



(A company limited by guarantee)

**ANNUAL REPORT AND FINANCIAL
STATEMENTS**

**for the year ended
31 August 2018**

The Brigshaw Learning Partnership

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The Brigshaw Learning Partnership

REFERENCE AND ADMINISTRATIVE DETAILS

Members	Patricia Cochrane (until 31 August 2018) Martin Dove Kenneth Morton Donald Parker (from 1 September 2017)
Trustees	Rachael Bajulaiye Neil Clephan OBE Emma Jackson Ann-Marie Lewis Nicholas Mitchell Kenneth Morton Fiona Titterington Robert Stott (appointed 10 November 2017) Andrew Birch (resigned 20 February 2018) Philip Curtis (resigned 2 November 2017) Simon Hilton (resigned 29 September 2018) Sarah Lawson (resigned 31 August 2018) Catherine Lennon (resigned 1 September 2017)
Company Secretary	Jo-Anna Barr
CEO and Accounting Officer	Catherine Lennon
Finance Director Development Director	Tiana Walker Peter Laurence
Senior Leadership Team: Headteacher, Allerton Bywater Primary School Headteacher, Brigshaw High School Headteacher, Kippax Ash Tree Primary School Headteacher, Kippax Greenfield Primary School Headteacher, Kippax North Primary School Headteacher, Swillington Primary School Head of School, Swillington Primary School Headteacher, Methley Primary School	Richard Cairns Maria Williams Amanda Campbell Kirsty Moleele Barbara Husband Sallie Elliott Sarah Grant Sallie Elliott
Registered Office	Brigshaw High School Brigshaw Lane Allerton Bywater WF10 2HR
Company Registration Number	10310662 (England and Wales)
Independent Auditor	Murray Harcourt Limited 6 Queen Street Leeds LS1 2TW
Bankers	Lloyds Bank Plc 25 Gresham Street London EC2V 7HN
Solicitors	Ward Hadaway Sandgate House 102 Quayside Newcastle Upon Tyne NE1 3DX

The Brigshaw Learning Partnership TRUSTEES' REPORT

The Trustees of The Brigshaw Learning Partnership present their annual report together with the financial statements of the charitable company for the period 1 September 2017 to 31 August 2018. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The Brigshaw Learning Partnership is a multi-academy trust serving communities in outer East Leeds. The Trust was established in July 2016. There is one 11-18 secondary school in the trust, Brigshaw High School and six primary schools – Allerton Bywater, Kippax Ash Tree, Kippax Greenfield, Kippax North, Swillington and Methley. Methley Primary School joined The Brigshaw Learning Partnership as a sponsored academy in April 2018. There were over 3,000 pupils on roll on the January 2018 Census.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Brigshaw Learning Partnership is a company limited by guarantee and an exempt charity. The charitable company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust. The Trustees of The Brigshaw Learning Partnership are also the directors of the charitable company for the purposes of company law.

Details of the Trustees who served during the year are included in the Reference and Administrative Details.

Members' liability

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

Trustees' indemnities

There are no qualifying third party indemnity provisions in respect of the Trustees, other than trustees' and officers' insurance arrangements, which are in place.

Method of recruitment and appointment or election of trustees

Trustees are appointed by the Members of The Brigshaw Learning Partnership, under the rules contained within its Memorandum and Articles of Association. Potential new trustees are identified by the Board, ensuring that their skills and experience are complementary to those of existing Board members. One new trustee was appointed to the Board during 2017-18.

The membership of the Board is in accordance with the structure contained within its Articles of Association. Trustees have a breadth of skills and experience which are beneficial to The Brigshaw Learning Partnership.

Policies and procedures adopted for the induction and training of trustees

All Trustees are provided with copies of procedures, minutes, accounts, budget plans and other documents required to undertake their roles as Trustees. All Trustees are aware of relevant information in The Academies Financial Handbook and updates. The Chair and CEO meet regularly with individual Trustees to discuss their roles and how they can make a positive contribution to the life and work of the Brigshaw Learning Partnership. Trustees are invited to attend various training sessions on governance organised by the Governance Support Officer. The Trustees undertook a self-evaluation process during the summer term 2018, and have agreed to engage with an external governance review, to be carried out by the NGA (National Governance Association) during 2018-19.

Organisational structure

There is a clear management structure to enable The Brigshaw Learning Partnership to be effective. There are three levels: Members and Trustees; the executive team; and the schools themselves. The relationship and decision-making functions are outlined in The Scheme of Delegation, which is regularly reviewed, most recently in July 2018.

The Brigshaw Learning Partnership Board meets regularly to discuss strategic matters and significant operational developments. The Academy has three committees, which meet at least once per term to manage and oversee delegated matters. These committees have specific responsibility for Audit and Risk, Finance and Resources, and Progress and Standards. There is also a Pay Committee which meets once a year to ratify local governing body pay recommendations for school staff.

The Trustees are responsible for setting policy, adopting an annual plan and budget, monitoring key performance indicators, most importantly pupil progress and outcomes and financial information, and making major decisions about the direction of the Brigshaw Learning Partnership. The CEO has responsibility for the running of the multi-

The Brigshaw Learning Partnership TRUSTEES' REPORT (continued)

academy trust as an organisation, including the accounting officer role. She works closely with school leaders in the headteacher leadership team, which meets fortnightly to decide how best to implement school improvement priorities in their schools and review progress. Headteachers, with their local governing bodies, are responsible for the day to day operational running and oversight of individual schools, on the principle of 'tiered autonomy'. The Scheme of Delegation allows for higher levels of support and intervention if a school is considered vulnerable. There is also a small 'executive team', supporting the CEO comprising of the Finance Director, Development Director and Compliance Officer. The team oversees trust-wide functions and specifically finance, compliance and policies, governance, operations and the Brigshaw Learning Partnership growth strategy.

Chairs and Vice-Chairs of Governors of Brigshaw Learning Partnership schools meet every half term, to encourage networking, promoting good practice and to enable dialogue between themselves and The Brigshaw Learning Partnership Board.

Pay and remuneration of key management personnel

The Brigshaw Learning Partnership has adopted a pay policy, which sets out the benchmarks, parameters and criteria for setting the pay of senior school leaders. This pay policy is based on the Leeds local authority agreed Pay Policy, and is kept under annual review. The pay and remuneration of the CEO is set by the Pay Committee. The performance management of the CEO is guided by external advisers who provide advice and support on the performance management review.

Trade union facility time

Under the provisions of the Trade Union (Facility Time Publication Requirements) Regulations 2017, we are required to provide the following information.

Number of employees who were relevant union officials during the relevant period	Full time equivalent employee number
2 Brigshaw Learning Partnership employees and de-delegated Leeds time	2

Percentage of time spent on facility time	Number of employees
0%	
1%-50%	2
51% - 99%	
100%	

Percentage of pay bill spent on facility time	
Provide the total cost of facility time	£984.75
Provide the total pay bill	£10,606.197
Percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time ÷ total pay bill) x 100	0.0093

Time spent on paid trade union facilities as a percentage of total paid facility time hours calculated as: (total hours spent on paid trade union activities by relevant union officials during the relevant period ÷ total paid facility time hours) x 100	0%
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Related parties and other connected charities and organisations

The 'predecessor' body and foundation of The Brigshaw Learning Partnership was The Brigshaw Co-operative Trust, which was formally dissolved in April 2018, as its functions have been subsumed by, and its foundation schools have joined, The Brigshaw Learning Partnership. The Brigshaw Learning Partnership Board formally agreed to take on the assets and liabilities of The Brigshaw Co-operative Trust. Two other schools, Great Preston CoE (VC) Primary, and Lady Elizabeth Hastings CoE (VA) Primary, Ledston, were associate members of The Brigshaw Co-operative Trust, and they continue to work very closely with Brigshaw Learning Partnership schools, for example contributing to shared school improvement activities.

Three Trustees from the former Brigshaw Co-operative Trust are 'foundation' Members in The Brigshaw Learning Partnership.

The Brigshaw Learning Partnership is represented by a Trustee on The Leeds East Primary Partnership, a Co-operative Trust serving five primary schools in Seacroft, East Leeds.

Brigshaw High School is a member of The Red Kite Teaching School Alliance.

During 2017-18, The Brigshaw Learning Partnership provided consultant support to project manage the establishment of The STAR MAT, a cross-phase multi-academy trust including Tadcaster Grammar School and eight primary schools in North Yorkshire, which was established in May 2018. There are plans to develop further links between The Brigshaw Learning Partnership and STAR MAT, focusing on shared school improvement priorities.

The Brigshaw Learning Partnership

TRUSTEES' REPORT (continued)

OBJECTIVES AND ACTIVITIES

Objects and aims

The objects of The Brigshaw Learning Partnership set out in its Articles of Association are specifically restricted to the following: "to advance for the public benefit education in the United Kingdom... by establishing, maintaining, carrying on, managing and developing schools offering a broad and balanced curriculum".

Objectives, strategies and activities

The main objectives of The Brigshaw Learning Partnership are to:

- 1. Improve outcomes for children and young people and expand opportunities for all in school communities by:**
 - improving levels of progress, attainment and achievement for all pupils and students, with particular focus on the more able, boys and disadvantaged pupils;
 - developing an effective 'school improvement' function and capacity to accelerate and sustain better outcomes for all children and young people and ensure all schools are good and outstanding;
 - developing and sustaining Brigshaw Learning Partnership approaches to removing barriers to learning linked to behaviour, attendance, additional needs; continuing to develop guidance and support capacity to work with vulnerable children and their families;
 - working more effectively with further education, training and employment sectors in the Leeds area and wider city region to enable young people to access and contribute to a thriving and dynamic regional economy;
 - accessing a richer variety of experiences locally, regionally, nationally and internationally, particularly with regard to sport, creativity and the arts;
 - promoting pupil and student leadership, participation and community engagement; and
 - creating stronger and more purposeful links with a range of learning partners (from early years to higher education) to promote higher aspirations, a culture of family learning, and increased access to educational opportunities.

- 2. Establish The Brigshaw Learning Partnership as a well-governed and effective multi-academy trust by:**
 - ensuring compliance with all statutory and relevant policies at Brigshaw Learning Partnership and Local Governing Bodies (LGB) level;
 - ensuring that the quality of all governance is good and outstanding at Brigshaw Learning Partnership and LGB level;
 - developing sustainable executive leadership capacity; and
 - developing robust and effective management systems to inform quality assurance and decision-making.

- 3. Develop business and financial systems efficiently and transparently to ensure good stewardship of public funds and assets by:**
 - ensuring the effectiveness of all financial, accounting and audit systems and processes at Brigshaw Learning Partnership and school level;
 - ensuring buildings, land and assets are fit for purpose to provide an outstanding learning and working environment for pupils, students and staff;
 - exploring robust and effective approaches to better value, business continuity and sustainability to ensure we are a viable and thriving learning community; and
 - developing and sustaining an ethical and entrepreneurial approach in seeking additional funding and resources to support our key aims and objectives.

- 4. Develop a growth strategy to sustain and strengthen the partnership by:**
 - encouraging and support other local schools who share the same values to join The Brigshaw Learning Partnership and work together to achieve mutual gains for pupils, schools and communities;
 - encouraging and supporting engagement with at least one other secondary school within the wider locality to share school improvement approaches; and
 - developing an alliance of partners to deliver distinctive shared and viable post-16 provision for young people across the wider locality.

5. Develop our workforce by:

- developing and delivering a Brigshaw Learning Partnership -wide programme of staff training and professional development aligned with individual school and wider trust school improvement priorities;
- reviewing and developing staff appraisal and performance management so that it is effective across all staff and Brigshaw Learning Partnership schools;
- developing and delivering a recruitment, talent management, leadership development and succession planning strategy which enables the trust to grow capacity and recruit and retain high quality staff across our schools; and
- developing a range of cross-trust staff networks and activities to promote to a wider range of benefits for all staff in trust schools, including tackling workload and promoting health and well-being.

Public benefit

In exercising its powers and duties The Brigshaw Learning Partnership has complied with its duty to have due regard to the guidance on public benefit published by the Charity Commission. The main public benefit delivered by The Brigshaw Learning Partnership HIP is the free provision of education to its learners.

STRATEGIC REPORT

Our key priorities for 2017-18 were to develop our school improvement offer to achieve more impact – especially for disadvantaged learners, and to strengthen our ‘professional development’ offer for staff. We planned to strengthen Board capacity and approaches to hold schools to account, conscious that from 2018-19 most of our schools would be eligible for Ofsted inspection. We also prioritised strengthening the ‘core team’, consolidating our finance processes, and, using the expertise of our new professional HR partners, addressing a range of staffing-related processes across The Brigshaw Learning Partnership. We also developed an increasing focus on growth and sustainability, and looked for ways of developing our sponsorship support capacity.

Achievements and Performance

1. Improve outcomes for children and young people and expanding opportunities for all in our school communities

As a multi-academy trust we have implemented a rigorous programme of self-review, scrutiny and challenge. LGBs are supported in self evaluation and monitoring, reporting key outcomes across a range of areas to the board. Schools and LGBs are supported in this through engaging with Teaching School Alliances and commissioning external partners as well as our own independent audits of provision, strategic developments and their impact on outcomes. Open and honest review of key risks has resulted in focused support and intervention in schools.

The Brigshaw Learning Partnership has also ensured that the partnership work such as sports co-ordination, Virtual Middle School work and learning development hubs has continued to develop and have impact. Specialist networks such as the Learning Mentor hub and the SEND hub ensure that our most vulnerable children have access to the same high quality support across our schools.

We have developed headteachers’ roles and responsibilities as leaders to encompass Brigshaw Learning Partnership -wide responsibilities, developing a trust leadership team. This has had a significant impact on our assessment systems, our Early Years provision and outcomes, our curriculum development and our development of a bespoke school improvement team.

Our focus for 2018-19 is on developing our teaching of reading and our curriculum provision for Science.

2. Establish The Brigshaw Learning Partnership as a well-governed and effective multi-academy trust

The second full year of operation of The Brigshaw Learning Partnership as a multi-academy trust saw significant steps towards consolidating governance and organisation, building on the growing cohesion of the trust board and their collective understanding of the issues and priorities facing the partnership. Trust committees developed a sharper focus on their areas of concern, and full Board meetings became more strategic in their focus. Management information became increasingly robust, for example with regard to school key performance indicators (KPIs), and particularly with the budget and finance data.

The Brigshaw Learning Partnership Governance Support Officer continued to support the Board and local governing bodies (LGBs), to develop governance structures and policy development, working increasingly closely with the newly appointed Compliance Officer, to ensure all statutory and other trust-wide policies were in place during the year. Both external and internal audit reports indicated that governance arrangements were robust and

The Brigshaw Learning Partnership TRUSTEES' REPORT (continued)

effective, and the Board's own self-evaluation exercise indicated significant improvements in key areas compared with the comparable audit process in the previous year.

These key areas revealed an appreciable strengthening of Directors' confidence in the vision and strategic planning of the trust, and, possibly due to the sponsorship of Methley PS, an understanding of the capacity to support additional academies. There is growing confidence in the functioning of governance structures at Board level. There continues to be confidence in the process of recruitment of directors and governors, and a recognition of the effective clerking and chairing arrangements, and particularly the emergence of stronger approaches to developing individual directors' involvement. Directors felt that the Board was now more responsive to pupils, staff and communities etc, and that the Brigshaw Learning Partnership was more involved in wider collaborations and school-to-school support. Areas identified for future development were the relationships between The Brigshaw Learning Partnership Board and LGBs, and making use of other Boards' experiences.

The Brigshaw Learning Partnership benefited from the decision that the CEO role should be separated from that of school headship, although the CEO continued to have a high level of involvement, on a transitional basis, in aspects of the life and work of Brigshaw High School, culminating in the successful permanent appointment of a new Headteacher and Deputy Head during the summer term. The Brigshaw Learning Partnership also benefited significantly from the first full year in post of the Finance Director and further capacity has been added to the Finance Team. The recent creation of the Compliance Officer role has ensured that the Brigshaw Learning Partnership has had more organisational capacity during the year. The Compliance Officer's work in leading the Brigshaw Learning Partnership strategy to implement the requirements of the General Data Protection Regulation (GDPR) was outstandingly comprehensive and effective.

A further development has been our adoption of risk register software which has scope for reporting at individual school level as well as at MAT-wide level, which is steadily beginning to provide more helpful and robust risk management information to heads and local governing bodies as well as to the CEO and Board.

Develop business and financial systems efficiently and transparently to ensure good stewardship of public funds and assets

The impact of the Finance Director in her first full year in post cannot be under-estimated. Supported by her finance team and wider network of school business managers, she has continued to implement and embed rigorous financial and accounting systems at 'central' level as well as across individual schools, as reflected in both internal and external audit processes. A further feature of the year was the willingness of both core finance team members and School Business Managers to provide support where individual schools had significant capacity issues caused by illness.

The regularity, quality and depth of finance and budget information to the Board and Finance and Resources Committee is now a significant strength of The Brigshaw Learning Partnership, as is the tireless and rigorous work of team in ensuring that schools manage their finances prudently and carefully at a time of dwindling resources in real terms.

The Finance Director led our successful bid for the CIF (Condition Improvement Fund), resulting in the allocation of over £350,000 to replace the roof and refurbish pupil toilet facilities at Kippax Greenfield Primary School. A bid for roof and window replacement at Allerton Bywater was unsuccessful on this occasion. The delivery of the project was supported by the Facilities Manager at Brigshaw High School, who was 'seconded' one day a week to the Brigshaw Learning Partnership to provide trust-wide expertise across the schools. The Facilities Manager has been working with other Brigshaw Learning Partnership colleagues alongside contractors and our consultant partners S2E (Surveyors to Education). With the support of Brigshaw Learning Partnership Directors, the Facilities Manager has led and developed a trust-wide facilities management network to provide greater coherence and good practice sharing across our schools. As with the school business management function, the need for a more strategic approach is important if school leaders are to concentrate much more on teaching and learning than on operational issues.

The Brigshaw Learning Partnership continues to pursue better value approaches, for example with regard to procurement, and has taken the decision to invest some of its reserves in an interest-bearing bank account. The Brigshaw Learning Partnership was also successful in bidding for approximately £100,000 from The MAT Development and Improvement Fund (MDIF) to support our school improvement capacity.

Develop a growth strategy to sustain and strengthen our partnership

A major step forward for The Brigshaw Learning Partnership during 2017-18 was the conversion of Methley Primary School, which joined the trust on April 1st 2018. The conversion process was very well supported by the DfE, Leeds City Council, our legal advisers, Ward Hadaway, the PFI provider, QED, and by our HR partner, Avec Partnership.

The Brigshaw Learning Partnership TRUSTEES' REPORT (continued)

The School Business Manager played an indispensable role in managing many of the processes within Methley, and the Senior Leadership team ensured that staff were fully engaged and co-operative at each stage. The legal and technical stages of conversion ran alongside a significant commitment of senior leadership and school improvement support prior to the actual conversion date. This work was supported by the sponsorship grant.

Brigshaw Learning Partnership schools continued to work closely with other local primary schools in our cluster, Great Preston CE, and Lady Elizabeth Hasting throughout the year. Other relevant developments included the expansion of Brigshaw High School's long-standing post-16 partnership with Temple Moor High School to include Royds School. The Brigshaw Learning Partnership also developed growing links with a large local Teaching School Alliance in North Yorkshire. This work led to the schools commissioning the Brigshaw Learning Partnership to provide project management support for the establishment of their Multi Academy Trust. Senior leaders and directors within The Brigshaw Learning Partnership were also involved in exploratory discussions with their counterparts in other large Multi Academy Trusts and college federations, to consider potential collaborative approaches to professional development, alternative provision, estates and procurement.

The Brigshaw Learning Partnership Board reluctantly took the decision to end its tenancy arrangement with The Allerton Bywater Community Partnership (ABCP) at Vicars' Court from the end of August 2018. It became clear that significant investment would be required in the building at a time when the Brigshaw Learning Partnership and its schools are having to consider savings from their own budgets. Vicars' Court had served The Brigshaw Co-operative Trust and the emerging Brigshaw Learning Partnership well since 2010, and we will continue to support ABCP in the future, for example by letting facilities for specific activities.

Develop our workforce

The Brigshaw Learning Partnership engaged Avec Partnership to provide HR advice and support from September 2017. This new relationship has been extremely effective in its first year of operation, leading to significant improvements in schools' HR procedures and processes, greater consistency and adherence to statutory requirements, for example with regard to the Single Central Register held in schools. Avec colleagues have provided expert and focused support for headteachers and staff in helping to resolve a range of complex issues, and worked closely with the CEO and directors in key recruitment processes, for example for the headship at Brigshaw High School. Extensive support has also been provided for policy development, including revised pay and appraisal policies and a Brigshaw Learning Partnership-wide Code of Conduct.

Opportunities for staff development were identified and pursued at all levels across the trust. Some of these arose due to extended periods of absence of key support staff, where we were able to swiftly deploy willing and comparable expertise to ensure continuity. Heads and other senior leaders also had opportunities to benefit from consultant support (and challenge) from an experienced former Ofsted inspector in helping prepare their schools for inspection, and many contributed to the strategic leadership of the trust. Many staff were involved in Brigshaw Learning Partnership-wide training and development programmes. The CEO has also led the development of an apprenticeship strategy, in partnership with our potential provider, Leeds City College.

The Brigshaw Learning Partnership Board has recommended an emerging workforce strategy for implementation from 2018-19 as the board seek to strengthen our position as an 'employer of choice'.

Key Performance Indicators – Outcomes for Learners

Improving pupil outcomes across The Brigshaw Learning Partnership is vitally important for the trust as a school partnership and more so for our children and young people as learners, in supporting their aspirations and helping them achieve their potential.

There were a number of very encouraging performance indicators across all schools at every key stage and phase of learning, as well as ones which confirmed headteachers' judgements that the trust needs to continue its focus on securing and sustaining even better progress, achievement and attainment.

All of our schools matched or exceeded national standards at the end of Early Years Foundation Stage in terms of the percentage of pupils achieving a Good Level of Development (GLD).

There was a significant increase at KS1 across the trust primary schools in terms of the numbers of pupils achieving the expected standards. In Reading, three schools maintained and three schools raised their attainment levels. In Maths and in Writing, five schools improved their outcomes.

At KS2 the percentage of pupils achieving the expected standard in Reading rose in five of our schools, although their progress confirms that reading remains a significant focus for the trust. Writing maintained its levels in all of our schools. Maths outcomes were disappointing this year in several of our schools and we are working intensively

The Brigshaw Learning Partnership TRUSTEES' REPORT (continued)

to ensure this is not the case in the current cohorts. Combined scores in most of our primaries maintained their levels, although schools where there had been a drop in Maths or Reading saw a resulting dip in combined scores.

KS4 results at Brigshaw High School remained in line with the national picture, both in terms of attainment and progress. The new, more challenging GCSEs saw an overall dip in overall performance from above average to average, but individual pupils enjoyed some outstanding successes, such as a pupil achieving 10 x grade 9s. For the third successive year, the percentage of pupils achieving the 'EBacc' performance measure of core 'academic' subjects at least matched the local authority and national average at grade 4. The challenge is to ensure more pupils achieve the higher grade 5 benchmark. KS5 results were significantly improved with much increased attainment and progress scores at A Level and an improving picture for vocational courses.

As outlined above, while there is much to celebrate in terms of improved performance, and the hard work of pupils, students, and staff, there are also areas for development. A key challenge for us is the progress and performance of 'disadvantaged' children – typically those who attract Pupil Premium funding – and how we can ensure that they make at least as good progress as the great majority of our learners, and learners nationally.

Going concern

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

FINANCIAL REVIEW

The Brigshaw Learning Partnership has had a successful financial year. The net surplus was £4,703,000 (2017: £44,084,000 surplus). Net current assets as at 31 August 2018 were £1,426,000 (2017: £1,235,000).

Net funds transferred to The Brigshaw Learning Partnership on transfer of Methley Primary School were £5,896,000, comprised of school fixed assets of £6,210,000, cash reserves of £236,000 and pension liabilities of £550,000.

As at 31 August 2018 The Brigshaw Learning Partnership had cash reserves of £1,434,000 (2017: £1,521,000).

The Brigshaw Learning Partnership's income is derived in the main from the Department for Education (DfE) and the Local Authority (LA) in the form of recurrent and capital grants, the use of which is restricted to particular purposes. The grants received from the DfE and LA during the year ended 31 August 2018 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The Brigshaw Learning Partnership also received grants for the acquisition of fixed assets from the DfE. In accordance with the Charities Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2015), such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed assets fund is reduced by annual depreciation charges over the expected useful life of the assets concerned.

Statement of principal financial management policies adopted

The Brigshaw Learning Partnership came into operation in September 2016 and the Board of Directors has worked to develop and implement a full set of required financial policies and procedures over the first two years of operation. The following financial management policies were adopted:

- Management of Funds policy;
- Fixed assets policy;
- Anti-Fraud, Corruption and Bribery policy;
- Employee expenses policy;
- Payment of expenses to Directors and Local Governors policy;
- Gifts and hospitality policy;
- Accounting policies;
- Debtors policy;
- Charging and Remissions policy; and
- Procurement and Tendering policy.

The Brigshaw Learning Partnership TRUSTEES' REPORT (continued)

Reserves policy

The Brigshaw Learning Partnership has three categories of reserves:

- Restricted funds, which is the General Annual Grant, used to carry out the principal objectives of the organisation;
- Fixed asset reserve used to finance fixed assets; and
- Unrestricted reserves which are used under the discretion of the Board of Trustees and are delegated to Local Governing Bodies.

The unrestricted reserves of £1,299,000 (2017: £1,235,000) are freely available for general purposes. The reserve includes the surplus from Methley Primary School. Unrestricted funds are allocated in line with the strategic objectives of The Brigshaw Learning Partnership.

The restricted fixed asset reserve of £52,705,000 (2017: £47,004,000) includes the transfer of fixed assets from Leeds City Council for the six convertor schools in the prior year, and the current year transfer.

Trustees review the level of reserves on an annual basis. The review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. Reserves are held to ensure the academy has sufficient resources to continue to advance the education of learners, including the necessary capital expenditure.

As at 31 August 2018 and 31 August 2017 the Academy Trust held the following reserves:

	2018	2017
	£'000	£'000
Restricted General Fund	(3,097)	(3,244)
Restricted Fixed Asset Fund	52,705	47,004
Unrestricted Fund	1,299	1,235
Total	50,907	44,995

The Restricted General Fund relates to the pension liability which is described in more detail in note 24 to the financial statements. The Trustees will continue to monitor the position of this liability closely.

The Board has reviewed the level of reserves and considered them to be adequate. Over the next financial year, the Finance and Resources Committee will review the Reserves Policy to identify a target level of reserves for each school. This may equate to a % of funding or a reserve relative to a number of monthly salary payments.

Investment policy

The Brigshaw Learning Partnership has an investment policy based on treasury management as defined by the Chartered Institute of Public Finance and Accountancy's (CIPFA's) Code of Practice. The objectives of treasury management are: to provide a means by which The Brigshaw Learning Partnership can meet its commitments; to ensure that sufficient sums are available at short notice or no notice to meet foreseeable requirements; to earn an acceptable rate of return on surplus funds without undue risk; to spread risk between differing types of investment and institutions.

The Chief Education Officer and The Brigshaw Learning Partnership Board have responsibility for the overall security and management of funds. The day to day management of the treasury function is controlled by the Finance Director. The Finance Director will liaise with the CEO and The Brigshaw Learning Partnership Board in relation to strategy and market conditions.

Principal risks and uncertainties

The principal risks and uncertainties identified by The Brigshaw Learning Partnership concern finance and funding, pupil outcomes, the condition of buildings and facilities in particular schools, and the viability of post-16 provision.

The Trust is mitigating these risks in the following ways:

- finance and funding – robust financial controls, more efficient procurement approaches across all schools in The Brigshaw Learning Partnership, our growth strategy, and additional bids for funding through a range of DfE grants;
- pupil outcomes – focused school improvement strategies and interventions;
- buildings – submission of CIF (Capital Improvement Fund) bids for two schools; and
- post-16 provision – continuing to develop more shared post-16 provision with other schools, and considering a joint bid for a free school.

The Trust is also further developing its risk management strategy at individual school level.

The Brigshaw Learning Partnership TRUSTEES' REPORT (continued)

Plans for future periods

Our priorities for 2019 onwards are:

Improve outcomes for our children and young people:

- School improvement strategy leads to improved outcomes and progress at key transition points and for key groups
- Effective leadership and governance leads to accurate self-evaluation and improvement planning
- Effective leadership enables all schools to provide at least good teaching and learning

Develop our workforce

- High quality HR support will develop a MAT-wide strategy to address recruitment and retention, staff CPD and support for tackling workload
- Develop an apprenticeship strategy to ensure staff have appropriate skills to raise standards and outcomes

Ensure our partnership arrangements impact on our key priorities

- Sustain and develop high value partnerships which add demonstrable value and contribute to our long-term sustainability and growth strategy

Ensure Brigshaw Learning Partnership Governance is effective

- Further develop a coherent risk management strategy across all areas of Brigshaw Learning Partnership activity

Ensure our business and financial systems are efficient and transparent and demonstrate that we are good stewards of public funds and assets

- Focus on financial sustainability, procurement and shared services, asset management and estates strategy

Statement as to disclosure of information to auditors

Insofar as the Trustees are aware:

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

The Trustees' report, incorporating the strategic report, was approved by order of the Board of Trustees, as the company directors, on and signed on the board's behalf by:

Kenneth Morton
Chair of Trustees

Date:

The Brigshaw Learning Partnership

GOVERNANCE STATEMENT

Scope of responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that The Brigshaw Learning Partnership 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, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the Funding Agreement between The Brigshaw Learning Partnership and the Secretary of State for Education. They are 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 seven 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
Rachael Bajulaiye	4	5
Andrew Birch (resigned)	0	3
Neil Clephan	4	5
Philip Curtis (resigned)	0	1
Simon Hilton	3	5
Emma Jackson	4	5
Sarah Lawson	3	5
Cath Lennon (CEO)	5	5
Nicholas Mitchell	4	5
Ken Morton	5	5
Ann-Marie Spry	5	5
Robert Stott	4	4
Fiona Titterington	4	5

Governance review

Four trustees resigned during the course of the year, and one following the year end. One trustee was appointed during the year. He has had significant experience as a Headteacher and also as Director of Children's Services in a large Local Authority. In line with recent government guidance, the CEO also resigned as a trustee.

The Academy Trust Board undertook a Governance review in June 2018 to assess the effectiveness of the Academy's governance processes, systems, culture and behaviours and recommend improvements.

Key findings of the review were that: there was an appreciable strengthening of trustees' confidence in the vision and strategic planning of the trust, and, possibly due to the sponsorship of Methley Primary School, an understanding of the capacity to support additional academies; there was growing confidence in the functioning of governance structures at Board level, but less in terms of the relationship between Brigshaw Learning Partnership and LGB; there continued to be confidence in the process of recruitment of trustees and governors, and a recognition of the effective clerking and chairing arrangements, and particularly the emergence of stronger approaches to developing individual trustees' involvement; an area of somewhat less confidence related to succession planning and making use of other Boards' experience. Other findings indicated that trustees felt that the Board was now more responsive to pupils, staff and communities etc, and that the Brigshaw Learning Partnership was more involved in wider collaborations and school-to-school support; directors felt they had better understanding of performance data, and were more confident around Brigshaw Learning Partnership's compliance and financial management systems.

Audit and Risk Committee

The Audit and Risk Committee is a sub-committee of The Brigshaw Learning Partnership Board. Its purpose is: to monitor and assess the internal controls of the Trust to ensure that The Brigshaw Learning Partnership as a whole is operating at appropriate levels of risk and in compliance with audit requirements; to take responsibility for external and internal audit matters, oversee the work programme and performance quality of the internal and external audit

The Brigshaw Learning Partnership GOVERNANCE STATEMENT (continued)

services; to support the board in ensuring that a framework is established and maintained for the identification and management of risk; to support the board in providing an added level of scrutiny in the monitoring of internal and external audit matters, risk management, fraud prevention and detection, and internal controls and health and safety; and to keep the board regularly informed of the committee's activities and key decisions. The committee also has responsibility for reviewing reports from the external auditors. Trustees work in conjunction with the CEO and Finance Director.

Attendance by Trustees at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Rachael Bajulaiye (Chair)	3	3
Neil Clephan	1	3
Emma Jackson	3	3

Finance and Resources Committee

The Finance and Resources Committee is a sub-committee of The Brigshaw Learning Partnership Board. Its principal duties are to: develop a financial strategy for the trust and consider policies, procedures or plans required to realise such strategy; to consider the Trust's indicative funding, once notified by the ESFA, and to assess its implications, in consultation with the CEO and the Finance Director, in advance of the financial year, drawing any matters of significance or concern to the attention of the Trust Board; to consider and recommend acceptance/non-acceptance of the Trust's budget to the Trust Board; to monitor any variances from the budget and ensure the ESFA is notified as required; to receive and make recommendations on the broad budget headings and areas of expenditure to be adopted each year, including the level and use of any contingency fund or balances, ensuring the compatibility of all such proposals with the development priorities set out in the Trust development plan; to monitor and review income and expenditure on a regular basis and ensure compliance with the overall financial plan for the trust, drawing any matters of concern to the attention of The Brigshaw Learning Partnership Board; and to monitor and review procedures for ensuring the effective implementation and operation of financial procedures, on a regular basis, including the implementation of bank account arrangements and, where appropriate to make recommendations for improvement. Trustees work in conjunction with the CEO and Finance Director. Attendance by trustees at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Robert Stott (Chair)	3	3
Sarah Lawson	4	4
Ken Morton	4	4

Progress and Standards Committee

The Progress and Standards Committee is a sub-committee of The Brigshaw Learning Partnership Board. Its principal duties are: to ensure that the highest possible standards are set and maintained across the Trust; to receive a termly report from the CEO regarding standards and performance of the Trust against key performance indicators; to identify any areas of concern in respect of standards, performance and external scrutiny and to implement an action plan with the CEO; to ensure that the Trust's curriculum is balanced and meets the needs of all children and young people; to scrutinise and review relevant Trust policies for recommendation to the Trust Board; to ensure that effective processes are in place for the quality assurance of teaching and learning, the curriculum, inclusion and the sharing of good practice across the Trust; to support the CEO in the creation, implementation and monitoring of the Trust's development plan and any post-Ofsted action plan; to advise the Trust Board with respect to targets for pupil/student achievement across the Trust; to ensure that effective arrangements are in place across the Trust for pupil/student support and representation, for monitoring attendance and for behaviour management. Trustees work in conjunction with the CEO. Attendance by trustees at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Simon Hilton (Chair)	4	4
Emma Jackson	4	4
Nick Mitchell	1	4
Ann-Marie Spry	3	4
Fiona Titterington	3	4

The CEO has attended all Trust Board and Committee meetings.

The Brigshaw Learning Partnership GOVERNANCE STATEMENT (continued)

Review of Value for Money

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

The Accounting Officer considers how the 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 Brigshaw Learning Partnership has delivered improved value for money during the year by:

- arranging for the regular review of contracts and service level agreements to improve efficiency and value for money;
- continuing to review staffing needs and identify areas where staffing costs can be reduced whilst avoiding a negative impact on educational provision.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in The Brigshaw Learning Partnership for the period 1st September 2017 to 31st August 2018 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 trust 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 on-going process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period 1st September 2017 to 31st August 2018 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by The Brigshaw Learning Partnership Board.

The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees;
- regular reviews by Local Governing Bodies of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties; and
- identification and management of risks.

The Board of Trustees has considered the need for a specific internal audit function and has appointed Leeds City Council's Financial Services to Schools to provide an internal audit/Responsible Officer function to carry out a programme of internal checks.

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

- register of business and pecuniary interests;
- scheme of delegation and submission of annual budget;
- financial reporting;
- monthly payroll reports and payroll arrangements;
- purchasing systems and procurement;
- bank reconciliations; and
- cash collection.

The Brigshaw Learning Partnership GOVERNANCE STATEMENT (continued)

The outcomes and recommendations in the Responsible Officer's report were presented to the Academy Trust Board, through the Audit and Risk Committee, on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities. The review will be carried out in future years on an annual basis.

Review of effectiveness

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

- the work of Leeds City Council Children's Services Finance Team to provide an Internal Audit/Responsible Officer function;
- the work of the external auditor, Murray Harcourt;
- the Financial Management and Governance Self-Assessment (FMGS) submission for Methley Primary School; and
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Audit and Risk Committee, 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.....and signed on its behalf by:

Kenneth Morton
Chair of Trustees

Catherine Lennon
Accounting Officer

The Brigshaw Learning Partnership
STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of The Brigshaw Learning Partnership I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2017.

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 2017.

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

Catherine Lennon
Accounting Officer

Date:

The Brigshaw Learning Partnership STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who act as Governors of The Brigshaw Learning Partnership 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 Annual 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 2017 to 2018;
- 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.....and signed on its behalf by:

Kenneth Morton
Chair of Trustees

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE Brigshaw Learning Partnership

Opinion

We have audited the financial statements of The Brigshaw Learning Partnership (the 'Academy Trust') for the year ended 31 August 2018, which comprise the Statement of Financial Activities incorporating Income and Expenditure Account, the Balance Sheet, the Cash Flow Statement, the Statement of Accounting Policies and the notes to the financial statements. 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 2017 to 2018 issued by the Education and Skills Funding Agency.

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 the Academy Trust's members as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy Trust's affairs as at 31 August 2018, and of its incoming resources and application of resources, including its income and expenditure, for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018 issued by the Education and Skills Funding Agency.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Academy Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We 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 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE Brigshaw Learning Partnership (continued)

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report and Financial Statements, 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 Strategic Report and the Directors' Report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the Academy Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Directors' Report.

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

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

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on page 16, 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 Academy Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Academy Trust or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE Brigshaw Learning Partnership (continued)

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: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

.....
Steven Williams FCA (Senior Statutory Auditor)
For and on behalf of Murray Harcourt Limited, Statutory Auditor

6 Queen Street
Leeds
LS1 2TW

Date:

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE Brigshaw Learning Partnership AND THE EDUCATION AND SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 12 September 2016 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2016 to 2017, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Brigshaw Learning Partnership during the period from 26 July 2016 to 31 August 2018 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of The Brigshaw Learning Partnership's Accounting Officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of The Brigshaw Learning Partnership's funding agreement with the Secretary of State for Education dated 30 April 2016 and the Academies Financial Handbook, extant from 1 September 2016, 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 2016 to 2017. 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 26 July 2016 to 31 August 2018 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2016 to 2017 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw to our conclusion includes:

- Documenting the framework of authorities which govern the activities of the Academy Trust;
- Reviewing the evidence supporting the representations included in the Accounting Officer's statement on regularity, propriety and compliance with the framework of authorities;
- Undertaking a risk assessment based on our understanding of the general control environment and any weaknesses in internal control identified by our audit of the financial statements;
- Reviewing the output from a self-assessment questionnaire completed by the Academy Trust;
- Testing compliance with delegated authorities for a sample of material transactions;
- Testing transactions with connected parties to determine whether the Academy Trust has complied with the 'at cost' requirements of the Academies Financial Handbook 2016;
- Confirming through enquiry and sample testing that the Academy Trust has complied with its procurement policies and that these policies comply with the delegated authorities; and
- Reviewing any evidence of impropriety resulting from our work and determining whether it was significant enough to be referred to in our regularity report.

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON
REGULARITY TO THE Brigshaw Learning Partnership AND THE EDUCATION AND
SKILLS FUNDING AGENCY (continued)**

Conclusion

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

**Reporting Accountant
Murray Harcourt Limited**

Date:

The Brigshaw Learning Partnership
STATEMENT OF FINANCIAL ACTIVITIES
 Incorporating Income and Expenditure Account
 for the year ended 31 August 2018

	Notes	Unrestricted funds £'000	Restricted general funds £'000	Restricted fixed asset funds £'000	Total 2018 £'000	Total 2017 £'000
INCOME AND ENDOWMENTS FROM:						
Donations and capital grants	1	-	61	421	482	255
Transfer from local authority on conversion	26	236	(550)	6,210	5,896	45,225
Incoming resources from charitable activities:						
Funding for the Academy Trust's educational operations	2	636	13,896	-	14,532	12,240
Other trading activities	3	329	-	-	329	35
Investment income	4	3	-	-	3	1
Total		1,204	13,407	6,631	21,242	57,756
EXPENDITURE ON:						
Charitable activities:						
Academy Trust's educational operations	6	901	14,556	1,082	16,539	13,672
Total	5	901	14,556	1,082	16,539	13,672
NET INCOME/(EXPENDITURE)						
		303	(1,149)	5,549	4,703	44,084
Gross transfers between funds	14	(239)	87	152	-	-
OTHER RECOGNISED GAINS						
Actuarial gains on defined benefit pension scheme	24	-	1,209	-	1,209	911
NET MOVEMENT IN FUNDS						
		64	147	5,701	5,912	44,995
RECONCILIATION OF FUNDS						
Total funds brought forward		1,235	(3,244)	47,004	44,995	-
TOTAL FUNDS CARRIED FORWARD	14	1,299	(3,097)	52,705	50,907	44,995

All of the Academy Trust's activities derive from continuing operations during the above two financial periods.

The Brigshaw Learning Partnership
BALANCE SHEET
As at 31 August 2018

Registration number: 10301662

	Notes	2018 £'000	2018 £'000	2017 £'000	2017 £'000
FIXED ASSETS					
Tangible assets	11		52,578		47,004
CURRENT ASSETS					
Debtors	12	969		524	
Cash at bank and in hand		<u>1,434</u>		<u>1,521</u>	
		2,403		2,045	
CREDITORS: Amounts falling due within one year	13		<u>(977)</u>	<u>(810)</u>	
NET CURRENT ASSETS			1,426		1,235
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>54,004</u>		<u>48,239</u>
NET ASSETS EXCLUDING PENSION LIABILITY			<u>54,004</u>		<u>48,239</u>
Pension scheme liability	24		<u>(3,097)</u>		<u>(3,244)</u>
NET ASSETS INCLUDING PENSION LIABILITY			<u>50,907</u>		<u>44,995</u>
FUNDS OF THE ACADEMY TRUST:					
RESTRICTED FUNDS					
Fixed asset fund	14		52,705		47,004
General fund	14		-		-
Pension reserve	14		<u>(3,097)</u>		<u>(3,244)</u>
TOTAL RESTRICTED FUNDS			<u>49,608</u>		<u>43,760</u>
UNRESTRICTED FUNDS					
General funds			<u>1,299</u>		<u>1,235</u>
TOTAL UNRESTRICTED INCOME FUNDS	14		<u>1,299</u>		<u>1,235</u>
TOTAL FUNDS			<u>50,907</u>		<u>44,995</u>

The financial statements on pages 22 to 41 were approved by the Trustees and authorised for issue on....., and are signed on their behalf by:

Kenneth Morton
Chair of Trustees

The Brigshaw Learning Partnership
CASH FLOW STATEMENT
for the year ended 31 August 2018

	Notes	2018 £'000	2017 £'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Net cash used in operating activities	17	(293)	402
CASH FLOWS FROM INVESTING ACTIVITIES	18	3	1
CASH FLOWS FROM FINANCING ACTIVITIES	19	(33)	(135)
CASH TRANSFERRED ON CONVERSION TO AN ACADEMY TRUST		236	1,253
		<hr/>	<hr/>
(DECREASE)/INCREASE IN CASH IN THE YEAR		(87)	1,521
		<hr/>	<hr/>
CASH AND CASH EQUIVALENTS AT 1 SEPTEMBER 2017	20	1,521	-
		<hr/>	<hr/>
CASH AND CASH EQUIVALENTS AT 31 AUGUST 2018	20	1,434	1,521
		<hr/>	<hr/>

The Brigshaw Learning Partnership

ACCOUNTING POLICIES

for the year ended 31 August 2018

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.

Basis of Preparation

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

The Brigshaw Learning Partnership meets the definition of a public benefit entity under FRS 102.

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 company to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the 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.

Grant receivable

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

The General Annual Grant from DfE, which is intended to meet recurrent costs, is recognised on a receivable basis and is credited directly to the Statement of Financial Activities to the extent of the entitlement of the funds, any abatement in respect of the period is deducted from income and is recognised as a liability.

Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance sheet in the restricted fixed asset fund.

Other grants from government agencies and other bodies are recognised in the period in which they are receivable to the extent the conditions of funding have been met. Where income is received in advance of entitlement of receipt its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received the income is accrued.

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 hire of facilities, is recognised in the period it is receivable and to the extent the Academy Trust has provided the goods or services.

Interest receivable

Interest receivable is included in the Statement of Financial Activities on a receivable basis, and is stated inclusive of related tax credits.

The Brigshaw Learning Partnership ACCOUNTING POLICIES (continued) for the year ended 31 August 2018

Transfer of schools into the Trust

On 1 April 2018, Methley Primary School joined The Brigshaw Learning Partnership Multi-Academy Trust.

The conversion from state maintained school to an Academy Trust involved the transfer of identifiable assets and liabilities and the operation of the schools for £nil consideration. The substance of the transfer is that of a gift and it has been accounted for on that basis as set out below.

The assets and liabilities transferred on conversion from the school to the Academy Trust have been valued at their fair value. The fair value has been derived based on that of equivalent items. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in Voluntary income – transfer from local authority on conversion in the Statement of Financial Activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds. Further details of the transaction are set out in note 26.

Donated services and gifts in kind

The value of donated services and gifts in kind provided to the Academy Trust are recognised at their open market value in the period in which they are receivable as incoming resources, where the benefit to the Academy Trust can be reliably measured. An equivalent amount is included as expenditure under the relevant heading in the Statement of Financial Activities, except where the gift in kind was a fixed asset in which case the amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the Academy Trust's policies.

Resources expended

All expenditure is recognised in the period in which a liability is incurred and has been classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings they have been allocated to each activity cost category on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

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.

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 General funds are resources subject to specific restrictions imposed by funders or donors, and include grants from the ESFA and DfE.

Restricted Fixed Asset Funds are resources which are to be applied to specific capital purposes imposed by ESFA, DfE and other funders, where the asset acquired or created is held for a specific purpose.

Tangible fixed assets

Tangible fixed assets costing £2,000 or more are capitalised at cost 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 lives. 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 such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities to reduce the fund over the useful economic life of the related asset on a basis consistent with the Academy Trust's depreciation policy.

The Brigshaw Learning Partnership ACCOUNTING POLICIES (continued) for the year ended 31 August 2018

Tangible fixed assets (continued)

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

Freehold buildings	Over the remaining useful life 25-50 years
Leasehold buildings	Over the remaining useful life 25-50 years
Fixtures, fittings and equipment	10% per annum
Computer equipment	33% per annum
Motor vehicles	20% per annum

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.

Buildings in respect of two of the schools operated by the Academy Trust was originally procured by the Local Authority through the Private Finance Initiative ("PFI"). Freehold title to the building was transferred to the Academy Trust at the time that the Academy Trust took over operating one of the schools. The other school building is leasehold. The Academy Trust is required to make revenue contributions towards the Local Authority's unitary charge payment to the PFI contractor. The Governors consider that the property passes the control tests of FRS 102 in transferring substantially all the risks and rewards to the Academy Trust and accordingly the property has been capitalised as a tangible fixed asset at the date of transfer with a corresponding entry to income, using an estimate of fair value at the transfer date. The level of future contributions to the Local Authority's unitary charge both (a) inherently reflects some element of revenue expenditure in relation to facilities management and (b) is not known with certainty and accordingly no liability has been recorded for future payment contributions. Accordingly, the payments are expensed as incurred.

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.

Debtors

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

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.

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 debt instruments measured at amortised cost as detailed in note 12. Prepayments are not financial instruments.

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

Financial liabilities – trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 13. Taxation and social security creditors are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

Leased assets

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

The Brigshaw Learning Partnership ACCOUNTING POLICIES (continued) for the year ended 31 August 2018

Pensions benefits

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 24, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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

Agency arrangements

The Academy Trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the Statement of Financial Activities as the Trust does not have control over the charitable application of the funds. The Trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the Statement of Financial Activities. The funds received and paid, and any balances held are disclosed in note 27.

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.

Local Government Pension Scheme liability

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 different 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 24, 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 2018. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

The Brigshaw Learning Partnership
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2018

1 DONATIONS AND CAPITAL GRANTS

	Unrestricted funds £'000	Restricted funds £'000	2018 Total £'000	2017 Total £'000
Capital grants	-	413	413	161
Capital donations	-	8	8	29
Other donations	-	61	61	65
	-	482	482	255

2 FUNDING FOR THE ACADEMY TRUST'S EDUCATIONAL OPERATIONS

	Unrestricted funds £'000	Restricted funds £'000	2018 Total £'000	2017 Total £'000
DfE/ESFA GRANTS				
General Annual Grant (GAG)	-	11,556	11,556	9,886
Other DfE/ESFA grants	-	1,094	1,094	773
	-	12,650	12,650	10,659
OTHER GOVERNMENT GRANTS				
SEN from Local Authority	-	307	307	256
Other Local Authority grants	-	830	830	534
Other grants	-	8	8	-
	-	1,145	1,145	790
OTHER INCOME				
Catering income	419	8	427	399
Academy trips	33	93	126	112
Music tuition	11	-	11	7
Supply and training	26	-	26	22
Other income	147	-	147	251
	636	101	737	791
Total	636	13,896	14,532	12,240

3 OTHER TRADING ACTIVITIES

	Unrestricted funds £'000	Restricted funds £'000	2018 Total £'000	2017 Total £'000
Extended school	270	-	270	-
Income from lettings	48	-	48	24
Other income	11	-	11	11
	329	-	329	35

The Brigshaw Learning Partnership
NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 August 2018

4 INVESTMENT INCOME

	Unrestricted funds £'000	Restricted funds £'000	2018 Total £'000	2017 Total £'000
Short term deposits	3	-	3	1
	<u>3</u>	<u>-</u>	<u>3</u>	<u>1</u>

5 EXPENDITURE

	Staff costs £'000	Non Pay Premises £'000	Expenditure Other costs £'000	2018 Total £'000	2017 Total £'000
Academy's educational operations:					
Direct costs	9,364	-	962	10,326	8,809
Allocated support costs	2,536	1,378	2,299	6,213	4,863
	<u>11,900</u>	<u>1,378</u>	<u>3,261</u>	<u>16,539</u>	<u>13,672</u>

Net income/(expenditure) for the period includes:	2018 £'000	2017 £'000
Operating leases	16	12
Depreciation	1,082	986
Fees payable to auditor for: Audit	<u>13</u>	<u>13</u>

6 CHARITABLE ACTIVITIES

	2018 £'000	2017 £'000
Direct costs – educational operations	10,326	8,809
Support costs – educational operations	<u>6,213</u>	<u>4,863</u>
	<u>16,539</u>	<u>13,672</u>

Analysis of support costs

	Educational operation £'000	2018 Total £'000	2017 Total £'000
Staff costs	2,536	2,536	1,906
Depreciation	1,082	1,082	986
Premises costs	1,378	1,378	835
Governance costs	72	72	124
Other support costs	1,145	1,145	1,012
Total support costs	<u>6,213</u>	<u>6,213</u>	<u>4,863</u>

Expenditure on the Academy Trust's educational operations amounted to £16,539,000 (2017: £13,672,000) of which £901,000 (2017: £737,000) was attributable to unrestricted and £15,638,000 (2017: £12,935,000) was attributable to restricted funds.

The Brigshaw Learning Partnership
NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 August 2018

7 STAFF COSTS

	2018 £'000	2017 £'000
a. Staff costs		
Staff costs during the period were:		
Wages and salaries	8,860	7,562
Social security costs	795	679
Operating costs of defined benefit pension schemes	2,168	1,590
Apprenticeship levy	30	11
	11,853	9,842
Supply staff costs	39	-
Staff restructuring costs	8	-
	11,900	9,842
Staff restructuring costs comprise:		
Severance payments	8	-
	8	-

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

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £770 (2017: £nil). Individually, the payment was: £770 made on 30 April 2018.

c. Staff numbers

The average number of persons employed by the Academy Trust during the period expressed as full-time equivalents was as follows:

	2018 No.	2017 No.
Charitable activities		
Teachers	175	154
Administration and support	266	246
	441	400

d. Higher paid staff

The number of employees whose emoluments exceeded £60,000 was:

	2018 No.	2017 No.
£60,001 - £70,000	4	3
£70,001 - £80,000	-	1
£80,001 - £90,000	2	-
£110,001 - £120,000	-	1

The above employees participated in the Teachers' Pension Scheme. Pension contributions for these staff amounted to £69,998 (2017: £61,038).

e. Key management personnel

The key management personnel of the Academy Trust comprise the Trustees and the Senior Management Team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £754,000 (2017: £590,322).

The Brigshaw Learning Partnership
NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 August 2018

8 CENTRAL SERVICES

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

- School Improvement Support;
- BLP Salaries including: CEO, Financial Director, Development Director, School Improvement Partner, Compliance Officer and Finance Officer;
- Financial services (Audit and accountancy);
- Human Resources and Payroll services;
- Estate Management and Development strategic support;
- Legal services and Compliance; and
- Insurance.

The charge for this service in the year was £536,000 (2017: £nil). The basis for recharging costs is on a 4% top slice on the General Annual Grant (GAG).

The actual amounts charged during the year were as follows:

	2018	2017
	£'000	£'000
Brigshaw High School	291	-
Allerton Bywater Primary School	53	-
Kippax Ash Tree Primary School	56	-
Kippax Greenfield Primary School	32	-
Kippax North Primary School	37	-
Swillington Primary School	39	-
Methley Primary School	28	-
	536	-
	536	-

9 RELATED PARTY TRANSACTIONS – Trustees’ remuneration and expenses

One or more Trustees has 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, and not in respect of their role as Trustees. The value of Trustees’ remuneration and other benefits was as follows:

C Lennon (CEO and Accounting Officer):
 Remuneration: £85,001 - £90,000
 Employer’s pensions contributions: £10,001 - £15,000

During the year ended 31 August 2018, travel and subsistence expenses amounting to £42 (2017: £nil) were reimbursed or paid directly to a Member.

10 TRUSTEES’ AND OFFICERS’ INSURANCE

In accordance with normal commercial practice, the Academy has purchased insurance to protect the Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provided cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2018 was £4,500 (2017: £4,000).

The Brigshaw Learning Partnership
NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 August 2018

11 TANGIBLE FIXED ASSETS

	Land and buildings £'000	Fixtures and equipment £'000	Computer equipment £'000	Assets under construction £'000	2018 Total £'000
Cost					
At 1 September 2017	47,732	152	106	-	47,990
Transfer on conversion	6,210	-	-	-	6,210
Additions	87	8	62	289	446
At 31 August 2018	54,029	160	168	289	54,646
Depreciation					
At 1 September 2017	955	12	19	-	986
Charged in year	1,027	16	39	-	1,082
At 31 August 2018	1,982	28	58	-	2,068
Net book values					
At 31 August 2018	52,047	132	110	289	52,578
At 31 August 2017	46,777	140	87	-	47,004

Further details regarding assets transferred on conversion are provided at note 26.

12 DEBTORS

	2018 £'000	2017 £'000
Trade debtors	69	-
Other debtors	483	214
VAT recoverable	204	163
Prepayments and accrued income	213	147
	969	524

13 CREDITORS: Amounts falling due within one year

	2018 £'000	2017 £'000
Trade creditors	252	375
Other creditors	10	17
Accruals and deferred income	715	418
	977	810

Deferred income

	2018 £'000	2017 £'000
Resources deferred in the year:		
- UIFSM income	144	104
- School fund	7	20
- Rates	47	36
- Lettings income	15	-
- Local authority cluster funding	20	-
- Other	25	18
Deferred income at 31 August	258	178

The Brigshaw Learning Partnership
NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 August 2018

14 FUNDS

	Balance at 31 August 2017 £'000	Incoming resources £'000	Resources expended £'000	Gains, losses & transfers £'000	Balance at 31 August 2018 £'000
Restricted general funds					
General Annual Grant (GAG)	-	11,556	(11,643)	87	-
Other DfE/ESFA grants	-	1,102	(1,102)	-	-
LEA and other grants	-	1,145	(1,145)	-	-
Other restricted	-	154	(154)	-	-
	-	13,957	(14,044)	87	-
Pension reserve	(3,244)	(550)	(512)	1,209	(3,097)
	(3,244)	13,407	(14,556)	1,296	(3,097)
Restricted fixed asset funds					
DfE/ESFA capital grants	161	413	(3)	-	571
Donations	29	8	(1)	-	36
Capital expenditure from unrestricted funds	-	-	(27)	152	125
Transferred on conversion	46,814	6,210	(1,051)	-	51,973
Capital expenditure from GAG	-	-	-	-	-
	47,004	6,631	(1,082)	152	52,705
Total restricted funds	43,760	20,038	(15,638)	1,448	49,608
Total unrestricted funds	1,235	1,204	(901)	(239)	1,299
Total funds	44,995	21,242	(16,539)	1,209	50,907

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

- (i) Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the GAG that it could carry forward at 31 August 2018.
- (ii) Local Authority funding was received in the current year. This is restricted for provision of SEN and early years.
- (iii) The pension reserve relates to the pension deficit for the Local Government Pension Scheme (LGPS).

The Brigshaw Learning Partnership
NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 August 2018

14 FUNDS (continued)

Total funds analysis by academy

Fund balances at 31 August 2018 were allocated as follows:

	2018	2017
	Total	Total
	£'000	£'000
Brigshaw High School	607	747
Allerton Bywater Primary School	66	97
Kippax Ash Tree Primary School	180	157
Kippax Greenfield Primary School	15	30
Kippax North Primary School	79	79
Swillington Primary School	68	69
Methley Primary School	227	-
Central MAT	57	56
Total before fixed assets and pension reserve	1,299	1,235
Restricted fixed asset fund	52,705	47,004
Pension reserve	(3,097)	(3,244)
Total	50,907	44,995

Total cost analysis by academy

Expenditure incurred by each academy during the year (or part thereof) was as follows:

	Teaching and Educational Support Staff Costs	Other Support Staff Costs	Educational Supplies	Other Costs (excluding Dep'n)	2018 Total	2017 Total
	£'000	£'000	£'000	£'000	£'000	£'000
Brigshaw High School	4,636	1,011	246	1,132	7,025	7,120
Allerton Bywater Primary School	1,099	249	82	214	1,644	1,488
Kippax Ash Tree Primary School	1,144	171	53	471	1,839	776
Kippax Greenfield Primary School	515	140	37	139	831	780
Kippax North Primary School	614	233	59	167	1,073	1,108
Swillington Primary School	661	157	52	148	1,018	995
Methley Primary School	487	76	28	203	794	-
Central services	208	499	32	494	1,233	419
Academy Trust	9,364	2,536	589	2,968	15,457	12,686

15 ANALYSIS OF NET ASSETS BETWEEN FUNDS

Fund balances at 31 August 2018 are represented by:

	Unrestricted funds	Restricted general funds	Restricted fixed asset funds	Total funds
	£'000	£'000	£'000	2018 £'000
Tangible fixed assets	-	-	52,578	52,578
Current assets	1,375	653	375	2,403
Current liabilities	(76)	(653)	(248)	(977)
Pension scheme liability	-	(3,097)	-	(3,097)
Total net assets	1,299	(3,097)	52,705	50,907

The Brigshaw Learning Partnership
NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 August 2018

16 FINANCIAL COMMITMENTS

OPERATING LEASES

At 31 August 2018 the total of the Academy Trusts' future minimum lease payments under non-cancellable operating leases was as follows:

	2018 £'000	2017 £'000
Other		
Expiring within one year	27	30
Expiring within two and five years inclusive	39	58
	<u>66</u>	<u>88</u>

In respect of two of the Academy Trust's school buildings, which were originally funded through the Private Finance Initiative ("PFI") prior to conversion, the Academy Trust is required to make revenue contributions towards the Local Authority's unitary charge payment to the PFI contractor. In the period to 31 August 2018, the Academy paid £231,350 (2017: £84,000) in respect of this arrangement (net of affordability gap contributions received). Further annual payments will be required over the period of the PFI arrangement which ends in July 2031.

17 RECONCILIATION OF NET INCOME TO NET CASH INFLOW FROM OPERATING ACTIVITIES	2018 £'000	2017 £'000
Net expenditure for the reporting period	4,703	44,084
Depreciation (note 11)	1,082	986
Capital grants from DfE and other capital income	(413)	(161)
Interest receivable (note 4)	(3)	(1)
Donations – transfer from local authority on conversion	(5,896)	(45,225)
Pension cost less contributions payable (note 24)	432	369
Pension finance income (note 24)	80	64
Increase in debtors	(445)	(524)
Increase in creditors	167	810
Net cash provided by Operating Activities	<u>(293)</u>	<u>402</u>
18 RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	2018 £'000	2017 £'000
Interest received	3	1
Net cash inflow from returns on investment and servicing of finance	<u>3</u>	<u>1</u>
19 CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT	2018 £'000	2017 £'000
Purchase of tangible fixed assets	(446)	(296)
Capital grants from DfE/ESFA	413	161
Net cash outflow from capital expenditure and financial investment	<u>(33)</u>	<u>(135)</u>
20 ANALYSIS OF CASH AND CASH EQUIVALENTS	2018 £'000	2017 £'000
Cash in hand and at bank	1,434	1,521
	<u>1,434</u>	<u>1,521</u>

The Brigshaw Learning Partnership
NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 August 2018

21 ANALYSIS OF CHANGES IN NET FUNDS

	At 1 September 2017 £'000	Cash transferred on transfer £'000	Cash flows £'000	At 31 August 2018 £'000
Cash at bank and in hand	1,521	236	(323)	1,434
Net funds	1,521	236	(323)	1,434

22 CONTINGENT LIABILITIES

During the period of the Funding Agreement, in the event of the sale or disposal by other means of any asset for which a Government capital grant was received, the Trust is required to re-invest the proceeds or repay the ESFA the same proportion of the proceeds of the sale or the disposal as equates with the proportion of the original cost met by the Secretary of State.

Upon termination of the Funding Agreement, whether as a result of the Secretary of State or the Trust serving notice, the Trust shall repay to the Secretary of State sums determined by reference to:

- a) the value at that time of the Trust's assets held for the purpose of the Trust; and
- b) the extent to which expenditure incurred in providing those assets was met by payments by the Secretary of State under the Funding Agreement.

23 MEMBERS' LIABILITY

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

24 PENSION AND SIMILAR OBLIGATIONS

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

As part of the transaction described in note 26 the employees of the school detailed in that note were transferred to the Academy Trust on 1 April 2018. The LGPS obligation of £550,000 (2017: £3,722,000) transferred on conversion relates to the employees of this school and represents their cumulative service at the predecessor schools up to 1 April 2018 as appropriate.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the year ended 31 March 2012 and of the LGPS 31 March 2016.

There were no contributions outstanding payable to either scheme as at 31 August 2018.

Teachers' Pension Scheme

Introduction

The Teachers' Pensions 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 Brighshaw Learning Partnership
NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 August 2018**

24 PENSION AND SIMILAR OBLIGATIONS (continued)

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' Pensions Scheme

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

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

The next valuation of the TPS is currently underway based on April 2016 data, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The employer's pension costs paid to TPS in the period amounted to £897,000 (2017: £762,000).

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 a multi-employer pension scheme. The Trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Trust has set out above the information available on the scheme.

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 2018 was £691,000 (2017: £594,000), of which employer's contributions totalled £526,000 (2017: £454,000) and employees' contribution totalled £165,000 (2017: £140,000). The agreed contribution rates for future years are 19.5% for employers and 5.5% to 8.5% for employees.

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

Principal actuarial assumptions	At 31 August 2018	At 31 August 2017
Rate of increase in salaries	3.25%	3.25%
Rate of increase for pensions in payment/inflation	3.10%	2.00%
Discount rate for scheme liabilities	2.80%	2.50%
Inflation assumption (CPI)	2.00%	2.00%
Commutation of pensions to lump sums	75.00%	75.00%

The Brigshaw Learning Partnership
NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 August 2018

24 PENSION AND SIMILAR OBLIGATIONS (continued)

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

	At 31 August 2018	At 31 August 2017
<i>Retiring today</i>		
Males	23.1	22.1
Females	27.1	25.2
<i>Retiring in 20 years</i>		
Males	22.1	23.0
Females	25.3	27.0

Sensitivity analysis

The approximate impact of changing key assumptions on the present value of the funded defined benefit pension obligation is detailed below. In each case, only the assumption listed is altered; all other assumptions remain unchanged. A positive value represents an increase in the defined benefit pension obligation:

	At 31 August 2018 £'000	At 31 August 2017 £'000
Discount rate +0.1%	274	232
Discount rate -0.1%	(280)	(237)
Mortality assumption – 1 year increase	359	317
Mortality assumption – 1 year decrease	(361)	(319)
CPI rate +0.1%	(170)	(144)
CPI rate -0.1%	168	142

The Academy Trust's share of the assets and liabilities in the scheme were:

	Fair value at 31 August 2018 £'000	Fair value at 31 August 2017 £'000
Equities	6,948	5,613
Government bonds	1,006	699
Other bonds	326	284
Property	391	328
Cash/liquidity	205	109
Other	438	247
Total market value of assets	9,314	7,280
Present value of scheme liabilities		
- Funded	(12,411)	(10,524)
Deficit in the scheme	(3,097)	(3,244)

The actual return on scheme assets was £474,000 (2017: £760,000).

The Brigshaw Learning Partnership
NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 August 2018

24 PENSION AND SIMILAR OBLIGATIONS (continued)

Amounts recognised in the statement of financial activities	2018	2017
	£'000	£'000
Current service cost	432	823
Pension finance cost	80	64
Total operating charge	512	887

The actuarial gains and losses for the current year are recognised in the Statement of Financial Activities. The cumulative amount of actuarial gains and losses recognised in the Statement of Financial Activities is a £659,000 gain (2017: £911,000).

Movements in the present value of defined benefit obligations were as follows:	2018	2017
	£'000	£'000
Balance acquired on conversion	10,524	8,101
Current service cost	958	823
Interest cost	280	176
Employee contributions	165	140
Actuarial gain	(935)	(263)
Benefits paid	(63)	(18)
Net increase in liabilities from transfers in	1,482	1,565
At 31 August	12,411	10,524

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

Brought forward	7,280	4,882
Interest income	200	112
Actuarial gain	274	648
Employer contributions	526	454
Employee contributions	165	140
Benefits paid	(63)	(18)
Net increase in assets from transfers in	932	1,062
At 31 August	9,314	7,280

The estimated value of employer contributions for the year ended 31 August 2018 is £906,000 (2017: £828,000).

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy closure, outstanding local government pension scheme liabilities would be met by the Department for Education.

25 RELATED PARTIES

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

The Brigshaw Learning Partnership
NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 August 2018

26 ASSETS TRANSFERRED ON CONVERSION

On 1 April 2018, Methley Primary School converted to academy status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to The Brigshaw Learning Partnership from the Leeds Local Authority for £nil consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair 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.

Methley Primary School	Unrestricted Funds £'000	Restricted General Funds £'000	Restricted Fixed Asset Funds £'000	Total 2018 £'000
Tangible fixed assets				
- Land and leased buildings	-	-	6,210	6,210
	-	-	6,210	6,210
LGPS pension deficit	-	(550)	-	(550)
Other identifiable assets	236	-	-	236
	236	(550)	6,210	5,896

27 AGENCY ARRANGEMENTS

The Academy Trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting year ended 31 August 2018 the Trust received £6,960 and disbursed £3,087 from the fund. An amount of £7,173 is included in accruals and deferred income relating to undistributed funds that is repayable to ESFA.