditure)

Net expenditure for the year includes:

	2019	2018
	£000	£000
Operating lease rentals	64,352	72,027
Depreciation	463,732	565,280
Fees payable to the auditor for:		
Audit	13,800	15,050
Other services	3,000	6,175
	<u>3,000</u>	<u>6,175</u>

9 Staff

(a) Staff costs

	2019	2018
	£	£
Staff costs during the period were:		
Wages and salaries	8,402,264	7,562,653
Social security costs	743,094	720,207
Pension Costs	2,036,640	1,855,611
	<u>11,181,998</u>	<u>10,138,471</u>
Supply staff costs	191,616	150,630
Staff restructuring costs	12,347	-
	<u>11,385,961</u>	<u>10,289,101</u>
Staff restructuring costs comprise:		
Redundancy payments	<u>12,347</u>	<u>-</u>

(b) Staff numbers

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

	2019	2018	2018
	Headcount	Headcount	FTE
Teachers	137	148	146
Administration and support	303	300	202
Management	17	17	11
	<u>457</u>	<u>465</u>	<u>359</u>

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FOR THE YEAR ENDED 31ST AUGUST 2019 (CONTINUED)

(c) Higher paid staff

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

	2019	2018
	No.	No.
£60,001 - £70,000	1	2
£70,001 - £80,000	4	2
£80,001 - £90,000	-	-
£90,001 - £100,000	-	-
£100,001 - £110,000	-	1
£110,001 - £120,000	<u>1</u>	<u>-</u>

(d) Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 2. 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 £631,490 (2018: £591,150).

10 Central services

No central services were provided by the Academy Trust to its academies during the year and no central charges arose.

11 Trustees' remuneration and expenses

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

The value of trustees' remuneration and other benefits was as follows:

Christopher Parkinson, Executive		
Remuneration	£110,001 - £120,000	(2018: 105,000 – £110,000)
Employer's pension contributions	£15,000 - £20,000	(2018: £15,000 – £20,000)

During the year ended 31 August 2019, travel and subsistence expenses totalling £Nil were reimbursed or paid directly to 0 trustees (2018: £Nil).

12 Trustees and officers insurance

In accordance with normal commercial practice the academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £10,000,000 on any one loss and anyone membership year and the cost for the period ended 31 August 2019 was undisclosed within the Risk Protection Arrangement with the Education Funding Agency (2018: Undisclosed). The cost of this insurance is included in the total insurance cost.

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FOR THE YEAR ENDED 31ST AUGUST 2019 (CONTINUED)

13 Tangible fixed assets

	Freehold property £	Leasehold property £	Furniture and fixtures £	Plant and equipment £
Cost				
At 1 September 2018	12,103,875	11,911,168	802,698	10,000
Additions	63,471	15,500	60,914	-
Transfer between classes	-	318,405	-	-
At 31 August 2019	12,167,346	12,245,073	863,612	10,000
Depreciation				
At 1 September 2018	942,693	415,238	405,531	10,000
Charged in period	177,183	85,702	82,271	-
At 31 August 2019	1,119,876	500,940	487,802	10,000
Net book values				
At 31 August 2019	11,047,470	11,744,133	375,810	-
At 31 August 2018	11,161,182	11,495,930	397,167	-

	Motor vehicles £	Computer equipment £	Assets under construction £	Total £
Cost				
At 1 September 2018	14,300	782,888	252,063	25,876,992
Additions	-	125,542	535,898	801,324
Transfer between classes	-	-	(318,405)	-
At 31 August 2019	14,300	908,430	469,556	26,678,316
Depreciation				
At 1 September 2018	12,577	541,686	-	2,327,725
Charged in period	1,723	116,853	-	463,732
At 31 August 2019	14,300	658,529	-	2,791,457
Net book values				
At 31 August 2019	-	249,901	469,556	23,886,859
At 31 August 2018	1,723	241,202	252,063	23,549,267

Included in land and buildings is freehold land at cost, amounting to £4,138,000 (2018 - £3,263,400) which is not depreciated.

The trustees of Life Multi-Academy Trust (registered charity 517907) have entered into a Supplemental Agreement with the Academy Trust to make their land available during the continuance of the Funding Agreement between the Secretary of State for Education and Life Multi-Academy Trust, subject to the right by the trustees to give not less than 2 years written notice to terminate the agreement, such notice to expire on 31 August 2014 or any subsequent anniversary of that date.

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FOR THE YEAR ENDED 31ST AUGUST 2019 (CONTINUED)

14 Fixed asset investments

Academy Trust	Shares in group undertakings	
Cost	£	
At 1 September 2018 and 31 August 2019		1
Academy Trust investments at cost comprise:	2019	2018
	£	£
Group	1	1

15 Principal subsidiaries

LIFE MAT Services Limited

Subsidiary name	LIFE MAT Services Limited
Company registration number	08166524
Basis of control	Wholly owned subsidiary
Equity shareholding	100%
Total assets at 31 August 2019	£211,928
Total liabilities at 31 August 2019	£56,969
Total equity as at 31 August 2019	£1
Turnover for the year ended 31 August 2019	£516,111
Expenditure for the year ended 31 August 2019	£361,153
Profit for the year ended 31 August 2019	£154,958

16 Stocks

	Group		Academy Trust	
	2019	2018	2019	2018
	£	£	£	£
Textbooks and catering	23,881	5,255	23,881	5,255

17 Debtors

	Group		Academy Trust	
	2019	2018	2019	2018
	£	£	£	£
Trade debtors	86,473	90,657	46,960	16,178
Amounts owed by group undertakings	-	-	100,088	177,697
VAT recoverable	205,425	150,372	205,918	150,372
Other debtors	56,258	-	-	-
Prepayments and accrued income	665,500	544,727	659,673	544,444
	1,013,656	785,756	1,012,639	888,691

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FOR THE YEAR ENDED 31ST AUGUST 2019 (CONTINUED)

18 Creditors: amounts falling due within one year

	Group		Academy Trust	
	2019	2018	2019	2018
	£	£	£	£
Trade creditors	424,126	182,657	421,520	181,655
Amounts owed to group undertakings	-	-	545	34,112
Other taxation and social security	184,269	137,800	184,269	135,721
Other creditors	197,395	220,998	196,817	211,943
Accruals and deferred income	663,799	152,412	658,988	119,755
	1,469,589	693,867	1,462,139	683,186

	Group		Academy Trust	
	2019	2018	2019	2018
	£	£	£	£
Deferred income				
Deferred income at 1 September 2018	130,855	357,505	101,769	327,812
Resources deferred during the year	587,936	(130,855)	584,049	101,769
Amounts released from previous years	(130,855)	(357,505)	(101,769)	(327,812)
Deferred income at 31 August 2019	587,936	130,855	584,049	101,769

At the Balance Sheet date, the Academy Trust was holding funds received in advance of school trips for the autumn term and monies received on account of operating lease rentals.

19 Creditors: amounts falling due after more than one year

	Group		Academy Trust	
	2019	2018	2019	2018
	£	£	£	£
Other loans	260,000	260,000	260,000	260,000

The loan is in the form of a cash advance from the ESFA to assess with cash flow. Repayments of the recoverable cash advance amount will begin in September 2020 and continue until August 2023. The loan attracts no interest.

20 Financial instruments

	2019	2018
	£	£
Financial assets measured at fair value through income and expenditure	1,225,914	802,984
Financial assets measured at amortised cost	667,289	519,086
	1,893,203	1,322,070
Financial liabilities measured at amortised cost	499,066	425,210

Financial assets measured at fair value through income and expenditure comprise cash at bank and in hand.

Financial assets measured at amortised cost comprise trade debtors, other debtors and accrued income.

Financial liabilities measured at amortised cost comprise trade creditors, other creditors and accruals.

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST AUGUST 2019 (CONTINUED)

21 Statement of funds

	Balance at 1 September 2018 £	Income £	Expenditure £	Gains, Losses and Transfers £	Balance at 31 August 2019 £
Unrestricted funds					
Unrestricted funds	780,678	1,008,074	(1,015,698)	(773,054)	-
Restricted general funds					
General Annual Grant (GAG)	(126,467)	11,286,603	(11,308,570)	680,790	532,356
Rates reclaim		53,990	(53,990)		-
Universal free school meals		52,459	(52,459)		-
Pupil premium		494,189	(494,189)		-
Other income from academy trust educational operations		538,735	(538,735)		-
		(19,862)	19,862		
Other DfE/ESFA		36,260	(36,260)		-
Local Authority Grants		317,158	(317,158)		-
Pension reserve	(3,848,000)	-	(635,000)	(1,829,000)	(6,312,000)
	(3,974,467)	12,759,532	(13,416,499)	(1,148,210)	(5,779,644)
Restricted fixed asset funds					
On conversion	20,085,940	-	(463,732)		19,622,208
Capital expenditure from GAG				92,265	92,265
DfE capital grants		724,648			724,648
Gift from local authority	3,449,244		-	-	3,449,244
	23,535,184	724,648	(463,732)	92,265	23,888,365
Total restricted funds	19,560,717	13,484,180	(13,880,230)	(1,055,944)	18,108,721
Total funds	20,341,395	14,492,254	(14,895,928)	(1,829,000)	18,108,721

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

Restricted general funds

This fund represents grants and other income received for the Academy Trust's education operations and development.

Restricted fixed asset funds

The restricted fixed assets funds relate to assets acquired when the school converted to an academy trust on conversion. £47,745 of the fixed asset fund relates to unspent Capital Improvement Fund Grant which is planned to be spent in the new financial year.

Restricted General Funds

The pension reserve of £6,312,000 (overdrawn) represents the academy trust's share of the deficits in the Leicestershire County Council Pension Fund.

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST AUGUST 2019 (CONTINUED)

Analysis of Academies by fund balance

Fund balances at 31 August 2019 were allocated as follows:

	Total 2019 £	Total 2018 £
Central MAT	1,000	22,659
Bosworth Academy	319,166	387,701
The Winstanley School	63,223	27,464
Kingsway Primary School	148,967	202,304
Total before fixed asset fund and pension reserve	532,356	640,128
Restricted fixed asset fund	23,888,365	23,549,267
Pension reserve	(6,312,000)	(3,848,000)
Total	18,108,721	20,341,395

Analysis of Academies by cost

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2019 £	Total 2018 £
Central MAT	-	-	-	800	800	130,997
Bosworth Academy	5,162,441	883,316	439,927	1,754,840	8,240,524	7,980,272
The Winstanley School	2,612,599	599,809	154,977	461,347	3,828,732	3,679,630
Kingsway Primary School	1,021,995	188,519	21,264	154,182	1,385,960	892,234
	8,797,035	1,671,644	616,168	2,371,169	13,456,016	12,683,133

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Statement of funds - prior year

	Balance at 1 September 2017 £	Income £	Expenditure £	Gains, Losses and Transfers £	Balance at 31 August 2018 £
Unrestricted funds					
Unrestricted funds	875,716	1,429,418	(1,474,456)		
Restricted general funds					
General Annual Grant (GAG)	-	9,618,157	(9,744,624)	-	(126,467)
Rates reclaim	-	19,146	(19,146)	-	
Pupil premium	-	462,088	(462,088)	-	
Start up grants	167,950	-	(167,950)	-	
Other DfE/ESFA	-	119,535	(119,535)	-	
Local Authority Grants	-	302,101	(302,101)	-	
Pension reserve	(3,580,000)	(657,000)	(513,000)	902,000	(3,848,000)
	(3,412,050)	9,864,027	(11,328,444)	902,000	(3,974,467)
Restricted fixed asset funds					
On conversion	19,704,256	899,109	(517,425)	-	20,085,940
Gift from local authority	-	3,497,100	(47,856)	-	3,449,244
	19,704,256	4,396,209	(565,281)	-	23,535,184
Total restricted funds	16,292,206	14,260,236	(11,893,725)	902,000	19,560,717
Total funds	17,117,922	15,689,654	(13,368,181)	902,000	20,341,395

22 Analysis of net assets between funds

Fund balances at 31 August 2019 are represented by:

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total Funds £
Tangible fixed assets	-	-	23,886,859	23,886,859
Current assets	-	2,263,451	-	2,263,451
Current liabilities	-	(1,469,589)	-	(1,469,589)
Long term liabilities	-	(260,000)	-	(260,000)
Pension scheme liability	-	(6,312,000)	-	(6,312,000)
Total net (liabilities)	-	(5,778,138)	23,886,859	18,108,721

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Comparative information in respect of the proceeding period is as follows;

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total Funds £
Tangible fixed assets			23,549,266	23,549,266
Current assets	640,128	953,866	1	1,593,995
Current liabilities		(693,866)		(693,866)
Long term liabilities		(260,000)		(260,000)
Pension scheme liability		(3,848,000)		(3,848,000)
Total net (liabilities)	640,128	(3,848,000)	23,549,267	20,341,395

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

	2019 £	2018 £
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	(403,675)	2,321,473
Adjusted for:		
Depreciation (note 13)	463,732	565,280
(Increase) / decrease in stocks	(18,626)	(1,906)
(Increase) / decrease in debtors	(227,900)	(428,125)
Increase / (decrease) in creditors	775,723	(614,166)
Capital grants from DfE and other capital income	(704,786)	(4,396,209)
Interest receivable (note 5)	(2,928)	(141)
Defined benefit pension scheme cost less contribution payable	635,000	513,000
Defined benefit pension scheme obligation inherited	-	657,000
Net cash (used in)/provided by operating activities	516,540	(1,383,794)

24 Cash flows from investing activities

	2019 £	2018 £
Interest	2,928	141
Purchase of tangible fixed assets	(801,324)	(4,410,291)
Capital grants from DfE/EFA	704,786	899,109
Capital funding received from sponsors and others	-	3,497,100
Net cash provided by investing activities	(93,610)	(13,941)

25 Cash flows from financing activities

	2019 £	2018 £
Cash inflows from new borrowings	-	260,000
Net cash provided by financing activities	-	260,000

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26 Analysis of cash and cash equivalents

	2019 £	2018 £
Cash at bank and in hand	<u>1,225,914</u>	<u>802,984</u>

27 Capital commitments

	Group	Academy Trust
	2019 £	2018 £
Contracted for but not provided in these financial statements	40,433	-

28 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.

Contributions amounting to £183,062 were payable to the scheme at 31 August 2019 (2018 - £168,640) and are included within creditors.

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors.

The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 16.48% of pensionable pay (including a 0.08% employer administration charge);

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- 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 September 2019.

The employers pension costs paid to TPS in the period amounted to £895,142 (2018: £824,514).

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 year ended 31 August 2019 was £721,000 (2018: £639,901), of which employer's contributions totalled £575,000 (2018: £512,901), and employees' contributions totalled £146,000 (2018: £127,000). The current agreed contribution rates for future years are 20.8% for employers. Employees contributions are dependent upon the individual's salary.

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.

<i>Principal assumptions</i>	At 31 August 2019	At 31 August 2018
Rate of increase in salaries	3.30%	3.40%
Rate of increase for pensions in payment / inflation	2.30%	2.40%
Discount rate for scheme liabilities	1.80%	2.80%

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

	At 31 August 2019	At 31 August 2018
<i>Retiring today</i>		
Males	21.2	22.1
Females	23.4	24.3
<i>Retiring in 20 years</i>		
Males	22.2	23.8
Females	24.7	26.2

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Sensitivity analysis

	At 31 August 2019 £	At 31 August 2018 £
Discount rate -0.5%	1,794,000	1,297,000
Salary rate +0.5%	319,000	265,000
Pension rate +0.5%	1,431,000	1,010,000

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

	Fair value at 31 August 2019 £	Fair value at 31 August 2018 £
Equity instruments	4,207,320	3,818,580
Corporate bonds	2,248,740	1,662,930
Property	580,320	554,310
Cash/liquidity	217,620	123,180
Total market value of assets	7,254,000	6,159,000

The actual return on scheme assets was £239,000 (2018: £124,000).

Amounts recognised in the statement of financial activities

	2019 £	2018 £
Current service cost (net of employee contributions)	1,098,000	894,000
Net interest cost	112,000	77,000
Total operating charge	1,210,000	971,000

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

	2019 £	2018 £
At 1 September	10,007,000	8,285,000
Current service cost	1,098,000	894,000
Upon conversion	-	1,279,000
Interest cost	294,000	240,000
Employee contributions	146,000	127,000
Actuarial (gains)/loss	2,068,000	(778,000)
Benefits paid net of transfers in	(47,000)	(40,000)
At 31 August	13,566,000	10,007,000

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Changes in the fair value of the Group's share of scheme assets:

	2019	2018
	£	£
At 1 September	6,159,000	4,705,000
Interest income	182,000	135,000
Upon conversion	-	622,000
Employer contributions	575,000	486,000
Employee contributions	146,000	127,000
Benefits paid	(47,000)	(40,000)
Actuarial gain	239,000	124,000
At 31 August	7,254,000	6,159,000

29 Commitments under operating leases

Operating leases

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

	2019	2018
	£	£
Amounts due within one year	38,932	46,057
Amounts due between one and five years	120,553	123,577
Amounts due after 5 years	312,943	339,442
	472,428	509,076

30 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.

31 Related Party Transactions

Owing to the nature of the academy trust and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Academies Financial Handbook and with the academy trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

The MAT regularly supports the 'Open Hands' charity across the two secondary schools, by providing food hampers at Christmas and facilitating an annual bike ride during the Autumn term. Open Hands is a local charity that provides help and support to local homeless people. Dave Bennett, Head of school at Winstanley, is on the board of Open Hands. This interest has been declared. Neither school has made any financial contributions to the charity.

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

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32 Conversion to an Academy Trust

On 1 January 2018 Kingsway Primary School converted to Academy Trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to LiFE Multi-Academy Trust from Leicestershire County Council for £Nil consideration.

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

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

	Unrestricted Funds £	Restricted Funds £	Restricted Fixed Asset Funds £	Total Funds £
Freehold/leasehold land and buildings	-	-	3,497,100	3,497,100
Budget surplus/(deficit) on LA funds	205,481	-	-	205,481
LGPS pension surplus/(deficit)	-	(657,000)	--	(657,000)
Net assets/(liabilities)	<u>205,481</u>	<u>(657,000)</u>	<u>3,497,100</u>	<u>3,045,581</u>

The land and buildings have been transferred on a 125-year lease.

33 Agency arrangements

The academy trust distributes 16-19 Bursary Funds to students as an agent for the ESFA. In the accounting period ended 31 August 2019, the trust received £27,590 and disbursed £26,507 (2018 - £19,5678) from the fund. An amount of £1,083 is included in other creditors relating to the undistributed funds that are repayable to the ESFA.

34 Post balance sheet event

The Braunstone Frith Primary School will join the trust on 1 September 2019 and Countesthorpe Leysland Community College will join the Trust in early 2020.