

**Moorlands Learning Trust**  
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 AUGUST 2018

Company Registration No. 07663864

# Moorlands Learning Trust

## CONTENTS

---

Reference and Administrative Details	1
Trustees' Report	2
Governance Statement	7
Statement on Regularity, Propriety and Compliance	10
Statement of Trustees' Responsibilities	11
Independent Auditor's Report	12
Independent Reporting Accountant's Assurance Report on Regularity to Moorlands Learning Trust and the Education & Skills Funding Agency	14
Statement of Financial Activities	16
Balance Sheet	17
Cash Flow Statement	18
Accounting Policies	19
Notes to the Financial Statements	23

# Moorlands Learning Trust

## REFERENCE AND ADMINISTRATION DETAILS

---

Members	Mrs L Wharmby Mr M Brook Mrs S Morrissey	
Trustees	Mr J Rickard (Chair) Ms H Williams (Chief Executive Officer) Mrs A Duggan Mrs L Wharmby Mrs I Clark	
Executive Group	Ms H Williams (Chief Executive Officer) Mrs A Kaye (Chief Finance Officer)	
Local Governing Body Ilkley Grammar School	Mrs L Wharmby (Chair) * Ms H Williams (Headteacher) * Mr G Droogmans * Dr N Garrido Mr S Herrington Mrs S Lazenby * Mr S Lord Mr S Spoerry Mrs I Clark * Ms M Kirkbride *	Resigned 31 August 2018          Appointed 17 October 2017
* Member of LGB Resources Committee		
Secretary	Mrs A Kaye (Chief Finance Officer)	
Principal and Registered Office	Cowpasture Road, Ilkley, LS29 8TR	
Company Registration Number	07663864 (England and Wales)	
Auditor	Clive Owen LLP Chartered Accountants Statutory Auditors 140 Coniscliffe Road Darlington Co. Durham DL3 7RT	
Bankers	HSBC 1 Wells Road Ilkley LS29 9JB	
Solicitors	Schofield Sweeney Church Bank House Church Bank Bradford BD1 4DY	

# Moorlands Learning Trust

## TRUSTEES' REPORT

---

The Trustees of Moorlands Learning Trust present their annual report together with the financial statements and auditor's report of the Academy Trust for the year ended 31 August 2018. During the year the Academy Trust operated one secondary academy, Ilkley Grammar School, with approximately 1,700 students on roll including 400 in Post 16. The annual report serves the purposes of both a Trustees' Report and a Directors' Report under company law.

### Structure, Governance and Management

#### Constitution

The Academy Trust is a company limited by guarantee with no share capital (registration number 07663864) and an exempt charity. The Charitable Company's memorandum and articles of association are the primary governing documents of the Academy Trust. Trustees of the Academy Trust are nominated by the Board of Trustees or the Secretary of State for Education. The articles of association require the Members of the Academy Trust to appoint at least three Trustees to be responsible for the statutory and constitutional affairs of the Academy Trust and the management of the Academy Trust.

Information on the Trustees who served throughout the period are included on page 1.

#### Members' liability

Each Member of the Academy Trust 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.

Trustee's indemnity provisions are detailed in note 9 to the financial statements.

Not all Trustees are legal members of the Academy Trust. Only three legal members are required at any one time. Members who served throughout the period are included on page 1.

The Academy Trust has purchased insurance to protect Trustees from claims arising against negligent acts, errors or omissions whilst on Academy Trust business, further details are provided in note 9.

#### Principal activities

The Academy Trust exists with the purpose of advancing education for the benefit of its community. As an Academy Trust it is incumbent upon us to co-operate particularly with other schools, especially where there is advantage in the exchange of information and good practice.

The Academy Trust pays from its public funding the costs and expenses of providing education for children aged 11-19 in and beyond our catchment area.

#### Method of recruitment and appointment or election of Trustees

The Academy Trust, on identifying a need to recruit an additional or replacement Trustee, will refer to the Trustee skills audit. They will then seek to recruit an individual with appropriate skills to help the Board of Trustees ensure effective governance. The Academy Trust may advertise the role or look at offers of service received both within the Academy Trust's schools and the wider community. Appointment will be subject to interview with the Chair of Trustees and Chief Executive Officer and a vote by the Board of Trustees.

#### Policies and procedures adopted for the induction and training of Trustees

A full induction pack is provided to all Trustees and new Trustees will meet the Chair, the Chief Executive Officer and the Chief Finance Officer to help with their assimilation in to the role of Academy Trustee. All Trustees subscribe to the importance of communicating the Academy's performance to stakeholders and are, therefore, taken step by step through school evaluation systems by a member of the Trust's Senior Management Team. All Trustees are also constantly updated on all matters through the committee and Board meetings. Training requirements are assessed by the Chair of Trustees to ensure that there is an appropriate balance of skills and experience on the Board at all times.



# Moorlands Learning Trust

## TRUSTEES' REPORT

---

### Organisational structure

The Trustees are responsible for setting general policy, adopting an annual plan and budget, monitoring the Academy Trust by the use of budgets and making major decisions about the direction of the Academy Trust, capital expenditure and senior staff appointments.

The Local Governing Body are focussed on the interests of the individual academy and includes parent and staff representatives. The Executive Group are the Chief Executive Officer and the Chief Financial Officer. The Chief Executive Officer is the Academy Trusts' Accounting Officer. The Executive Group control the Academy Trust at an executive level implementing the policies laid down by the Trustees and reporting back to them. As a group they are responsible for the authorisation of spending within agreed budgets and the appointment of staff. Some spending control is devolved to members of the Extended Leadership Team, with limits above which a member of the Executive Group must countersign.

The Extended Leadership Team includes the Deputy and Assistant Headteachers, the Curriculum Leaders and the Operations Manager. These managers are responsible for the day to day operation of the Academy, in particular organising the teaching staff, facilities and students.

### Key Management Personnel

Headteacher (CEO Moorlands Learning Trust)	Helen Williams
Deputy Headteacher	Carly Purnell
Deputy Headteacher	Sally Bishop
Business & Finance Director (CFO Moorlands Learning Trust)	Alison Kaye

### Arrangements for setting pay and remuneration of key management personnel

The pay and remuneration of the CEO and CFO is proposed by the Chair of the Trustees.

The pay and remuneration of key management personnel is proposed by the Headteacher (or in the case of the Headteacher by the Chair of Trustees) and is authorised by the Pay Committee in line with the appraisal and pay policies.

### Trade union facility time

The Academy Trust has no employees who were relevant union officials in the period 1 September 2017 to 31 August 2018. During the period the Academy Trust made no contributions to a local arrangement for the provision of trade union support for Academy Trust employees.

### Related Parties and other Connected Charities and Organisations

Moorlands Learning Trust was a member of the Red Kite Alliance during 2017/18. This organisation relates to school improvement and a fee is payable.

## **Objectives and activities**

### Objects and aims

The sole object and aim of the Academy Trust is the operation of the Moorlands Learning Trust to advance, for the public benefit, education for students of different abilities between the ages of 11 and 19. The main ambitions of the Academy Trust are summarised below.

- Develop successful learners, happy and confident individuals and responsible citizens;
- Develop a rich curriculum, responsive to need and providing the skills for life and work in the 21<sup>st</sup> century;
- Create a culture of inspirational learning and teaching;
- Achieve outstanding outcomes;
- Develop high quality leadership;
- Ensure high expectations and professionalism in all aspects of school life;
- Promote an inclusive and engaged community;
- Secure a sustainable organisation;
- Provide a pleasant, inspirational and safe environment; and
- Promote our reputation locally, nationally and internationally.

# Moorlands Learning Trust

## TRUSTEES' REPORT

---

### Strategies and Activities

Ilkley Grammar School's vision is as follows:

Our vision at Ilkley Grammar School is to provide an exceptional, inclusive learning experience at the heart of our community. Our students will achieve their academic Personal Best and will be equipped with the confidence and skills to make a positive difference to their own lives and the lives of others. We will achieve this through modelling our core values and attributes in the way we work together.

### Public benefit

The Academy Trust's aims and achievements are set out within this report and have been undertaken to further its charitable purposes for the public benefit. The Trustees have complied with the duty under Section 4 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission for England and Wales and the Trustees have considered this guidance in deciding what activities the Academy Trust should undertake.

## Strategic Report

### Achievements and Performance

#### Key Performance Indicators

##### Student achievements

Results at both A-Level and GCSE continue to be strong with achievement above national comparators:

##### A-Level:

- 29.4% of all A-level entries were A\*/A (national 26.4%); 58.8% were at A\*-B (national 53%);
- The pass rate was 98.5% (national 97.6%);
- The average grade per entry was a grade B- (35.5) compared to a national average of C+ and a local authority average of C- (latest national data based on 2017);
- The ALPS overall 3 year T score for 2016-18 continues to be grade 2 with achievement in line with the top 10% of providers.

##### GCSE:

- At GCSE students also continue to make much stronger progress than similar students nationally with an overall Progress 8 score of +.44 (unvalidated). This continues a 3 year upward trend. Progress for all prior attainment groups is above average with scores of +.14, +.27 and +.58 for low, middle and high prior attainment groups respectively;
- Attainment is also very high compared to the national average with an estimated Attainment 8 score of 56.6;
- Over 36% of all GCSE grades were at grades 7-9 or A/A\* with 24% at the very highest grades A\*/8-9, more than double the national figure;
- 60% achieved the Basics measure (5+ in English and maths), with 77% securing a grade 4 and above in both subjects;
- The APS for students who were entered for the English Baccalaureate was 6.4.

##### Other achievements

- Partner of Red Kite Teaching School Alliance.

### 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.



# Moorlands Learning Trust

## TRUSTEES' REPORT

---

### Financial review

During the year ended 31 August 2018, total expenditure of £10,188,000 was less than recurrent grant funding from the DfE/ESFA together with other incoming resources. The excess of expenditure over income for the year of unrestricted funds and restricted funds (before transfers and actuarial gains and excluding restricted fixed asset funds) was £150,000.

The in-year surplus (before transfers and actuarial gains and excluding restricted fixed asset funds) was £69,000.

All of the expenditure showing in the statement of financial activities is in furtherance of the Academy Trust's objectives.

The Academy Trust held fund balances at 31 August 2018 of £10,535,000 comprising £10,535,000 restricted funds and £nil of unrestricted funds.

At 31 August 2018 the net book value of fixed assets was £10,987,000 and movements in tangible fixed assets are shown in note 10 to the financial statements. The assets were used exclusively for providing education and the associated support services to the students of the Academy Trust.

Most of the Academy Trust's income is obtained from the Department for Education (DfE) via the Education and Skills Funding Agency (ESFA) in the form of recurrent grants the use of which is restricted to particular purposes. The grants received from the DfE/ESFA during the year ended 31 August 2018 and the associated expenditure are shown as restricted funds in the statement of financial activities.

The Academy Trust also received grants for fixed assets from the DfE/ESFA. In accordance with the Charities Statement of Recommended Practice (FRS102), such grants are shown in the statement of financial activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

The provisions of Financial Reporting Standard No. 102 'Retirement Benefits' have been applied in full, resulting in a deficit of £1,124,000 recognised on the balance sheet.

### Principal risks and uncertainties

The principal risks and uncertainties are centred around changes in the level of funding from the DfE/ESFA, over which the Academy Trust has no control. The Academy Trust is a member of the Local Government Pension Scheme (LGPS), which results in the recognition of a significant potential deficit on the Academy Trust balance sheet if the Academy Trust was called upon to meet it. 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.

### Reserves policy

The policy of the Academy Trust is to allocate a prudent level of funds to meet long-term recurring needs of renewal and any other unforeseen expenditure, subject to the constraint that the level of resource does not exceed the level permitted by the ESFA.

The Academy Trust has three categories of reserves: Restricted Funds, which includes GAG funding used to carry out the principal objects of the organisation, Fixed Asset Reserve used to finance fixed assets and Unrestricted reserves which is used under the direction of the Trustees.

Unrestricted reserves are freely available for general purposes and, where available, these will be allocated in line with the strategic objectives of the Academy Trust. Currently unrestricted reserves are £nil.

The restricted funds of £10,535,000 include the restricted fixed asset fund of £11,558,000. The restricted pension fund is currently in deficit to the value of £1,124,000 as at 31 August 2018 (£1,315,000 deficit as at 31 August 2017). This deficit was inherited upon conversion to Academy status and the Trustees will continue to monitor this situation closely. The restricted general funds is £101,000.

### Investment policy

The Academy Trust monitors cash flow to ensure immediate and forthcoming commitments can be met. Surplus funds are invested in risk free, short, fixed term deposit accounts with British banks.

# Moorlands Learning Trust

## TRUSTEES' REPORT

---

### Plans for future periods

The Academy Trust plans to build further on the excellent results of 2017/18 and to continue with the plans approved by Trustees in the Academy Development Plan. The Academy Trust will continue to support and invest in staff and facilities to ensure the best outcomes for our students.

At Moorlands Learning Trust, partnerships matter and we value our work with an increasingly wide range of stakeholders. This includes the Red Kite Teaching School Alliance, where we work with several similar schools across the Leeds, Harrogate and the North Yorkshire region, for the training and development of teachers. We are also committed to working with our fellow Bradford schools to support the delivery of the best outcomes for children, young people and our communities across the Bradford District. We converted our 'single' academy to multi academy trust (MAT) status in July 2017 when we formed Moorlands Learning Trust, in order to be able to better contribute to wider system leadership and school to school support through enhanced partnership working.

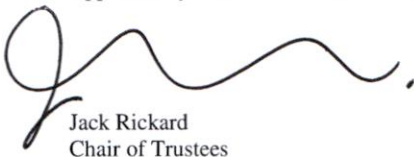
### **Auditor**

Clive Owen LLP has indicated its willingness to continue in office.

### **Statement as to disclosure of information to the auditor**

The Trustees have confirmed that, as far as they are aware, there is no relevant audit information of which the auditor is unaware. Each of the Trustees have confirmed that they have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

Approved by order of the Board of Trustees at its meeting on 6 December 2018 and signed on its behalf by:



Jack Rickard  
Chair of Trustees

# Moorlands Learning Trust

## GOVERNANCE STATEMENT

---

### Scope of Responsibility

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

The Board of Trustees has delegated the day-to-day responsibility to the Chief Executive Officer, 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 Moorlands Learning Trust 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 6 times during the year. Attendance during the year at meetings of the Moorlands Learning Trust Trustees was as follows:

#### Moorlands Learning Trust – Trustees Meetings

Trustee	Meetings Attended	Out of a possible
Mrs L Wharmby	6	6
Ms H Williams (Headteacher)	6	6
Mrs I Clark	6	6
Mrs A Duggan	6	6
Mr J Rickard (Chair)	5	6

The Local Governing Body is a sub-committee of the main Board of Trustees. Its purpose is to conduct a higher degree of financial oversight and due diligence to specific activities carried out by the Academy Trust and to report its findings back to the full Trustees. Attendance during the year for the Local Governing Body of Moorlands Learning Trust was as follows:

Trustee	Meetings Attended	Out of a possible
Mrs L Wharmby (Chair)	6	6
Ms H Williams (Headteacher)	6	6
Mr G Droogmans	1	6
Dr N Garrido	6	6
Mr S Herrington	5	6
Mrs S Lazenby	2	6
Mr S Lord	6	6
Mr S Spoerry	4	6
Mrs I Clark	5	6
Ms M Kirkbride	3	4

### Governance Reviews

The frequency of the Trustees meetings is such to ensure regular review of the management accounts and key performance indicators. During the year a review of financial controls was undertaken and reported to the Trustees.

### Review of Value for Money

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

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

- Maintaining the level of community lettings;
- Maintaining parental donations to the charitable iPad scheme and parent and community donation scheme;
- Seeking opportunities to work with other Trusts, for example a shared internal audit resource; and
- Maintaining ICT and facilities spend at low levels.



# Moorlands Learning Trust

## GOVERNANCE STATEMENT

---

### **The Purpose of the System of Internal Control**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Academy 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 Moorlands Learning Trust for the year ended 31 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 ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the year ending 31 August 2018 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Executive Group and reported to the Board of Trustees.

### **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 monthly financial reports which are reviewed and agreed by the Board of Trustees;
- regular reviews by the Executive Group 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.

During the year an internal auditor was appointed and an annual audit plan was approved focussing on the following areas:

- Finance and procurement
- Data security, IT and Business Continuity Management
- Governance and Risk Management
- HR and payroll

The plan of work is carried out in line with the suggested system checks as laid out in the Academies Financial Handbook. No significant issues have been noted.

# Moorlands Learning Trust

## GOVERNANCE STATEMENT

---

### Review of Effectiveness

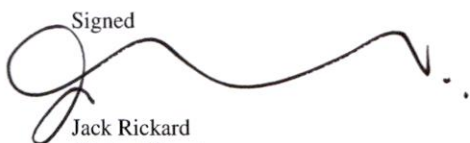
As Accounting Officer, the Chief Executive Officer has responsibility for reviewing the effectiveness of the systems of internal control. During the year in question the review has been informed by:

- the work of the internal assurance provider;
- the work of the external auditor;
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

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

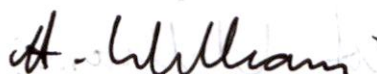
Approved by order of the members of the Board of Trustees on 6 December 2018 and signed on its behalf by:

Signed



Jack Rickard  
Chair of Trustees

Signed



Helen Williams  
Accounting Officer

# Moorlands Learning Trust

## STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

---

As Accounting Officer of Moorlands Learning Trust I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education and Skills Funding Agency 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. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2018.

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

During the year the Academy Trust was unfortunately subject of a successful fraud which resulted in the loss of £2,550. Systems and procedures have been reviewed and updated as a result.

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

Signed



Helen Williams  
Accounting Officer  
6 December 2018

# Moorlands Learning Trust

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

---

The Trustees (who are responsible for the charitable activities of Moorlands Learning Trust and are also the Directors of the Charitable Company for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with the Annual Accounts Direction issued 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 affairs of the Academy Trust 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 judgements and 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charitable Company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Academy Trust's transactions and disclose with reasonable accuracy at any time the financial position of the Academy Trust 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 Academy Trust 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 Academy Trust applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from the DfE/ESFA 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 Academy Trust'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 6 December 2018 and signed on its behalf by:

Signed



Jack Rickard  
Chair of Trustees



# Moorlands Learning Trust

## INDEPENDENT REPORTING ACCOUNTANTS' REPORT ON REGULARITY TO MOORLANDS LEARNING TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY

---

We have audited the financial statements of Moorlands Learning Trust for the year ended 31 August 2018 which comprise the Statement of Financial Activities incorporating Income and Expenditure Account, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 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.

### Opinion on financial statements

In our opinion the financial statements:

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

### Basis of opinion

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

### Conclusions 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'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.

### Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditor's report thereon. Our opinion on the financial statements does not cover the information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### Opinion on other matters prescribed of 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 including the Strategic Report for which the financial statements are prepared is consistent with the financial statements.



# Moorlands Learning Trust

## INDEPENDENT REPORTING ACCOUNTANTS' REPORT ON REGULARITY TO MOORLANDS LEARNING TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY

---

- The Trustees' Report and the Strategic Report have been prepared in accordance with applicable legal requirements.

### Matters on which we are required to report by exception

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

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

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

### Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees (who are also the directors of the academy 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 statement, the Trustees are responsible for assessing the academy'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's or to cease operations, or have no realistic alternative but to do so.

### Auditors 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 Auditors' Report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' Report.

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



Christopher Beaumont BA(Hons) FCA DChA (Senior Statutory Auditor)  
For and on behalf of Clive Owen LLP  
Chartered Accountants  
Statutory Auditors  
140 Coniscliffe Road  
Darlington  
Co Durham  
DL3 7RT

6 December 2018

# Moorlands Learning Trust

## INDEPENDENT REPORTING ACCOUNTANTS' REPORT ON REGULARITY TO MOORLANDS LEARNING TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY

---

In accordance with the terms of our engagement letter dated 1 October 2018 and further to the requirements of the Education and Skills Funding Agency ('ESFA') as included in the Academies Accounts Direction 2017 to 2018, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Moorlands Learning Trust during the period 1 September 2017 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 Moorlands Learning Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Moorlands Learning Trust and the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Moorlands Learning Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

### **Respective responsibilities of Moorlands Learning Trust's Accounting Officer and the reporting accountant**

The Accounting Officer is responsible, under the requirements of Moorlands Learning Trust's funding agreement with the Secretary of State for Education dated 1 July 2011 and the Academies Financial Handbook extant from 1 September 2017, 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 2017 to 2018. 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 1 September 2017 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 2017 to 2018 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:

- Review of Board of Trustees and committee minutes;
- Review of annual internal assurance reports;
- Completion of self assessment questionnaire by Accounting Officer;
- Discussions with the Accounting Officer and finance team;
- Review documentation provided to Trustees and Accounting Officer setting out responsibilities;
- Obtain formal letters of representation detailing the responsibilities of Trustees;
- Review of payroll, purchases and expenses claims on a sample basis;
- Confirmation that the lines of delegation and limits set have been adhered to;
- Evaluation of internal control procedures and reporting lines;
- Review cash payments for unusual transactions;
- Review of credit card transactions;
- Review of registers of interests;
- Review related party transactions;
- Review of borrowing agreements;
- Review of land and building transactions;
- Review of potential and actual bad debts; and
- Review an instance of gifts/hospitality to ensure in line with policy.

# Moorlands Learning Trust

## INDEPENDENT REPORTING ACCOUNTANTS' REPORT ON REGULARITY TO MOORLANDS LEARNING TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY

---

### Conclusion

During the year the Academy Trust was unfortunately subject of a successful fraud which resulted in the loss of £2,550. Systems and procedures have been reviewed and updated as a result.

In the course of our work, other than which have been disclosed, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2017 to 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.



**Clive Owen LLP**  
Reporting Accountant  
140 Coniscliffe Road  
Darlington  
Co Durham  
DL3 7RT  
6 December 2018



# Moorlands Learning Trust

## STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 31 August 2018

Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses

	Notes	Unrestricted funds £000	Restricted general funds £000	Restricted fixed asset funds £000	Total 2018 £000	Total 2017 £000
<b>INCOME AND ENDOWMENTS FROM:</b>						
Donations and capital grants	1	212	-	1,412	<b>1,624</b>	<b>310</b>
Charitable activities:						
Funding for the Academy's educational operations	2	-	7,496	-	<b>7,496</b>	<b>7,185</b>
Other trading activities	3	1,162	-	-	<b>1,162</b>	<b>1,121</b>
<b>Total incoming resources</b>		<b>1,374</b>	<b>7,496</b>	<b>1,412</b>	<b>10,282</b>	<b>8,617</b>
<b>EXPENDITURE ON:</b>						
Charitable activities:						
Academy's educational operations	5	1,374	7,646	1,168	<b>10,188</b>	<b>9,339</b>
<b>Total resources expended</b>	4	<b>1,374</b>	<b>7,646</b>	<b>1,168</b>	<b>10,188</b>	<b>9,339</b>
<b>NET INCOME / (EXPENDITURE)</b>		<b>-</b>	<b>(150)</b>	<b>244</b>	<b>94</b>	<b>(722)</b>
<b>Transfers between funds</b>	14	-	-	-	-	-
<b>Other recognised gains/(losses):</b>						
Actuarial gains on defined benefit schemes	22	-	410	-	<b>410</b>	<b>1,162</b>
<b>NET MOVEMENT IN FUNDS</b>		<b>-</b>	<b>260</b>	<b>244</b>	<b>504</b>	<b>440</b>
<b>RECONCILIATION OF FUNDS</b>						
Funds brought forward at 1 September 2017		-	(1,283)	11,314	<b>10,031</b>	<b>9,591</b>
<b>TOTAL FUNDS CARRIED FORWARD AT 31 AUGUST 2018</b>	14	<b>-</b>	<b>(1,023)</b>	<b>11,558</b>	<b>10,535</b>	<b>10,031</b>

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

A statement of total recognised gains and losses is not required as all gains and losses are included in the statement of financial activities.

# Moorlands Learning Trust


## BALANCE SHEET

31 August 2018

Company registration No: 07663864

	Notes	2018 £000	2018 £000	2017 £000	2017 £000
<b>FIXED ASSETS</b>					
Tangible assets	10		10,987		11,314
<b>CURRENT ASSETS</b>					
Debtors	11	681		231	
Stock	12	3		2	
Cash at bank and in hand		645		514	
		<u>1,329</u>		<u>747</u>	
<b>LIABILITIES</b>					
Creditors: Amounts falling due within one year	13	<u>(657)</u>		<u>(715)</u>	
<b>NET CURRENT ASSETS</b>			<u>672</u>		<u>32</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>11,659</u>		<u>11,346</u>
<b>NET ASSETS EXCLUDING PENSION LIABILITY</b>			<u>11,659</u>		<u>11,346</u>
Pension scheme liability	22		<u>(1,124)</u>		<u>(1,315)</u>
<b>NET ASSETS INCLUDING PENSION LIABILITY</b>			<u>10,535</u>		<u>10,031</u>
<b>THE FUNDS OF THE ACADEMY TRUST:</b>					
<b>RESTRICTED FUNDS</b>					
Fixed asset funds	14		11,558		11,314
General funds	14		101		32
Pension reserve	14		<u>(1,124)</u>		<u>(1,315)</u>
<b>TOTAL RESTRICTED FUNDS</b>			<u>10,535</u>		<u>10,031</u>
<b>TOTAL UNRESTRICTED FUNDS</b>	14		<u>-</u>		<u>-</u>
<b>TOTAL FUNDS</b>			<u>10,535</u>		<u>10,031</u>

The financial statements on pages 16 to 36 were approved by the Trustees and authorised for issue on 6 December 2018, and are signed on their behalf by:

  
 Jack Rickard  
 Chair of Trustees



# Moorlands Learning Trust

## CASH FLOW STATEMENT

For the year ended 31 August 2018

	<i>Notes</i>	<b>2018 £000</b>	<b>2017 £000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net cash provided by (used in) operating activities	18	(944)	(106)
<b>CASHFLOWS FROM FINANCING ACTIVITIES</b>	19	-	-
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>	20	1,075	129
<b>CHANGE IN CASH AND CASH EQUIVALENTS IN THE REPORTING PERIOD</b>	21	<u>131</u>	<u>23</u>
<b>CASH AND CASH EQUIVALENTS AT 1 SEPTEMBER</b>		<u>514</u>	<u>491</u>
<b>CASH AND CASH EQUIVALENTS AT 31 AUGUST</b>	21	<u>645</u>	<u>514</u>

# Moorlands Learning Trust

## ACCOUNTING POLICIES

### For the year ended 31 August 2018

---

#### Statement of Accounting Policies

##### *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.

Moorlands Learning Trust meets the definition of a public benefit entity under FRS 102.

##### *Going Concern*

The financial statements have been prepared on a going concern basis. Having carried out a detailed review of the Academy Trust's resources and the challenges presented by the current economic climate, the Trustees are confident that the Academy Trust has sufficient cash flows to meet its liabilities as they fall due for at least one year from the date of approval of the financial statements. Although the reserves position had been significantly depleted in prior financial years, the current year financial statements show an increase in reserves. From 2018/19 significant in year surpluses are forecast.

##### *Incoming Resources*

All incoming resources are recognised when the Academy Trust has entitlement to the funds, the receipt is probable and the amount can be measured reliably.

##### *Grants receivable*

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

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

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

##### *Donations*

Donations are recognised on a receivable basis where there is certainty of receipt 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 goods have been provided or the completion of the service.

##### *Investment income*

Interest receivable is included in the statement of financial activities on a receivable basis, and is stated inclusive of related tax credits.

##### *Resources expended*

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

##### *Expenditure on raising funds*

This includes all expenditure incurred by the Academy Trust to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

# Moorlands Learning Trust

## ACCOUNTING POLICIES

For the year ended 31 August 2018

---

### *Charitable activities*

These are costs incurred on the Academy Trust's education operation, 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 Education and Skills Funding Agency.

Restricted Fixed Assets Funds are resources which are to be applied to specific capital purposes imposed by the Education and Skills Funding Agency, where the asset acquired or created is held for a specific purpose.

### *Tangible fixed assets*

Tangible fixed assets costing £5,000 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 life. Where the related grants require the asset to be held for a specific purpose they are credited to a restricted fixed asset fund in the statement of financial activities and carried forward in the balance sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the statement of financial activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

The premises are held on a 125-year lease from City of Bradford Metropolitan District Council. As the risks and rewards have transferred to the Academy Trust, the asset has been recognised within tangible fixed assets. The initial acquisition was recognised at existing use valuation by DTZ, on behalf of the Education and Skills Funding Agency. The Trustees consider that the cost of obtaining an additional valuation would outweigh the benefits.

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

Long leasehold buildings	50 years
Long leasehold land	125 years
Building maintenance	10 years
Fixtures and fittings	5 to 25 years
Computer equipment	3 to 5 years
Motor vehicles	5 years

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 assets may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the statement of financial activities.

### *Liabilities and provisions*

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

### *Leased assets*

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

### *Financial Instruments*

The Academy Trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Academy Trust and their measurement basis are as follows:

Financial assets – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 11. Prepayments are not financial instruments.



# Moorlands Learning Trust

## ACCOUNTING POLICIES

For the year ended 31 August 2018

---

Cash at bank – is classified as a basic financial instruments 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 are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

### *Stock*

Catering stocks are valued at the lower of cost or net realisable value.

### *Taxation*

The Academy Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 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 Chapter 3 Part 11 Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

### *Pensions benefits*

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

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 22, the TPS is a multi-employer scheme and the Academy Trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme 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 gains and losses on 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 gains and losses.

### *Agency Arrangements*

The Academy Trust acts as an agent in distributing 16-19 bursary funds from the ESFA. Payments received from the 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 does not apply an administration charge. The funds received and paid and any balances held are disclosed in note 24.

### *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.

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

The present value of the LGPS defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net costs (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 22, 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.

# Moorlands Learning Trust

## ACCOUNTING POLICIES

For the year ended 31 August 2018

---

### *Critical areas of judgement*

Depreciation – Depreciation is calculated so as to write off the cost of an asset, less its residual value, over the economic life of that asset. An estimate of the useful life of assets is detailed in the depreciation accounting policy. The value of depreciation charge during the year was £337,000.



# Moorlands Learning Trust

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2018

---

### 1 Donations and capital grants

	Unrestricted funds £000	Restricted funds £000	Total 2018 £000	Total 2017 £000
Capital grants	-	663	663	118
Other donations	212	749	961	192
	<u>212</u>	<u>1,412</u>	<u>1,624</u>	<u>310</u>
2017 Total	<u>192</u>	<u>118</u>	<u>310</u>	

### 2 Funding for the Academy's educational operations

	Unrestricted funds £000	Restricted general funds £000	Total 2018 £000	Total 2017 £000
<b>DfE/ESFA grants</b>				
General annual grant (GAG)	-	7,110	7,110	6,987
Other DfE/ESFA grants	-	178	178	152
	<u>-</u>	<u>7,288</u>	<u>7,288</u>	<u>7,139</u>
<b>Other government grants</b>				
Local authority grants	-	208	208	206
	<u>-</u>	<u>208</u>	<u>208</u>	<u>206</u>
<b>Total funding for educational operations</b>	<u>-</u>	<u>7,496</u>	<u>7,496</u>	<u>7,345</u>
2017 Total	<u>-</u>	<u>7,345</u>	<u>7,345</u>	

**Moorlands Learning Trust**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended 31 August 2018

**3 Other trading activities**

	Unrestricted funds £000	Restricted funds £000	Total 2018 £000	Total 2017 £000
Catering Income	476	-	476	418
Consultancy	39	-	39	73
Hire of facilities	102	-	102	96
Trips & Visits Income	416	-	416	422
Other Income	129	-	129	113
	<u>1,162</u>	<u>-</u>	<u>1,162</u>	<u>1,122</u>
2017 Total	<u>1,122</u>	<u>-</u>	<u>1,122</u>	

**4 Expenditure**

	Staff costs £000	Non pay expenditure Premises £000	Other costs £000	Total 2018 £000	Total 2017 £000
<b>Expenditure on raising funds</b>					
<b>Academy's educational operations:</b>					
Direct costs	5,752	-	838	6,590	6,575
Allocated support costs	1,131	606	1,861	3,598	2,764
<b>Total resources expended</b>	<u>6,883</u>	<u>606</u>	<u>2,699</u>	<u>10,188</u>	<u>9,339</u>
2017 Total	<u>6,621</u>	<u>912</u>	<u>1,806</u>	<u>9,339</u>	

In 2018, of the total expenditure, £1,374,000 (2017 - £1,350,000) was to unrestricted funds and £8,814,000 (2017 - £7,989,000) was to restricted funds.

There were no individual transactions exceeding £5,000 for:

- Compensation payments
- Gifts made by the academy trust
- Fixed asset losses
- Stock losses
- Unrecoverable debts
- Cash losses

There were no ex-gratia payments during the period.

# Moorlands Learning Trust

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2018

Net income/(expenditure) for the period includes:

	2018	2017
	£000	£000
<b>Incoming/outgoing resources for the period include</b>		
Operating leases	174	145
Depreciation of tangible fixed assets	337	409
Profit/(loss) on disposal of tangible fixed assets	(2)	11
Fees payable to auditor for:		
-audit	12	10

### 5 Charitable activities

	Total	Total
	2018	2017
	£000	£000
<b>Direct costs – educational operations</b>	<b>6,590</b>	<b>6,818</b>
<b>Support costs – educational operations</b>	<b>3,598</b>	<b>2,674</b>
	<b>10,188</b>	<b>9,339</b>

### Analysis of support costs

	Educational operations	Total	Total
	£000	2018	2017
	£000	£000	£000
Support staff costs	1,131	1,131	1,049
Depreciation	325	325	398
Premises costs	606	606	645
Technology costs	228	228	157
Other support costs	266	266	229
Catering costs	273	273	262
Refurbishment costs	749	749	-
MAT costs	-	-	6
Governance costs	20	20	18
<b>Total support costs</b>	<b>3,598</b>	<b>3,598</b>	<b>2,764</b>



# Moorlands Learning Trust

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2018

### 6 Staff

#### Staff costs

	<b>Total 2018 £000</b>	<b>Total 2017 £000</b>
Staff costs during the period were:		
Wages and salaries	5,225	5,065
Social security costs	503	479
Pension costs	1,052	980
	<hr/>	<hr/>
	6,780	6,524
Supply teacher costs	93	73
Restructuring costs	10	24
	<hr/>	<hr/>
	6,883	6,621
	<hr/>	<hr/>
Staff restructuring costs comprise:		
Redundancy payments	10	24
	<hr/>	<hr/>
	10	24
	<hr/>	<hr/>

Included within pension costs is a charge of £219,000 (2017: £216,000) in respect of movements in the LGPS deficit.

#### Non statutory/non-contractual staff severance payments

There were no non statutory/non-contractual staff severance payments made during the year (2017: £nil).

#### Staff numbers

The average number of persons (including leadership team) employed by the Academy Trust during the period was as follows:

	<b>2018 No</b>	<b>2017 No</b>
Teachers	105	108
Administration and support	106	101
Leadership team	8	8
	<hr/>	<hr/>
	218	217
	<hr/>	<hr/>

#### Higher paid staff

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

	<b>2018 No</b>	<b>2017 No</b>
£60,001 - £70,000	2	1
£70,001 - £80,000	2	2
£90,001 - £100,000	-	1
£100,001 - £110,000	1	-
	<hr/>	<hr/>
	5	4
	<hr/>	<hr/>

# Moorlands Learning Trust

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2018

---

### Key management personnel

The key management personnel of the Academy Trust comprise the trustees and the senior management team as listed on pages 1 and 3. The total amount of employee benefits (including employer national insurance and employer pension contributions) received by key management personnel for their services to the Academy Trust was £416,000 (2017: £391,000)

### 7 Central Services

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

### 8 Related Party Transactions - Trustees' remuneration and expenses

The Headteacher and staff Trustees only receive remuneration in respect of services they provide undertaking the roles of the Headteacher and staff and not in respect of their services as Trustees. Other Trustees did not receive any payments from the Academy Trust in respect of their role as Trustees. The value of Trustees' remuneration and other benefits was as follows:

H Williams (Headteacher and Chief Executive Officer):

Remuneration £100,000 - £105,000 (2017: £90,000 - £95,000)

Employer's pension contributions £15,000 - £20,000 (2017: £15,000 - £20,000)

L Lord (Staff Governor):

Remuneration £30,000 - £35,000 (2017: £25,000 - £30,000)

Employer's pension contributions £5,000 - £10,000 (2017: £nil - £5,000)

N Garrido (Staff Governor):

Remuneration £35,000 - £40,000 (2017: £35,000 - £40,000)

Employer's pension contributions £5,000 - £10,000 (2017: £5,000 - £10,000)

During the year ended 31 August 2018, no travel and subsistence expenses were reimbursed to Trustees (2017: £nil).

### 9 Trustees' and officers indemnity insurance

In accordance with normal commercial practice the Academy Trust has purchased insurance to protect Trustees and officers from claims occurring whilst on Academy Trust business. The insurance provides cover up to £5,000,000. It has not been possible to quantify the trustees indemnity element from the overall cost of the insurance premium. The cost of this insurance is included in the total insurance cost.

**Moorlands Learning Trust**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended 31 August 2018

**10 Tangible fixed assets**

	Long leasehold land and buildings £000	Fixtures and fittings £000	Computer equipment £000	Motor vehicles £000	Total £000
<b>Cost</b>					
At 1 September 2017	12,422	411	224	14	13,071
Additions	-	12	-	-	12
Disposals	(10)	(27)	(98)	-	(135)
31 August 2018	12,412	396	126	14	12,948
<b>Depreciation</b>					
At 1 September 2017	(1,437)	(144)	(168)	(8)	(1,757)
Charged in the period	(239)	(46)	(49)	(3)	(337)
Disposals	8	27	98	-	133
31 August 2018	(1,668)	(163)	(119)	(11)	(1,961)
<b>Net book value</b>					
31 August 2018	10,744	233	7	3	10,987
31 August 2017	10,985	267	56	6	11,314

**11 Debtors**

	2018 £000	2017 £000
Prepayments and accrued income	621	157
Trade debtors	37	29
Amounts due from ESFA	23	24
Other tax and social security	-	21
	681	231

**12 Stock**

	2018 £000	2016 £000
Stock	3	2
	3	2



# Moorlands Learning Trust

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2018

---

### 13 Creditors: amounts falling due within one year

	2018 £000	2017 £000
Trade creditors	81	94
Other taxation and social security costs	161	122
Accruals and deferred income	415	499
	<u>657</u>	<u>715</u>
<b>Deferred income</b>		
Deferred income at 1 September 2017	157	170
Resources deferred in the year	198	157
Amounts released from previous years	(157)	(170)
	<u>198</u>	<u>157</u>
Deferred income at 31 August 2018		

The deferred income includes amounts paid in advance for dinner money and school trips taking place next year, rates and grants received in advance of the next academic year.

# Moorlands Learning Trust

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2018

### 14 Funds

	At 1 September 2017 £000	Incoming resources £000	Resources expended £000	Gains, losses and transfers £000	At 31 August 2018 £000
<b>Restricted general funds</b>					
General Annual Grant (GAG)	-	7,110	(7,014)	-	96
Pupil Premium reserve	32	142	(169)	-	5
Other DfE/ESFA grants	-	36	(36)	-	-
Other government grants	-	208	(208)	-	-
Pension reserve	(1,315)	-	(219)	410	(1,124)
	<u>(1,283)</u>	<u>7,496</u>	<u>(7,646)</u>	<u>410</u>	<u>(1,023)</u>
<b>Restricted fixed asset funds</b>					
DfE capital grants	84	656	(99)	-	641
Capital expenditure from GAG	776	-	(92)	-	684
Capital expenditure from unrestricted funds	81	-	(2)	-	79
Other capital grants	-	7	(7)	-	-
Donated asset funds	-	749	(749)	-	-
Assets transferred on conversion	10,373	-	(219)	-	10,154
	<u>11,314</u>	<u>1,412</u>	<u>(1,168)</u>	<u>-</u>	<u>11,558</u>
<b>Total restricted funds</b>	<u>10,031</u>	<u>8,908</u>	<u>(8,814)</u>	<u>410</u>	<u>10,535</u>
<b>Unrestricted funds</b>					
Funds inherited on conversion	-	-	-	-	-
Unrestricted funds	-	1,374	(1,374)	-	-
<b>Total unrestricted funds</b>	<u>-</u>	<u>1,374</u>	<u>(1,374)</u>	<u>-</u>	<u>-</u>
<b>Total funds</b>	<u>10,031</u>	<u>10,282</u>	<u>(10,188)</u>	<u>410</u>	<u>10,535</u>

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

Restricted general funds have been spent in line with the terms of the Master Funding Agreement. Restricted fixed asset funds are used solely for capital purchases in line with the strategic objectives of the Academy Trust.

GAG must be used for the normal running costs of the academy including salaries and related costs, overheads, repairs and maintenance and insurance.

Pupil Premium was provided to deliver additional learning support to deprived children as the academy sees fit. Other DfE/ESFA grants represent Year 7 Catch up grant.

SEN funding was provided to cover the costs of supporting students with additional learning requirements.

The restricted pension fund is in deficit to the value of £1,124,000 as at 31 August 2018.

The restricted fixed asset fund represents monies received to purchase fixed assets. Depreciation is charged over the useful life of the associated assets

**Moorlands Learning Trust**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended 31 August 2018

Comparative information in respect of the processing period is as follows:

	At 1 September 2016 £000	Incoming resources £000	Resources expended £000	Gains, losses and transfers £000	At 31 August 2017 £000
<b>Restricted general funds</b>					
General Annual Grant (GAG)	-	6,912	(6,912)	-	-
Pupil Premium reserve	51	134	(153)	-	32
Other DfE/ESFA grants	-	9	(9)	-	-
Other government grants	-	130	(130)	-	-
Pension reserve	(2,219)	-	(258)	1,162	(1,315)
	<u>(2,168)</u>	<u>7,185</u>	<u>(7,462)</u>	<u>1,162</u>	<u>(1,283)</u>
<b>Restricted fixed asset funds</b>					
DfE capital grants	88	118	(122)	-	84
Capital expenditure from GAG	960	-	(184)	-	776
Capital expenditure from unrestricted funds	83	-	(2)	-	81
Assets transferred on conversion	10,592	-	(219)	-	10,373
	<u>11,723</u>	<u>118</u>	<u>(527)</u>	<u>-</u>	<u>11,314</u>
<b>Total restricted funds</b>	<u>9,555</u>	<u>7,303</u>	<u>(7,989)</u>	<u>1,162</u>	<u>10,031</u>
<b>Unrestricted funds</b>					
Unrestricted funds	36	1,314	(1,350)	-	-
<b>Total unrestricted funds</b>	<u>36</u>	<u>1,314</u>	<u>(1,350)</u>	<u>-</u>	<u>-</u>
<b>Total funds</b>	<u>9,591</u>	<u>8,617</u>	<u>(9,339)</u>	<u>1,162</u>	<u>10,031</u>



# Moorlands Learning Trust

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2018

A current year 12 months and prior year 12 months combined position is as follows:

	At 1 September 2016 £000	Incoming resources £000	Resources expended £000	Gains, losses and transfers £000	At 31 August 2018 £000
<b>Restricted general funds</b>					
General Annual Grant (GAG)	-	14,022	(13,926)	-	96
Pupil Premium reserve	51	276	(322)	-	5
Other DfE/ESFA grants	-	45	(45)	-	-
Other government grants	-	338	(338)	-	-
Pension reserve	(2,219)	-	(477)	1,572	(1,124)
	<u>(2,168)</u>	<u>14,681</u>	<u>(15,108)</u>	<u>1,572</u>	<u>(1,023)</u>
<b>Restricted fixed asset funds</b>					
DfE capital grants	88	781	(228)	-	641
Capital expenditure from GAG	960	-	(276)	-	684
Capital expenditure from unrestricted funds	83	-	(4)	-	79
Donated asset funds	-	749	(749)	-	-
Assets transferred on conversion	10,592	-	(438)	-	10,154
	<u>11,723</u>	<u>1,530</u>	<u>(1,695)</u>	<u>-</u>	<u>11,558</u>
<b>Total restricted funds</b>	<u>9,555</u>	<u>16,211</u>	<u>(16,803)</u>	<u>1,572</u>	<u>10,535</u>
<b>Unrestricted funds</b>					
Unrestricted funds	36	2,688	(2,724)	-	-
<b>Total unrestricted funds</b>	<u>36</u>	<u>2,688</u>	<u>(2,724)</u>	<u>-</u>	<u>-</u>
<b>Total funds</b>	<u>9,591</u>	<u>18,899</u>	<u>(19,527)</u>	<u>1,572</u>	<u>10,535</u>

# Moorlands Learning Trust

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2018

### 15 Analysis of net assets between funds

	Unrestricted funds £000	Restricted general funds £000	Restricted fixed asset funds £000	Total funds 2018 £000
Tangible fixed assets	-	-	10,987	10,987
Current assets	349	409	571	1,329
Current liabilities	(349)	(308)	-	(657)
Pension scheme liability	-	(1,124)	-	(1,124)
<b>Total net assets</b>	<b>-</b>	<b>(1,023)</b>	<b>11,558</b>	<b>10,535</b>

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

	Unrestricted funds £000	Restricted general funds £000	Restricted fixed asset funds £000	Total funds 2017 £000
Tangible fixed assets	-	-	11,314	11,314
Current assets	-	747	-	747
Current liabilities	-	(715)	-	(715)
Pension scheme liability	-	(1,315)	-	(1,315)
<b>Total net assets</b>	<b>-</b>	<b>(1,283)</b>	<b>11,314</b>	<b>10,031</b>

### 16 Capital commitments

	2018 £000	2017 £000
Contracted for, but not provided in the financial statements	852	-

### 17 Financial commitments

#### Operating leases

At 31 August 2018 the Academy Trust had annual commitments under operating leases as follows:

	2018 £000	2017 £000
Amounts due within one year	168	106
Amounts due between one and five years	78	69
Amounts due after five years	-	-
	<b>246</b>	<b>175</b>

**Moorlands Learning Trust**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended 31 August 2018

**18 Reconciliation of net income/(expenditure) to net cash inflow from operating activities**

	<b>2018</b>	<b>2017</b>
	<b>£000</b>	<b>£000</b>
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	94	(722)
Adjusted for:		
Depreciation (note 10)	337	409
(Surplus)/loss on disposal of fixed assets	2	(11)
Capital grants from DfE and other capital income	(1,087)	(118)
Interest receivable (note 5)	-	-
Defined benefit pension scheme cost less contributions payable (note 22)	189	216
Defined benefit pension scheme finance cost (note 22)	30	42
(Increase)/decrease in debtors	(450)	35
(Increase)/decrease in stock	(1)	-
Increase/(decrease) in creditors	(58)	43
<b>Net cash provided by/ (used in) operating activities</b>	<b>(944)</b>	<b>(106)</b>

**19 Cash flows from finance activities**

	<b>2018</b>	<b>2017</b>
	<b>£000</b>	<b>£000</b>
Interest received	-	-
<b>Net cash provided by/ (used in) financing activities</b>	<b>-</b>	<b>-</b>

**20 Cash flows from investing activities**

	<b>2018</b>	<b>2017</b>
	<b>£000</b>	<b>£000</b>
Purchase of tangible fixed assets	(12)	-
Proceeds from sale of tangible fixed assets	-	11
Capital grants	1,087	118
<b>Net cash provided by / (used in) investing activities</b>	<b>1,075</b>	<b>129</b>

**21 Analysis of cash and cash equivalents**

	<b>At 1 September 2017 £000</b>	<b>Cash flows £000</b>	<b>At 31 August 2018 £000</b>
Cash in hand and at bank	514	131	645
<b>Total cash and cash equivalents</b>	<b>514</b>	<b>131</b>	<b>645</b>



# Moorlands Learning Trust

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2018

---

### 22 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 Mercer Limited. Both are multi-employer defined-benefit schemes.

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

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

#### Teachers' Pension Scheme

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

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

#### Valuation of the Teachers' 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) Direction 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

- Employer contribution rates set at 16.48% of pensionable pay (including a 0.08% employer administration charge, currently 14.1%);
- Total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million;
- An employer cost cap of 10.9% of pensionable pay will be applied to future valuations;
- The assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%.

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

The total contribution made to the TPS in the period amounted to £980,000 (2017: £934,000) of which employer's contribution totalled £624,000 (2017: £585,000) and employees' contributions totalled £356,000 (2017: £349,000).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

Under the definition set out in FRS102, 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 12 months ended 31 August 2018 was £294,000 (2017: £283,000) of which employer's contributions totalled £209,000 (2017: £214,000) and employees' contribution totalled £85,000 (2017: £69,000). The agreed rates for future years are 16.7 per cent for employers and 5.5 to 12.5 per cent for employees.

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

# Moorlands Learning Trust

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2018

### 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	2.00%	2.00%
Discount rate	2.80%	2.50%
Inflation (CPI)	2.00%	2.00%
Commutation of lump sums	75%	75%

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

	At 31 August 2018 Years	At 31 August 2017 Years
Retiring today:		
Males	22.1	22.1
Females	25.3	25.2
Retiring in 20 years:		
Males	23.1	23.0
Females	27.1	27.0

### Sensitivity analysis

	At 31 August 2018 £000	At 31 August 2017 £000
Discount rate +0.1%	5,737	5,550
Discount rate -0.1%	5,989	5,794
Mortality assumption – 1 year increase	5,692	5,500
Mortality assumption - 1 year decrease	6,032	5,843
CPI rate +0.1%	5,896	5,761
CPI rate -0.1%	5,828	5,583

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

	Asset Split	Fair value at 31 August 2018 £000	Fair value at 31 August 2017 £000
Equities	74.6	3,535	3,359
Government bonds	10.8	512	418
Corporate bonds	3.5	166	170
Property	4.2	199	196
Other	4.7	222	148
Cash/liquidity	2.2	104	65
<b>Total market value of assets</b>		<b>4,738</b>	<b>4,356</b>
Present value of scheme liabilities			
- Funded		5,862	5,671
<b>Deficit in the scheme</b>		<b>(1,124)</b>	<b>(1,315)</b>

The actual return on scheme assets was £171,000 (2017: £575,000).

# Moorlands Learning Trust

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2018

Amounts recognised in the statement of financial activities	2018 £000	2017 £000
Current service cost (net of employee contributions)	415	396
Past service cost	3	34
Net interest cost	30	42
Total operating charge	448	472

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

	2018 £000	2017 £000
At 1 September	5,671	5,794
Current service cost	415	396
Interest cost	142	116
Employee contributions	83	69
Actuarial (gain)/loss	(351)	(661)
Benefits paid	(101)	(77)
Past service cost	3	34
At 31 August	5,862	5,671

### Changes in the fair value of Academy Trust's share of scheme assets:

	2018 £000	2017 £000
At 1 September	4,356	3,575
Interest income	112	74
Actuarial gain	59	501
Employer contributions	229	214
Employee contributions	83	69
Benefits paid	(101)	(77)
At 31 August	4,738	4,356

## 23 Related party transactions

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 the trust has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the trust's financial regulations and normal procurement procedures. No related party transactions took place in the period of account, other than certain Trustees' remuneration and expenses already disclosed in note 9.

## 24 16-19 Bursary Fund

The Academy Trust administers the disbursement of the new discretionary support for learners, 16-19 Bursary Funds, on behalf of the ESFA. In the year it received £21,756 (2017: £23,214) and disbursed £13,692 (2017: £20,692), leaving a balance of £8,064 (2017: £2,522) included in accruals and deferred income.

## 25 Members Liability

Each member of the Academy Trust undertakes to contributed 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.