

Company Registration Number: 07827368 (England & Wales)

CENTRAL LEARNING PARTNERSHIP TRUST
(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

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CENTRAL LEARNING PARTNERSHIP TRUST
(A company limited by guarantee)

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**REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2018**

Members

Melvyn Pope
Joan Pilsbury
Robert Turton
Phil Marshall
Sue Crook
Andrew Morris (appointed 1 December 2017)

Trustees

Helen Child
Michael Hardacre
Georgetta Holloway (resigned 15 March 2018)
Timothy Manson
Philip Marshall
James Nichols (appointed 7 February 2018)
Graham Parker (appointed 7 February 2018)
Douglas Selkirk, Chief Executive and Accounting Officer
Robert Turton, Chairman

Company registered number

07827368

Company name

Central Learning Partnership Trust

Principal and registered office

Heath Park High School
Prestwood Road
Wolverhampton
WV11 1RD

Company secretary

Karen Newey

Chief executive officer

Douglas Selkirk

Senior management team

Douglas Selkirk, Chief Executive and Accounting Officer
Georgetta Holloway, Executive Head (Wolverhampton Secondary)
Ann Brown, Executive Head (Wolverhampton SEN)
Richard Young, Executive Head (Rotherham Primary)
Helen Vernon, Lead Primary Head (Wolverhampton Primary)
Karen Newey, Operations Director
Philip Williams, Finance Director

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE TRUST, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2018

Independent auditor

Crowe U.K. LLP
Black Country House
Rounds Green Road
Oldbury
West Midlands
B69 2DG

Bankers

Lloyds Bank Plc
Queen Square
Wolverhampton
WV1 1RF

Solicitors

Browne Jacobson LLP
Victoria Square House
Victoria Square
Birmingham
B2 4BU

CENTRAL LEARNING PARTNERSHIP TRUST
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2018

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the financial statements and auditor's report of Central Learning Partnership Trust (the Trust) for the year ended 31 August 2018. The Trustees confirm that the Annual report and financial statements of the Trust comply with the current statutory requirements, the requirements of the Trust's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005.

There are presently eleven academies in the Trust. In Wolverhampton there is: Heath Park, a converter secondary academy, opened on 1 December 2011; Moseley Park, a sponsored secondary academy, which joined the Trust on 1 June 2012; Woden Primary, a sponsored primary academy which joined the Trust on 1 April 2013; Wolverhampton Vocation Training Centre (WVTC), a Post 16 SEN free school opened on 1 September 2015; Westcroft School, a converter SEN academy which joined the Trust on 1 December 2015; Broadmeadow Special School, a converter SEN academy which joined the Trust on 1 December 2016; D'Eyncourt Primary School, a converter primary academy which joined the Trust on 1 February 2018; and Coppice Performing Arts School, a sponsored secondary academy, which joined the Trust on 1 June 2018. In Rotherham there is: Coleridge Primary, a sponsored primary academy which joined the Trust on 1 April 2013; East Dene Primary, a sponsored primary academy which joined the Trust on 1 April 2013; and Eastwood Village Primary, a basic need primary academy which opened on 1 September 2015. The Trust's academies have a combined pupil capacity of 5,283 and had a roll of 4,610 in the October 2017 school census. The academy and free school which opened on 1 September 2015 are not expected, under their funding agreements, to reach capacity before 31 August 2019.

STRUCTURE, GOVERNANCE AND MANAGEMENT

CONSTITUTION

Central Learning Partnership Trust is a company limited by guarantee and is an exempt charity. The Charitable Company's Memorandum and Articles of Association and Funding Agreement are the primary governing documents of the Trust. The Charitable Company was incorporated on 28 October 2011.

The Board of Trustees (the Trustees) act as the trustees for the charitable activities of Central Learning Partnership Trust and are also the directors of the Charitable Company for the purposes of Company law. The Charitable Company is known as Central Learning Partnership Trust.

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

During the year, an indemnity from the Charitable Company was available to the Trustees to insure against liabilities that might be incurred by them in defending proceedings against them in respect of the affairs of the Trust. The indemnity is subject to the provisions of the Companies Act and is set out in the Articles of Association. Cover is provided through the Risk Protection Arrangement.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018

METHOD OF RECRUITMENT AND APPOINTMENT OR ELECTION OF TRUSTEES

The number of Trustees shall not be less than three but shall not be subject to any maximum. The Trust shall have up to three Trustees appointed by the Members. Appointed Trustees may themselves appoint Co-opted Trustees. The CEO, as ratified by the Members, is also a Trustee. Trustees who are employees of the Trust cannot exceed one third of the total number of Trustees including the CEO.

The term of office for any trustee is 4 years, although this time limit does not apply to the CEO.

The Board of Trustees who were in office on 31 August 2018 and served for all or part of the year are listed on Page 1.

POLICIES AND PROCEDURES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES

The Academies procure Governor Support services provided from either the Local Authority in which individual academies are sited, or independent companies. Additional training is provided as required based on individual or collective need. External advice and support is commissioned where necessary.

ORGANISATIONAL STRUCTURE

The Trust has defined the responsibilities of each group or person involved in the administration of each academy's finances and accountability framework, to avoid the duplication or omission of functions and to provide a framework of accountability for governors and staff. The reporting structure is illustrated below:

Trust Board

The Trust Board has overall authority for all financial matters relating to the charitable trust and are responsible for ensuring that each academy conforms to the requirements of the DfE, the ESFA, the charity commission and other regulatory bodies. The Trust Board delegates some of its financial oversight in relation to the individual academies within the Trust to the Local Governing Body of each academy or Hub. Each Local Governing Body is a sub-committee of the Trust Board and includes representation from the Trustees.

The Finance, Personnel, Audit and Risk Committee

The Finance, Personnel, Audit and Risk Committee is a sub committee of the Trust Board. The Committee aims to meet at least once per term but more frequent meetings can be arranged if necessary. The main responsibilities of the Committee are detailed in the committee's terms of reference which have been approved and adopted by the Trust Board.

The Pay and Remuneration Policy Committee

The Pay and Remuneration Policy Committee is a sub committee of the Trust Board. The Committee aims to meet at least once per term but more frequent meetings can be arranged if necessary. The main responsibilities of the Committee are detailed in the committee's terms of reference which have been approved and adopted by the Trust Board.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018

Local Governing Body

The Local Governing Body is a sub-committee of the Trust Board. Westcroft School and Wolverhampton Vocational Training Centre have one Executive Local Governing Body. The three primary schools in Rotherham have one Executive Local Governing Body. Heath Park and Moseley Park have one Executive Local Governing Body. All other academies within the Trust have a Local Governing Body. Each Body has delegated responsibility from the Trust Board for the administration of specific academy finances. The responsibilities delegated are detailed in the scheme of delegation approved by the Trustees; this scheme of delegation is reviewed annually and published on the Trust's website.

The Trust Board have the power to dissolve a Local Governing Body if a school enters an Ofsted category or malpractice is evident. The Trust Board, in these circumstances, will appoint an Interim Governing Body. It will be the decision of the Trust Board what constitutes a reason for such an appointment.

Chief Executive Officer (CEO)

The CEO holds the title of accounting officer for the group of academies and the charitable Trust however he delegates some of his financial responsibilities to the Finance Director (whilst retaining overall responsibility for the Accounting Officer function), for the group as a whole, and to the Executive Headteacher and/or the Headteacher at each academy; in so much that they become the Local "Accounting Officer" for that establishment.

Finance Director and Business Managers

The Finance Director has delegated responsibilities from the Trust Board and CEO for the group finance as a whole. For each Academy, a Business Manager works in close collaboration with the Finance Director and the Headteacher and has a responsibility to the Local Governing Body for the finances of each academy.

The Executive Head and Headteacher of each Academy

The Executive Headteacher and/or Headteacher has delegated powers in accordance with the scheme of delegation agreed by the Trust Board and reviewed on an annual basis. The Executive Headteacher and/or Headteacher works in close collaboration with the CEO and Finance Director. Much of the group financial responsibility has been delegated to the Finance Director but the Executive Headteacher and/or Headteacher still retains local responsibility for the running of the establishment.

ARRANGEMENTS FOR SETTING PAY AND REMUNERATION OF KEY MANAGEMENT PERSONNEL

The Pay and Remuneration Policy Committee has been established during the year to consider the pay of key management personnel and to make recommendations to Trust Board with ultimate authorisation being enacted at Trust level. The Pay and Remuneration Policy Committee will consider the pay of the CEO, the Executive Heads, Finance Director and Operations Director on an annual basis, and agree any uplift taking into account market conditions.

The levels of pay for these staff are based upon nationally accepted levels of pay within the education and public sectors with the establishment of pay protocols and extended pay scales. The use of these protocols and scales will be reviewed annually at Board level.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018

TRADE UNION FACILITY TIME

Relevant union officials	
Number of employees who were relevant union officials during the year	2
Full-time equivalent employee number	0
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	£
Total cost of facility time	19,863
Total pay bill	14,629,587
Percentage of total pay bill spent on facility time	0.14%
Paid Trade union activities	
Time spent on paid trade union activities as a percentage of total paid facility time hours	72%

CONNECTED ORGANISATIONS, INCLUDING RELATED PARTY RELATIONSHIPS

All academies continue to work collaboratively with other schools in their LAs and participate fully in LA organised events. Additionally, Heath Park and Broadmeadow are Lead schools in Connected Teaching School Alliance.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018

OBJECTIVES AND ACTIVITIES

OBJECTS AND AIMS

The overarching aims and objectives of the Trust and in turn the individual academies therein are set out in the Company's Articles of Association. Our overriding principle is to ensure that each individual setting works collaboratively with partner academies, either formally or informally, to be the best they possibly can and to optimise the opportunities for success. To provide support and challenge in equal measure and to produce self-reliant, resilient learners, capable of making their way in a rapidly changing world.

All Trust academies have adopted the following principles as applicable to their individual Local Authority:

1. The Academy agrees to sign up to the Local Authority strategy for Inclusion.
2. The Academy will follow both the national code for Admissions and comply with Local Authority coordinated admission arrangements.
3. Academy sponsors and trust must be fully engaged with the Council and its policies and principles.
4. The Academy will be committed to and fully involved in the Local Authority educational vision and to playing a full part in the further development of school improvement partnerships.
5. The Academy will be committed to driving up standards, improving achievement and progression across all key stages for all children and using its capacity to support other schools.
6. The Academy will be fully engaged with the Local Authority Every Child Matters Agenda, especially working in partnership with the integrated locality based teams.
7. The Academy will agree to collaborate with the LA and local schools on the operation of specialism; sharing its resources with others schools especially in the context of providing pathways for 1419 students through the operation of consortia arrangements.
8. The Academy will commit to ensuring all staff benefit from the same terms and conditions they already enjoy in addition to further opportunities arising from innovative staffing structures.

The success of the Trust can be defined by a set of core aims:

1. All schools within the collaboration will be adding value to the results of their students.
2. All schools will be capable of an outstanding judgement from QFSTED when next inspected after September 2018 (or within 3 years of joining the Trust).
3. Trust schools would be oversubscribed or on a significant upward trend.
4. The schools would work closely together within the Trust, creating a sustainable model of education for the all students who attend them. This will be as a result of sharing ideas that work, codevelopment, support provision, utilising teachers, leaders and support staff for the benefit of all partnership schools.
5. An inclusive culture will be the norm in each school, with permanent exclusions rare and every student leaving their school with a plan for the next stage of their career.
6. The Professional Development Programme will produce high quality, committed professionals and future leaders for Trust schools as well as schools beyond.
7. Trust schools will be recognised nationally as organisations of high quality, producing outstanding results within a culture of innovation and achievement.
8. All schools within the Trust will continually develop their own unique characteristics and ethos re-enforcing their individual identities within their respective communities.
9. The Trust will build upon the diversity of its schools in order to broaden the experience of its students and communities and challenge discrimination and prejudice in all its forms.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018

OBJECTIVES, STRATEGIES AND ACTIVITIES

As a Trust our main priority is to raise the attainment of young people. A significant number of pupils, of both primary and secondary age, are attending schools judged other than 'good' or 'outstanding', which does not represent an "equalising of opportunity". We believe that school outcomes can improve incrementally, continually building on the improvements of the previous year.

We aim to ensure that each academy within the Trust:
Adds value to the results of their students.

- Is capable of outstanding judgements from OFSTED within 3 years of becoming an academy partner within the Trust.
- Is oversubscribed or on a significant upward trend.
- Works closely with other Trust academies to create a sustainable model of education for all students.
- Fosters an inclusive culture where permanent exclusions are rare and every student leaving the school has a plan for the next stage of their learning/career.
- Is recognised nationally as organisations of high quality, producing outstanding results within a culture of innovation and achievement.
- Continues to develop their own unique characteristics and ethos; maintaining individual identities within their respective communities.
- Produces high quality committed professionals and future leaders for Trust academies, through our Teaching School Alliance Professional Development Programme.

During the year we entered into discussions with D'Eyncourt Primary School regarding their joining the Trust. These discussions progressed very well and we are pleased to report that they converted and joined the Trust on 1 February 2018.

During the year we entered into discussions for Coppice Performing Arts Schools to join the Trust as a sponsored academy. These discussions progressed very well and we are pleased to report that they joined the Trust on 1 June 2018.

PUBLIC BENEFIT

In setting objectives and planning the Trust's activities, the Trustees have paid due regard to the published guidance from the Charity Commission regarding the principle of public benefit.

All schools in the Trust produce annual School Improvement Plans which are agreed by either the Local Governing Body or, where applicable, the Local Executive Governing Body. The CEO is involved in the process for all academies both as a governor and a Line Manager. Plans are uniformly presented using Ofsted framework headings with objective targets included where appropriate. Attainment, progress and attendance targets are agreed by governors and are used in the Performance Management process of the headteacher.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018

STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE

The academic year 2017/18 was extremely successful in all our schools, with both primaries and secondaries achieving positive scores in all key headline areas. Of particular note was the continuing success of Moseley Park, which for the second year running achieved a Progress 8 score above 1.0, making it one of only 53 schools to do so nationally.

Three of our schools had Ofsted Section 5 inspections during the course of the year. Early in the Autumn term inspectors visited Moseley Park and at the end of its two day inspection, it was judged as outstanding overall and in all areas. A fantastic achievement for all concerned given that the school joined the trust as an inadequate sponsor-led academy.

On 5th and 6th June 2018 two inspectors visited WVTC for its first Section 5 inspection since its opening. As a Free School it had received termly monitoring visits from a DfE advisor which helped the college validate its self valuation as good.

The Ofsted inspection report confirmed that judgement with it being graded good overall and in all areas.

Late in the Summer Term Eastwood Village Primary also received its first inspection since its opening. Unlike WVTC it had not had the benefit of external termly visits. However, its SEF judged the school as good and the inspection team, which was in the school on 11th and 12th July agreed, judging the school good overall and in all areas. Given the level of challenge the school faces on a daily basis; this was an amazing outcome and one of which all parties should be rightly proud.

These most recent inspection outcomes, means that all CLPT schools, inspected since conversion, have Ofsted judgements of good or better. More importantly, as it directly impacts upon the lives of young people, this year's external examination results support these judgements.

Two additions to the trust occurred last year, both in Wolverhampton, with D'Eyncourt Primary and Coppice Performing Arts School joining on 1st February and 1st June 2018 respectively. D'Eyncourt joined the trust as a converter academy, having achieved a good Ofsted judgment earlier in the academic year, whilst Coppice joined as a sponsor-led conversion.

We have a proud record in the trust of school improvement and have made the decision to focus on ensuring this is sustainable for the foreseeable future. To this end, we have rejected the opportunity to expand the number of schools in the trust and have clarified our position and reasons for reaching this decision with the RSC.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018

KEY PERFORMANCE INDICATORS

The Trust's key financial performance indicators for the year were:

- A year-end combined balance of Restricted and Unrestricted Funds (excluding pension deficit) equivalent to at least 10% of total annual incoming resources (excluding Fixed Assets)
- Maintenance of immediately available cash balances equivalent to at least three month's expended resources (excluding Fixed Assets)
- Maintenance of a Solvency Ratio (Current Assets to Current Liabilities) of at least 2:1

The Trust use a number of performance indicators to monitor its performance. These include, but are not restricted to, Ofsted outcomes where available, and exam results in comparison to the National average.

GOING CONCERN

After consideration of the Trust's financial position, its financial plans, (including projected student numbers), the demand for places and the broader environment, the Board of Trustees have a reasonable expectation that the Trust has and will continue to have adequate resources to enable it to be a sustainable going concern in 2018/19 and for the foreseeable future. For this reason the Trust continues to adopt the Going Concern principle in preparing its financial statements. Further details regarding the adoption of the Going Concern basis can be found in the statement of accounting policies.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018

FINANCIAL REVIEW

Principal Funding

The Trust received income into its Unrestricted Fund, Restricted Funds and Fixed Asset Fund during 2017/18:

Restricted Fund

The majority of the Trust's income was received through Education and Skills Funding Agency (ESFA) recurrent revenue grants into the Restricted Fund, the use of which is restricted to the Trust's charitable activities, its educational operations. These revenue grants, and the associated revenue expenditure made against them, are detailed in the SOFA. Restricted Fund income for the year was £24,025,673 (2017: £21,279,060), expenditure against the fund was £26,506,442 (2017: £23,992,598), giving an in year deficit on restricted revenue of £2,480,769 (2017: £2,713,538) before transfers.

Unrestricted Funds

Income received into the Unrestricted Fund was £1,278,894 (2017: £843,769). This included £155,918 (2017: £7,739) relating to the closing balance transfer from the predecessor schools which converted during the year. Expenditure against the fund was £770,785 (2017: £541,625) for the year, giving an Unrestricted Fund in year carry forward of £508,109 before transfers (2017: £106,430).

Restricted Fixed Asset (Capital) Fund

The Restricted Fixed Asset Fund balance is reduced by an annual depreciation charge over the expected useful life of the assets concerned in line with the Trust's depreciation policy.

The value of income received into the fund included the value of the predecessor schools assets at £14,736,067 (2017: £1,488,747).

The SOFA details a £69,001,136 (2017: £50,139,761) Restricted Fixed Asset Fund year end surplus after transfers between funds. This is detailed in note 17 to the accounts.

Summary of Financial Performance

Total fund balance as at 31st August 2018 was £68,445,141 (2017: £51,299,012) comprised of £3,717,705 (2017: £3,528,523), £(4,273,700) (2017: £2,369,272) and £69,001,136 (2017: £50,139,761) in Unrestricted, Restricted and Restricted Fixed Asset Funds respectively with the Restricted Pension Reserve deficit included in Restricted General Funds.

Balance Sheet

The Trust's assets are predominantly used for providing education to school students. Some assets were used by the local community, predominantly for sports, as part of the school's sports focus and strategic aims to promote health, pathways into the community and work, and community cohesion.

The net book value of the Trust's tangible fixed assets was £68,546,013 (2017: £50,010,938) as at 31st August 2018. The movement in this account is detailed in note 13.

Cash in hand at 31st August 2018 is £5,154,886 (2017: £7,487,195) and short term investments is £9,198,606 (2017: £7,360,218).

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018

RESERVES POLICY

The Board of Trustees reviews the Trust's Reserve Policy annually. The Board of Trustees have determined that the appropriate level of free reserves should be the equivalent to three month's payroll and operational costs approximately £7,300,000.

The reason for this reserve is to provide sufficient working capital and to provide a cushion to deal with unexpected emergencies. In addition, future year's capital maintenance and development projects are considered in the reserves policy review.

The Trust also retains funds in reserve to support the growth and development plans of its schools.

The Trust's free reserves as at 31st August 2018 were £12,040,005 which comprise £8,322,300 of restricted reserves and £3,717,705 of unrestricted reserves.

Heath Park are still in the construction stage of a new block for their school. Total build costs at the year end were £2,101,032 with the anticipated final construction cost being £3,245,800, an amount being held within reserves.

A deficit of £1,904,428 (2017: £9,362,728) has arisen on the Restricted Income Fund. This deficit is increased by £278,000 in relation to the Local Government Pension Scheme which is allocated to this fund. This liability of £12,596,000 will not crystallise immediately.

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

INVESTMENT POLICY AND PERFORMANCE

Investments vehicles are approved by the Board of Trustees with the support of expert advice as necessary. It was negotiated that cash flow funds would attract an interest rate that normally monies would need to be invested for a period of time to achieve. This was for a twelve month period. This is a low risk short term investment.

The Trust does not have any endowment funds.

PRINCIPAL RISKS AND UNCERTAINTIES

The Trustees has a comprehensive risk management process to identify and monitor the risks faced by the Trust. The principal risks identified include governance, statutory compliance, finance, insurance, attainment, attendance, behaviour, health and safety, organisation, operations, safeguarding, reputation, HR and ICT. A risk rating mechanism is in place with greater emphasis directed towards those identified higher risk areas.

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The objective of the Trust's Risk Management procedure is to identify the principal risks facing the Trust so that existing controls may be considered and further action taken if required, including external insurance.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018

RISK MANAGEMENT

The Board of Trustees have implemented a number of systems to assess and reduce risks that the school faces, especially in operational areas in relation to teaching, health and safety, (including school trips and the school's minibus), behaviour management, and in relation to the control of finances. They have introduced policies and systems for the recruitment, selection and vetting of new staff, continual professional development of staff, child protection, supervision of students around the school site and internal financial controls to minimise financial risk. Adequate insurance has been arranged where significant financial risk remains. The Trust has an effective system of internal financial control as explained in the Governance Statement. The principal risks currently facing the Trust, and the strategies taken to manage these risks, are:

- **Health & Safety** – there is a risk of non-compliance with relevant Health & Safety legislation caused by the lack of appropriately trained staff, inappropriate policies and procedures, or the lack of appropriate and timely risk assessments. To manage this risk the Trust have produced a checklist of Health & Safety checks to be completed by the site staff at each academy. These checks are monitored by the Trust's Site Manager who reports compliance to the Operations Director. For the PFI academies within the Trust, these checks are performed by the relevant facilities management companies who report back to the Trust via the Operations Director. All Health & Safety concerns are reported back to the Trust board.
- **Safeguarding** – There is a risk that the Trust does not implement appropriate Safeguarding legislation due to a lack of planning, knowledge and training. In addition there is a risk that failure to establish monitoring arrangements could result in an adverse OFSTED inspection or intervention by the Police which could lead to legal proceedings. To manage these risks the Trust board have nominated a Safeguarding Champion from Key Management who links with designated safeguarding leads in each academy to offer training and advice on policy and practice. The Safeguarding Champion is a member of Wolverhampton's Safeguarding board. There is a nominated Safeguarding Trustee as well as Safeguarding Governors at each academy who provide challenge to the safeguarding leads. A programme of external audits has been undertaken to review the safeguarding processes in place at academies within the Trust. A termly Safeguarding report is given to the Trust Board by the Safeguarding Champion.
- **Educational Outcomes** – The Trust board recognise that there is a risk that the academies within the trust may not be able to demonstrate that they are providing education which meets the requirements of students resulting in an adverse OFSTED inspection, and/or failure to deliver performance targets. To manage this risk each academy has an Improvement Plan which is reviewed on a termly basis by the CEO and lead headteacher. Outcomes are continually monitored to ensure that no academy falls below Floor Standard. Educational outcomes are reviewed by each Local Governing board and are reported back to Trustees at each Trust board meeting by the CEO.
- **Loss of Senior Management** – the Trust recognise that there is a risk due to the potential loss of capability, expertise and experience should a member of senior management leave the trust. To manage this risk a "growing our own" strategy has been implemented within the Trust which allows identified staff to develop over a period of time to become future leaders. In addition, the Hub nature of the Trusts structure, allows succession planning to be implemented across academies more easily.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018

FUNDRAISING

Fundraising activities of the Trust are restricted to in-school activities such as summer fetes and dress down days, and are not bound by any voluntary scheme. These activities do not involve either professional fund-raisers or commercial participants.

Participants in the fund raising activities of the school are staff, pupils and parents and these activities do not involve the general public. All participants in the activities do so on a voluntary basis and are not subject to intrusive, persistent or undue pressure from the schools.

The Trust have received no complaints during the year regarding any of its fundraising activities. Fundraising income for the year was £7,975.

PLANS FOR FUTURE PERIODS

SCHOOL IMPROVEMENT PLAN PRIORITIES

The Trust strives to continually improve levels of attainment for all students, equipping them with the qualifications, skills and character to follow their chosen pathway, whether it be into further and higher education or employment.

The curriculum, the quality of teaching and learning and informed interventions are consistently reviewed to help every child achieve their full potential.

The Trust believes that developing the whole child is critical to improving levels of attainment and in developing broader skills and character that will develop students' commitment to lifelong learning and enrich their quality of life. To this extent, the Trust strives to provide exceptional behaviour and attendance management support to its students and to offer a broad range of extra curricular activities.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

Neither the Trust nor the Board of Trustees are acting as third party custodial trustees.

EMPLOYEE INVOLVEMENT AND EMPLOYMENT OF THE DISABLED

Employees have been consulted on issues of concern to them by means of regular consultative committee and staff meetings and have been kept informed on specific matters directly by management. The Trust carries out exit interviews for all staff leaving the organisation and has adopted a procedure of upward feedback for senior management and the Trustees.

The Trust has implemented a number of detailed policies in relation to all aspects of personnel matters including:

- Equal opportunities policy
- Volunteers' policy
- Health & safety policy

In accordance with the Trust's Equal opportunities policy, the Trust has long established fair employment practices in the recruitment, selection, retention and training of disabled staff.

Full details of these policies are available from the Trust's offices.

DISCLOSURE OF INFORMATION TO AUDITOR

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

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

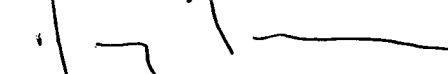
AUDITOR

The auditor, Crowe U.K. LLP, has indicated its willingness to continue in office. The Designated Trustees will propose a motion re-appointing the auditor at a meeting of the Trustees.

The Trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 5 December 2018 and signed on its behalf by:



Mr R Turton
Chair of Trustees



Mr D Selkirk
Chief Executive Officer

CENTRAL LEARNING PARTNERSHIP TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

As trustees, we acknowledge we have overall responsibility for ensuring that Central Learning Partnership 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 Central Learning Partnership 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 5 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
Helen Child	4	5
Michael Hardacre	5	5
Georgetta Holloway	3	3
Timothy Manson	4	5
Philip Marshall	3	5
James Nichols	0	3
Graham Parker	3	3
Douglas Selkirk, Chief Executive and Accounting Officer	4	5
Robert Turton, Chairman	5	5

In line with the on-going communications with the DfE, Georgetta Holloway resigned as a Trustee during the year to leave the CEO as the only employed Trustee. Two additional trustees were recruited during the year to further strengthen the composition of the Board.

A principle aim of the Board is to ensure that all academies in the trust become more effective through the improvement in outcomes for students. There has been continued progress in this during the year with all academies who have had Ofsted inspections since joining the Trust, being judged to be good or better.

At each meeting the Board of Trustees receives an update from the CEO upon the progress of each school, upon potential new developments, and upon regulatory changes that could affect the Trust. The Trustees also review the strategic direction of the Trust as part of this process.

The Trustees also review safeguarding and health and safety issues at each meeting.

The Trustees also receive and review financial information about performance and budget setting on a regular basis and are also responsible for reviewing and agreeing amendments to protocols and standing orders.

The CEO, Operations Director and Finance Director provide timely, comprehensive and accessible information to the Board of Trustees in order that they can carry out the above functions.

CENTRAL LEARNING PARTNERSHIP TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (continued)

Governance reviews:

In addition, each year the Board of Trustees considers the training needs of the Board to ensure appropriate expertise is maintained at Board Level.

The Board of Trustees continue to undertake a full self-evaluation review every 12 months.

To ensure that the Trustees are fully able to perform its duties, the decision was made last year to increase the number of times the Board meets in any academic year. This was pre-emptively in line with current guidance issued by the ESFA.

The Finance, Personnel, Audit and Risk Committee is a sub-committee of the main board of trustees. It is responsible for matters relating to finance, staffing and the site (to include Health and Safety).

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Michael Hardacre	2	2
Georgetta Holloway	1	1
Timothy Manson	2	2
Douglas Selkirk	2	2

The Pay and Remuneration Policy Committee is a sub-committee of the main board of trustees. It is responsible for considering the pay policies of key management personnel.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Tim Manson	1	1
Phil Marshall	1	1
Graham Parker	1	1

REVIEW OF VALUE FOR MONEY

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

The 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 trust has delivered improved value for money during the year by:

- A continued review and renegotiation of IT licences across the Trust;
- A continued review and renegotiation of energy supplies across the Trust;
- Ensuring appropriate tender processes are followed for capital projects and;
- Close monitoring of building work under the PFI contracts.

CENTRAL LEARNING PARTNERSHIP TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (continued)

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 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 Central Learning Partnership Trust for the year 1 September 2017 to 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 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 trust's significant risks, that has been in place for the year 1 September 2017 to 31 August 2018 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

THE RISK AND CONTROL FRAMEWORK

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

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

The board of trustees has considered the need for a specific internal audit function and has decided to appoint Smith Cooper Limited as internal auditor.

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

- A review of the approach used to complete census returns,
- A review of governance procedures at Local Governing Body level,
- A review of the Financial Systems including the internal payroll function.

On a termly basis, the auditor reports to the board of trustees through the Finance, Personnel, Audit and Risk Committee, on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

All schools within the Trust are included within the schedule of works which has been delivered as planned. There were no material control issues arising from the work performed during the year.

CENTRAL LEARNING PARTNERSHIP TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (continued)

REVIEW OF EFFECTIVENESS

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

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

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance, Personnel, 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 5 December 2018 and signed on their behalf, by:



Robert Turton
Chair of Trustees



Douglas Selkirk
Accounting Officer

CENTRAL LEARNING PARTNERSHIP TRUST
(A company limited by guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

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



Mr D Selkirk
Accounting Officer

5/12/18

CENTRAL LEARNING PARTNERSHIP TRUST
(A company limited by guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2018

The Trustees (who 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 & 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 of 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 5 DECEMBER 2018 and signed on its behalf by:



Mr R Turton
Chair of Trustees

CENTRAL LEARNING PARTNERSHIP TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
CENTRAL LEARNING PARTNERSHIP TRUST**

OPINION

We have audited the financial statements of Central Learning Partnership Trust (the 'trust') for the year ended 31 August 2018 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018 issued by the Education & Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the trust'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 & 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 trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS 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 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.

CENTRAL LEARNING PARTNERSHIP TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
CENTRAL LEARNING PARTNERSHIP TRUST**

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 other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

- the information given in the Trustees' Report including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- 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 trust 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 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 Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

CENTRAL LEARNING PARTNERSHIP TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
CENTRAL LEARNING PARTNERSHIP TRUST**

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the Statement of Trustees' responsibilities, the Trustees (who are also the directors of the 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 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 trust or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

USE OF OUR REPORT

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


Helen Drew

Crowe U.K. LLP

Statutory Auditor

Black Country House
Rounds Green Road
Oldbury
West Midlands
B69 2DG

Date: 11-12-18

CENTRAL LEARNING PARTNERSHIP TRUST
(A company limited by guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO CENTRAL LEARNING PARTNERSHIP TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 20 September 2017 and further to the requirements of the Education & 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 Central Learning Partnership Trust during the year 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 Central Learning Partnership Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Central Learning Partnership 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 Central Learning Partnership Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

RESPECTIVE RESPONSIBILITIES OF CENTRAL LEARNING PARTNERSHIP TRUST'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT

The Accounting Officer is responsible, under the requirements of Central Learning Partnership Trust's funding agreement with the Secretary of State for Education dated 19 March 2015, 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 year 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 trust's income and expenditure.

The work undertaken to draw our conclusion includes a review of the design and implementation of the charitable company's internal controls and review processes on regularity, supported by detailed tests on samples of costs incurred by the charitable company and specific transactions identified from our review.

CENTRAL LEARNING PARTNERSHIP TRUST
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO CENTRAL
LEARNING PARTNERSHIP TRUST AND THE EDUCATION & 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 1 September 2017 to 31 August 2018 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Crowe UK LLP
Crowe U.K. LLP

Reporting Accountant

Black Country House
Rounds Green Road
Oldbury
West Midlands
B69 2DG

Date: 11-12-18

CENTRAL LEARNING PARTNERSHIP TRUST
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2018**

	Note	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £	Total funds 2017 £
INCOME FROM:						
Donations & capital grants:						
Transfer on conversion	2	155,918	(1,862,000)	14,736,067	13,029,985	(801,514)
Other donations and capital grants	2	18,027	-	4,124,499	4,142,526	454,547
Charitable activities	3	485,406	25,887,673	-	26,373,079	23,933,497
Other trading activities	4	542,272	-	-	542,272	314,484
Investments	5	77,271	-	-	77,271	99,543
TOTAL INCOME		1,278,894	24,025,673	18,860,566	44,165,133	24,000,557
EXPENDITURE ON:						
Raising funds		272,042	-	-	272,042	117,514
Charitable activities		498,743	26,506,442	1,881,777	28,886,962	26,287,643
TOTAL EXPENDITURE	6	770,785	26,506,442	1,881,777	29,159,004	26,405,157
NET INCOME/(EXPENDITURE BEFORE TRANSFERS		508,109	(2,480,769)	16,978,789	15,006,129	(2,404,600)
Transfers between Funds	17	(318,927)	(1,563,659)	1,882,586	-	-
NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES		189,182	(4,044,428)	18,861,375	15,006,129	(2,404,600)
Actuarial gains/(losses) on defined benefit pension schemes	23	-	2,140,000	-	2,140,000	(596,000)
NET MOVEMENT IN FUNDS		189,182	(1,904,428)	18,861,375	17,146,129	(3,000,600)
RECONCILIATION OF FUNDS:						
Total funds brought forward		3,528,523	(2,369,272)	50,139,761	51,299,012	54,299,612
TOTAL FUNDS CARRIED FORWARD		3,717,705	(4,273,700)	69,001,136	68,445,141	51,299,012

The notes on pages 27 to 54 form part of these financial statements.

CENTRAL LEARNING PARTNERSHIP TRUST

(A company limited by guarantee)

REGISTERED NUMBER: 07827368

**BALANCE SHEET
AS AT 31 AUGUST 2018**

	Note	£	2018 £	£	2017 £
FIXED ASSETS					
Tangible assets	13		68,546,013		50,010,938
CURRENT ASSETS					
Debtors	14	1,676,598		879,734	
Cash and cash equivalents	21	14,353,492		14,847,413	
		<u>16,030,090</u>		<u>15,727,147</u>	
CREDITORS: amounts falling due within one year	15	<u>(3,534,962)</u>		<u>(2,707,073)</u>	
NET CURRENT ASSETS			<u>12,495,128</u>		<u>13,020,074</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>81,041,141</u>		<u>63,031,012</u>
Defined benefit pension scheme liability	23		<u>(12,596,000)</u>		<u>(11,732,000)</u>
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES			<u><u>68,445,141</u></u>		<u><u>51,299,012</u></u>
FUNDS OF THE TRUST					
Restricted income funds:					
Restricted income funds	17	8,322,300		9,362,728	
Restricted fixed asset funds	17	<u>69,001,136</u>		<u>50,139,761</u>	
Restricted income funds excluding pension liability		<u>77,323,436</u>		<u>59,502,489</u>	
Pension reserve		<u>(12,596,000)</u>		<u>(11,732,000)</u>	
Total restricted income funds			<u>64,727,436</u>		<u>47,770,489</u>
Unrestricted income funds	17		<u>3,717,705</u>		<u>3,528,523</u>
TOTAL FUNDS			<u><u>68,445,141</u></u>		<u><u>51,299,012</u></u>

The financial statements on pages 27 to 56 were approved by the Trustees, and authorised for issue, on 5 DECEMBER 2018 and are signed on their behalf, by:



Mr R Turton
Chair of Trustees



Mr D Selkirk
Accounting Officer

CENTRAL LEARNING PARTNERSHIP TRUST
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2018

	Note	2018 £	2017 £
Cash flows from operating activities			
Net cash provided by operating activities	20	<u>836,658</u>	<u>575,245</u>
Cash flows from investing activities:			
Interest received		77,271	99,543
Proceeds from the sale of tangible fixed assets		16,839	-
Purchase of tangible fixed assets		(2,129,467)	(1,085,181)
Capital grants from DfE Group		<u>548,860</u>	<u>388,981</u>
Net cash used in investing activities		<u>(1,486,497)</u>	<u>(596,657)</u>
 Transfer on conversion to academy trust	 22	 <u>155,918</u>	 <u>7,739</u>
		<u>155,918</u>	<u>7,739</u>
 Change in cash and cash equivalents in the year		 (493,921)	 (13,673)
Cash and cash equivalents brought forward		<u>14,847,413</u>	<u>14,861,086</u>
Cash and cash equivalents carried forward	21	<u><u>14,353,492</u></u>	<u><u>14,847,413</u></u>

The notes on pages 27 to 54 form part of these financial statements.

CENTRAL LEARNING PARTNERSHIP TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

1. ACCOUNTING POLICIES

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

1.1 Basis of preparation of financial statements

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 financial statements represent the financial results and financial position of Central Learning Partnership Trust ("the trust"), which comprised of the following member academies at the 31 August 2018:

Heath Park Academy
Moseley Park Academy
Woden Primary Academy
East Dene Primary Academy
Coleridge Primary Academy
Westcroft School
Eastwood Village Primary School
Wolverhampton Vocational Training Centre
Broadmeadow Special School
Coppice Performing Arts School (joined 1 June 2018)
D'Eyncourt Primary School (joined 1 February 2018)

1.2 Company status

The trust is a company limited by guarantee and was incorporated in England and Wales (registered number 07827368). The address of the registered office is Heath Park High School, Prestwood Road, Wolverhampton, WV11 1RD.

1.3 Conversion to an academy trust

The conversion from a state maintained school to an academy trust involves the transfer of identifiable assets and liabilities and the operation of the school 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 D'Eyncourt Primary School and Coppice Performing Arts 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 Donations - 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 22.

CENTRAL LEARNING PARTNERSHIP TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

1. ACCOUNTING POLICIES (continued)

1.4 Fund accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the trust at the discretion of the Trustees.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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

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

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

1.5 Income

All income is recognised once the trust has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

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 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.

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 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 in the restricted fixed asset fund.

The value of donated services and gifts in kind provided to the trust are recognised at their open market value in the period in which they are receivable as incoming resources, where the benefit to the charitable company 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 trust's accounting policies.

Donations are recognised on a receivable basis where receipt is probable and the amount can be reliably measured.

Other income, including the hire of facilities, is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

1. ACCOUNTING POLICIES (continued)

1.6 Expenditure

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

Expenditure on raising funds includes all expenditure incurred by the trust to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities are costs incurred on the trust's educational operations, including support costs and those costs relating to the governance of the trust appointed to charitable activities.

1.7 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 charitable 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 trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the 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.

1.8 Tangible fixed assets and depreciation

All assets costing more than £1,000 are capitalised 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. 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.

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1. ACCOUNTING POLICIES (continued)

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is not charged on freehold land. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	-	2% Straight line basis
Long term leasehold property	-	0.8% - 10% Straight line basis
Fixtures and fittings and motor vehicles	-	10% -25% Straight line basis
Computer equipment	-	33% Straight line basis
Assets under construction	-	Not depreciated

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of financial activities.

1.9 Operating commitments

Rentals under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

Some of the schools within the trust are operated under Private Finance Initiatives (PFI). Under these contracts the trust is liable for the annual Facilities Management (FM) costs throughout the lifecycle of the agreement. The FM commitments under such arrangements are accounted for on a straight line basis over the life of the agreement and are recognised within the Statement of Financial Activities.

1.10 Taxation

The 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 trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1.11 Cash and cash equivalents

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

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

1. ACCOUNTING POLICIES (continued)

1.12 Financial instruments

The trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the 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 14. 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 costs as detailed in note 15. 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 instruments.

1.13 Pensions

Retirement benefits to employees of the trust are provided by the Teachers' Pension Scheme ("TPS") and the Local Governments 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 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 23, 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 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 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 the settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the Statement of financial activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period vesting occurs. The expected return on assets and the interest cost are shown as a net finance amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in other recognised gains and losses.

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

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

1. ACCOUNTING POLICIES (continued)

1.14 Liabilities and provisions

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

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

1.15 Agency arrangements

The trust acts as an agent in distributing bursary funds and grants from the ESFA and other government bodies. Payments received 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. In some instances the Trust can use a % 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 16.

1.16 Critical accounting estimates and areas of judgment

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 23, 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.

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**NOTES TO THE FINANCIAL STATEMENTS
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2. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £	Total funds 2017 £
Donation of fixed assets note 13	-	-	14,728,522	14,728,522	1,488,747
Surplus on conversion note 22	155,918	-	7,545	163,463	7,739
Pension deficit on conversion note 23	-	(1,862,000)	-	(1,862,000)	(2,298,000)
Transfer on conversion	155,918	(1,862,000)	14,736,067	13,029,985	(801,514)
Donations	18,027	-	-	18,027	65,566
Land and buildings	-	-	3,521,155	3,521,155	-
IT and Fixtures & Fittings donations	-	-	54,484	54,484	-
Capital grants	-	-	548,860	548,860	388,981
Other donations and capital grants	18,027	-	4,124,499	4,142,526	454,547
Total 2018	173,945	(1,862,000)	18,860,566	17,172,511	(346,967)
Total 2017	73,305	(2,298,000)	1,877,728	(346,967)	

3. CHARITABLE ACTIVITIES INCOME

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Funding for educational operations (see below)	-	25,887,673	25,887,673	23,577,060
Trip income	119,090	-	119,090	85,308
Catering income	366,316	-	366,316	271,129
	485,406	25,887,673	26,373,079	23,933,497
Total 2017	356,437	23,577,060	23,933,497	

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**NOTES TO THE FINANCIAL STATEMENTS
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3. CHARITABLE ACTIVITIES INCOME (continued)

FUNDING FOR TRUST'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
DfE/ESFA and Local Authority grants				
General Annual Grant	-	21,444,327	21,444,327	19,809,670
Start Up Grants	-	2,640	2,640	2,288
Other DfE/ ESFA grants	-	684,741	684,741	515,451
Pupil Premium Grants	-	1,698,689	1,698,689	1,612,205
	-	23,830,397	23,830,397	21,939,614
Other government grants				
Local Authority Grants - Other	-	1,721,526	1,721,526	1,387,172
Local Authority Grants - Early Years Funding	-	335,750	335,750	250,274
	-	2,057,276	2,057,276	1,637,446
	-	25,887,673	25,887,673	23,577,060
<i>Total 2017</i>	-	23,577,060	23,577,060	

4. OTHER TRADING ACTIVITIES

	Unrestricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Hire of facilities	50,431	50,431	41,021
Other income	491,841	491,841	273,463
	542,272	542,272	314,484
<i>Total 2017</i>	314,484	314,484	

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**NOTES TO THE FINANCIAL STATEMENTS
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5. INVESTMENT INCOME

	Unrestricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Bank interest	77,271	77,271	99,543
	<u>77,271</u>	<u>77,271</u>	<u>99,543</u>
<i>Total 2017</i>	<u>99,543</u>	<u>99,543</u>	

6. EXPENDITURE

	Staff costs 2018 £	Premises 2018 £	Other costs 2018 £	Total 2018 £	Total 2017 £
Expenditure on fundraising trading					
Direct costs	141,480	-	130,562	272,042	117,514
Support costs	-	-	-	-	-
Funding for educational operations:					
Direct costs	18,147,818	1,898,616	2,361,499	22,407,933	20,551,030
Support costs	2,533,983	3,117,943	827,103	6,479,029	5,736,613
	<u>20,823,281</u>	<u>5,016,559</u>	<u>3,319,164</u>	<u>29,159,004</u>	<u>26,405,157</u>
<i>Total 2017</i>	<u>18,650,167</u>	<u>4,949,688</u>	<u>2,805,302</u>	<u>26,405,157</u>	

CENTRAL LEARNING PARTNERSHIP TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

7. SUPPORT COSTS

	Funding for education operations £	Total 2018 £	Total 2017 £
Technology costs	202,979	202,979	192,768
Premises costs	3,117,945	3,117,945	3,085,727
Other support costs	496,174	496,174	433,818
Governance costs	144,787	144,787	101,771
(Profit)/loss on disposal of fixed assets	(16,839)	(16,839)	6,973
Wages and salaries	1,585,519	1,585,519	1,348,376
National insurance	169,643	169,643	94,573
Pension cost	778,821	778,821	472,607
	<u>6,479,029</u>	<u>6,479,029</u>	<u>5,736,613</u>
<i>Total 2017</i>	<u>5,736,613</u>	<u>5,736,613</u>	

During the year ended 31 August 2018, the trust incurred Governance costs in relation to legal fees, statutory audit fees and other governance services.

8. NET INCOME/(EXPENDITURE)

This is stated after charging:

	2018 £	2017 £
Depreciation of tangible fixed assets:		
- owned by the Trust	1,898,616	1,863,961
(Profit)/loss on disposal of fixed assets	(16,839)	6,973
PFI charges	1,676,406	1,659,245
Other operating leases	67,455	81,041
Auditor's remuneration (see note 9)	37,500	36,600
	<u>3,673,148</u>	<u>3,648,820</u>

9. AUDITOR'S REMUNERATION

	2018 £	2017 £
Fees payable to the trust's auditor for the audit of the annual accounts	27,500	27,500
Fees payable to the trust's auditor in respect of: other services	9,800	9,600
	<u>37,300</u>	<u>37,100</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

10. STAFF COSTS

a. Staff costs

Staff costs were as follows:

	2018 £	2017 £
Wages and salaries	15,684,608	13,939,131
Social security costs	1,549,148	1,333,813
Operating costs of defined benefit pension schemes	3,607,151	3,143,228
	<u>20,840,907</u>	<u>18,416,172</u>
Agency staff costs	52,294	163,256
Staff restructuring costs	40,560	70,739
	<u>20,933,761</u>	<u>18,650,167</u>

Staff restructuring costs comprise:

	2018 £	2017 £
Redundancy payments	19,960	43,469
Severance payments	20,600	27,270
	<u>40,560</u>	<u>70,739</u>

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

Included in staff severance costs are non-statutory/non-contractual payments totalling £20,600 (2017: £27,270). The payments were made to two (2017: four) individuals and the payments were for £14,000 in January 2018 and £6,600 in February 2018 (2017: £7,200 in November 2017, £2,700 in February 2017, £11,000 in May 2017 and £6,300 in July 2017).

c. Staff numbers

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

	2018 No.	2017 No.
Teachers	292	262
Administration & support	370	294
Management	7	7
	<u>669</u>	<u>563</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

10. STAFF COSTS (continued)

d. Higher paid staff

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

	2018 No.	2017 No.
In the band £60,001 - £70,000	6	5
In the band £70,001 - £80,000	1	2
In the band £80,001 - £90,000	3	2
In the band £170,001 - £180,000	1	1
In the band £180,001 - £190,000	0	1
In the band £190,001 - £200,000	1	0

11. TRUSTEES' REMUNERATION AND EXPENSES

One or more Trustees has been paid remuneration or has received other benefits from an employment with the trust. The Chief Executive Officer and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Chief Executive Officer and other 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:

		2018 £	2017 £
Mr Douglas Selkirk	Remuneration	190,000-195,000	180,000-185,000
Mrs Georgetta Holloway	Remuneration	95,000-100,000	170,000-175,000
	Pension contributions paid	15,000-20,000	25,000-30,000

During the year ended 31 August 2018, 4 Trustees received a reimbursement of expenses of £1,645 (2017 - £527 to 2 Trustees).

12. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the trust has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. Due to all academies in the trust opting into the Department of Education's risk protection arrangement, the trustees' and officers' of the Trust have the required insurance. The insurance provides cover up to £10,000,000 on any one claim and the cost for the year is included as part of the RPA costs.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

13. TANGIBLE FIXED ASSETS

	Freehold property £	Long term leasehold property £	Assets under constr'n £	Fixtures, fittings and motor vehicles £	Computer equipment £	Total £
Cost						
At 1 September 2017	11,215,000	40,198,970	287,791	545,022	2,293,794	54,540,577
Additions	-	3,521,155	1,813,242	125,173	248,058	5,707,628
Disposals	-	-	-	(1,250)	(27,733)	(28,983)
Transferred on conversion	-	14,625,000	-	29,876	73,646	14,728,522
At 31 August 2018	11,215,000	58,345,125	2,101,033	698,821	2,587,765	74,947,744
Depreciation						
At 1 September 2017	815,408	1,806,744	-	99,329	1,808,158	4,529,639
Charge for the year	202,630	1,207,673	-	61,845	426,468	1,898,616
On disposals	-	-	-	(510)	(26,014)	(26,524)
At 31 August 2018	1,018,038	3,014,417	-	160,664	2,208,612	6,401,731
Net book value						
At 31 August 2018	10,196,962	55,330,708	2,101,033	538,157	379,153	68,546,013
At 31 August 2017	10,399,592	38,392,226	287,791	445,693	485,636	50,010,938

Freehold land

Included in freehold property is freehold land of £1,083,521 (2017: £1,083,521) which is not depreciated.

Leasehold title

Long term leasehold property includes property that has been gifted to the trust on 125 years leases upon conversion of constituent schools into the trust. The legal owners of the leasehold properties being Wolverhampton City Council and Rotherham Metropolitan Borough Council.

14. DEBTORS

	2018 £	2017 £
Trade debtors	102,063	78,082
Other debtors	630,908	166,978
Prepayments and accrued income	943,627	634,674
	<u>1,676,598</u>	<u>879,734</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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15. CREDITORS: Amounts falling due within one year

	2018 £	2017 £
Trade creditors	1,157,150	496,464
Other taxation and social security	434,441	344,500
Other creditors	1,294,938	1,075,602
Accruals and deferred income	648,433	790,507
	<u>3,534,962</u>	<u>2,707,073</u>
	2018 £	2017 £
Deferred income		
Deferred income at 1 September 2017	487,104	284,727
Resources deferred during the year	405,659	487,104
Amounts released from previous years	(487,104)	(284,727)
Deferred income at 31 August 2018	<u>405,659</u>	<u>487,104</u>

Included in deferred income is grants and other funding received in advance of entitlement relating to the 2018/19 academic year.

16. AGENCY ARRANGEMENTS

The trust distributes bursary funds to students as an agent for the ESFA. In the accounting year ending 31 August 2018 the charitable company received £51,384 (2017: £73,514) and disbursed £43,269 (2017: £35,504) from the fund. An amount of £117,257 (2017: £109,142) is included in other creditors relating to undistributed funds.

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**NOTES TO THE FINANCIAL STATEMENTS
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17. STATEMENT OF FUNDS

	Balance at 1 September 2017 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2018 £
Unrestricted funds						
Unrestricted funds	3,528,523	1,278,894	(770,785)	(318,927)	-	3,717,705
Restricted funds						
General annual grant	8,846,454	21,444,327	(19,506,267)	(3,085,661)	-	7,698,853
Start up grants	-	2,640	(2,640)	-	-	-
Other government grants	511,654	4,335,103	(5,746,368)	1,516,308	-	616,697
Other income	4,620	105,603	(109,167)	5,694	-	6,750
Pension reserve	(11,732,000)	(1,862,000)	(1,142,000)	-	2,140,000	(12,596,000)
	<u>(2,369,272)</u>	<u>24,025,673</u>	<u>(26,506,442)</u>	<u>(1,563,659)</u>	<u>2,140,000</u>	<u>(4,273,700)</u>
Restricted fixed asset funds						
Restricted Fixed Assets	50,010,938	18,304,162	(1,881,777)	2,112,690	-	68,546,013
Capital grants	128,823	556,404	-	(230,104)	-	455,123
	<u>50,139,761</u>	<u>18,860,566</u>	<u>(1,881,777)</u>	<u>1,882,586</u>	<u>-</u>	<u>69,001,136</u>
Total restricted funds	<u>47,770,489</u>	<u>42,886,239</u>	<u>(28,388,219)</u>	<u>318,927</u>	<u>2,140,000</u>	<u>64,727,436</u>
Total of funds	<u>51,299,012</u>	<u>44,165,133</u>	<u>(29,159,004)</u>	<u>-</u>	<u>2,140,000</u>	<u>68,445,141</u>

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

Unrestricted funds represent those resources which may be used towards meeting any of the charitable objects of the trust at the discretion of the Trustees.

Designated funds represents funds set aside to cover any potential equal pay claims that may be brought against the trust. These funds were released during the year.

Restricted fixed asset funds represents the carrying value of fixed assets that have either been received upon conversion of constituent academies into the Trust or have been purchased from grants received from the ESFA. It also includes fixed assets that have been funded by grants from the ESFA plus amounts received which have yet to be spent on future capital projects.

Transfers represent capital items purchased from GAG offset by revenue expenditure transfers.

Restricted general funds comprise all other restricted funds received and include grants from the Department for Education and Local Authorities.

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17. STATEMENT OF FUNDS (continued)

Under the funding agreement with the Secretary of State, the trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2018.

ANALYSIS OF ACADEMIES BY FUND BALANCE

Fund balances at 31 August 2018 were allocated as follows:

	Total 2018 £	Total 2017 £
Heath Park Academy	7,871,831	8,896,618
Moseley Park Academy	2,538,166	2,575,102
Coleridge Primary	(13,535)	(110,936)
East Dene Primary	13,018	(68,902)
Woden Primary	375,683	199,023
Eastwood Primary	(266,637)	(8,604)
Westcroft School	204,836	208,071
Wolverhampton Vocational Training Centre	(10,710)	26,336
Broadmeadow Special School	79,758	7,034
Central services	940,396	1,167,509
Coppice Performing Arts	134,244	-
D'Eyncourt Primary	172,955	-
Total before fixed asset fund and pension reserve	12,040,005	12,891,251
Restricted fixed asset fund	69,001,136	50,139,761
Pension reserve	(12,596,000)	(11,732,000)
Total	68,445,141	51,299,012

Any surpluses held by a school upon conversion are ring-fenced by the Trust to be utilised by that school. This is subject to the school producing a written plan of how and when these funds will be used.

The following academies are carrying net deficits on their portion of the funds as follows:

Name of academy	Amount of deficit £
Coleridge Primary	13,535
Eastwood Primary	266,637
Wolverhampton Vocational Training Centre	10,710

As part of the trust's ongoing strategy, the trust is continuing to support the above named schools whilst a balanced budget and continuous cost reduction plan is implemented.

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**NOTES TO THE FINANCIAL STATEMENTS
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17. STATEMENT OF FUNDS (continued)

ANALYSIS OF ACADEMIES BY COST

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

	Teaching & educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depr'n £	Total 2018 £	Total 2017 £
Heath Park Academy	4,880,941	316,801	134,331	1,950,458	7,282,531	7,492,549
Moseley Park Academy	3,759,756	401,025	136,485	1,054,006	5,351,272	4,875,500
Coleridge Primary	881,447	118,833	38,569	318,194	1,357,043	1,516,694
East Dene Primary	1,205,363	114,614	56,005	437,486	1,813,468	1,932,881
Woden Primary	1,528,510	246,714	95,896	397,154	2,268,274	2,278,844
Eastwood Primary	883,303	89,748	52,313	180,854	1,206,218	1,198,194
Westcroft School	2,134,971	381,525	82,884	373,619	2,972,999	2,757,612
Wolverhampton Vocational Training Centre	441,250	42,680	18,976	120,866	623,772	716,528
Broadmeadow Special School	1,074,977	237,015	26,620	99,657	1,438,269	1,072,676
Central services	220,615	431,044	280	344,347	996,286	699,718
D'Eyncourt Primary School	488,722	63,546	48,038	194,539	794,845	-
Coppice Performing Arts School	899,922	90,440	46,755	135,133	1,172,250	-
	<u>18,399,777</u>	<u>2,533,985</u>	<u>737,152</u>	<u>5,606,313</u>	<u>27,277,227</u>	<u>24,541,196</u>

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17. STATEMENT OF FUNDS (continued)

STATEMENT OF FUNDS - PRIOR YEAR

	<i>Balance at 1 September 2016 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2017 £</i>
Unrestricted funds	3,422,093	843,769	(541,625)	(195,714)	-	3,528,523
Restricted funds						
General annual grant	9,389,748	19,809,670	(19,723,655)	(629,309)	-	8,846,454
Start up grants	-	2,288	(2,288)	-	-	-
Other government grants	572,005	3,765,102	(3,825,453)	-	-	511,654
Other income	9,822	-	(5,202)	-	-	4,620
Pension reserve	(8,402,000)	(2,298,000)	(436,000)	-	(596,000)	(11,732,000)
	<u>1,569,575</u>	<u>21,279,060</u>	<u>(23,992,598)</u>	<u>(629,309)</u>	<u>(596,000)</u>	<u>(2,369,272)</u>
Restricted fixed asset funds						
Restricted Fixed Assets	49,307,944	1,488,747	(1,870,934)	1,085,181	-	50,010,938
Capital grants	-	388,981	-	(260,158)	-	128,823
Total restricted funds	<u>50,877,519</u>	<u>23,156,788</u>	<u>(25,863,532)</u>	<u>195,714</u>	<u>(596,000)</u>	<u>47,770,489</u>
Total of funds	<u>54,299,612</u>	<u>24,000,557</u>	<u>(26,405,157)</u>	<u>-</u>	<u>(596,000)</u>	<u>51,299,012</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

18. CENTRAL SERVICES

The trust has provided the following central services to its academies during the year:

- Management services
- Legal services
- Education support services
- Maintenance and admin support services
- Marketing, graphics and website services
- Payroll services

The trust charges for these services on the following basis:

The charitable company charges for these services on a percentage basis applied to the income received by each constituent academy. Any surplus generated is held as a contingency reserve for use in future periods. No charge for central services is made to new schools in the first year of operation.

The actual amounts charged during the year were as follows:

	2018 £	2017 £
Heath Park Academy	319,083	338,884
Moseley Park Academy	234,914	220,603
Coleridge Primary	27,506	27,806
East Dene Primary	36,504	37,506
Woden Primary	58,611	59,588
Westcroft School	73,478	74,160
Wolverhampton Vocational Training Centre	15,974	16,958
Eastwood Village Primary	20,891	19,796
Broadmeadow Special School	16,549	12,094
D'Eyncourt Primary School	19,662	-
Coppice Performing Arts School	-	-
	<u>823,172</u>	<u>807,395</u>

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £
Tangible fixed assets	-	-	68,546,013	68,546,013
Current assets	3,717,705	11,857,262	455,123	16,030,090
Creditors due within one year	-	(3,534,962)	-	(3,534,962)
Provisions for liabilities and charges	-	(12,596,000)	-	(12,596,000)
	<u>3,717,705</u>	<u>(4,273,700)</u>	<u>69,001,136</u>	<u>68,445,141</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS (continued)

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	<i>Unrestricted funds</i>	<i>Restricted funds</i>	<i>Restricted fixed asset funds</i>	<i>Total funds</i>
	<i>2017</i>	<i>2017</i>	<i>2017</i>	<i>2017</i>
	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>
Tangible fixed assets	-	-	50,010,938	50,010,938
Current assets	3,528,523	12,069,801	128,823	15,727,147
Creditors due within one year	-	(2,707,073)	-	(2,707,073)
Provisions for liabilities and charges	-	(11,732,000)	-	(11,732,000)
	<u>3,528,523</u>	<u>(2,369,272)</u>	<u>50,139,761</u>	<u>51,299,012</u>

20. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	<i>2018 £</i>	<i>2017 £</i>
Net income/(expenditure) for the year (as per Statement of Financial Activities)	15,006,129	(2,404,600)
Adjustment for:		
Depreciation charges	1,898,616	1,863,961
(Profit)/loss on disposal of fixed assets	(16,839)	6,973
Interest receivable	(77,271)	(99,543)
Cash transferred on conversion	(155,918)	(7,739)
Capital grant transferred on conversion	(7,545)	-
(Increase)/decrease in debtors	(789,382)	438,177
Increase/(decrease) in creditors	827,889	(78,256)
Capital grants from DfE and other sources	(548,860)	(388,981)
Defined benefit pension scheme on conversion	1,862,000	2,298,000
Defined benefit pension scheme cost less contributions payable	825,000	201,000
Defined benefit pension scheme finance cost	317,000	235,000
Tangible fixed assets received as a donation	(18,304,161)	(1,488,747)
Net cash provided by operating activities	<u>836,658</u>	<u>575,245</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

21. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2018 £	2017 £
Cash at bank and in hand	5,154,886	7,487,195
Notice deposits (less than 3 months)	9,198,606	7,360,218
	<u>14,353,492</u>	<u>14,847,413</u>

22. CONVERSION TO AN ACADEMY TRUST

On 1 February 2018 D'Eyncourt Primary School converted to academy trust status under the Academies Act.2010 and all the operations and assets and liabilities were transferred to Central Learning Partnership Trust from Wolverhampton City Council for £Nil consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the Balance sheet under the appropriate headings with a corresponding net amount recognised as a net gain in the Statement of financial activities as 'Donations - transfer 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. The following assets include cash received on conversion of £143,144.

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets				
Long-term leasehold land and buildings	-	-	2,125,000	2,125,000
Other tangible fixed assets	-	-	5,744	5,744
Budget surplus on LA funds	136,544	-	-	136,544
Budget surplus/(deficit) on other school funds	6,600	-	-	6,600
Capital grants	-	-	7,545	7,545
Net assets/(liabilities)	<u>143,144</u>	<u>-</u>	<u>2,138,289</u>	<u>2,281,433</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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CONVERSION TO AN ACADEMY TRUST (continued)

On 1 June 2018 Coppice Performing Arts School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Central Learning Partnership Trust from Wolverhampton City Council for £Nil consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the Balance sheet under the appropriate headings with a corresponding net amount recognised as a net gain in the Statement of financial activities as 'Donations - transfer 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. The following assets include cash received on conversion of £12,774.

	Unrestricted funds £	Restricted funds £	Restricted fixed assets funds £	Total funds £
Tangible fixed assets	-	-	-	-
Long-term leasehold land and buildings	-	-	12,500,000	12,500,000
Other tangible fixed assets	-	-	97,779	97,779
Budget surplus on LA funds	-	-	-	-
Budget surplus/(deficit) on other school funds	12,774	-	-	12,774
Capital grants	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total	12,774	-	12,597,779	12,610,553
	<hr/>	<hr/>	<hr/>	<hr/>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

23. PENSION COMMITMENTS

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

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

Contributions amounting to £nil were payable to the schemes at 31 August 2018 (2017 - 271,412) and are included within creditors.

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions 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' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the period amounted to £1,632,926 (2017 - £1,470,716).

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**NOTES TO THE FINANCIAL STATEMENTS
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23. PENSION COMMITMENTS (continued)

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (www.teacherspensions.co.uk/news/employers/2014/06/publication-of-the-valuation-report.aspx).

Under the definitions set out in FRS 102, the TPS is an unfunded 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 assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2018 was £1,060,000 (2017 - £1,428,000), of which employer's contributions totalled £803,000 (2017 - £1,204,000) and employees' contributions totalled £257,000 (2017 - £224,000). The agreed contribution rates for future years are between 12.8% and 25% for employers and between 5.5 and 12.5% for employees.

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

	2018	2017
Discount rate for scheme liabilities	2.73 %	2.57 %
Rate of increase in salaries	3.70 %	3.95 %
Rate of increase for pensions in payment	2.30 %	2.53 %
Inflation assumption (CPI)	2.27 %	2.53 %

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

	2018	2017
Retiring today		
Males	22.2	22.2
Females	24.8	24.8
Retiring in 20 years		
Males	24.4	24.4
Females	27.1	27.1

	At 31 August 2018 £	At 31 August 2017 £
Sensitivity analysis on pension liabilities		
Discount rate +0.1%	20,355,000	18,486,000
Mortality assumption - 1 year increase	21,521,000	19,529,000
CPI rate +0.1%	21,365,000	19,358,000

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**NOTES TO THE FINANCIAL STATEMENTS
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23. PENSION COMMITMENTS (continued)

The sensitivity analysis above shows the effect on the present value of the defined benefit obligation when flexing the principal actuarial assumptions.

As the scheme is in a deficit position the trust is making additional contributions. Future contributions for 2018/19 and 2019/20 are £138,020 and £142,440 respectively.

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

	Fair value at 31 August 2018 £	Fair value at 31 August 2017 £
Equities	5,086,000	4,538,000
Gilts	711,000	613,000
Other bonds	364,000	317,000
Property	700,000	553,000
Cash and other liquid assets	325,000	322,000
Other	1,108,000	886,000
Total market value of assets	8,294,000	7,229,000

The actual return on scheme assets was £140,000 (2017 - £915,000).

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

	2018 £	2017 £
Current service cost	1,628,000	1,361,000
Past service cost	-	44,000
Interest on pension assets/liabilities	317,000	235,000
Total	1,945,000	1,640,000

Movements in the present value of the defined benefit obligation were as follows:

	2018 £	2017 £
Opening defined benefit obligation	18,961,000	12,792,000
Employee contributions	257,000	224,000
Actuarial (gains)/losses	(2,199,000)	1,343,000
Benefits paid	(128,000)	(30,000)
Liabilities transferred on conversion	1,862,000	2,872,000
Current service cost	1,628,000	1,361,000
Past service cost	-	44,000
Interest costs	509,000	355,000
Closing defined benefit obligation	20,890,000	18,961,000

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23. PENSION COMMITMENTS (continued)

Movements in the fair value of the trust's share of scheme assets:

	2018 £	2017 £
Opening fair value of scheme assets	7,229,000	4,390,000
Actuarial gains	(59,000)	747,000
Employer contributions	803,000	1,204,000
Employee contributions	257,000	224,000
Benefits paid	(128,000)	(30,000)
Interest on scheme assets	192,000	120,000
Assets acquired on conversion	-	574,000
Closing fair value of scheme assets	<u>8,294,000</u>	<u>7,229,000</u>

24. OPERATING LEASE COMMITMENTS

At 31 August 2018 the total of the trust's future minimum lease payments under non-cancellable operating leases was:

	Land and buildings 2018 £	2017 £	2018 £	Other 2017 £
Amounts payable:				
Within 1 year	1,239,348	1,239,348	44,295	38,574
Between 1 and 5 years	4,957,392	4,957,392	61,159	36,638
After more than 5 years	20,132,220	21,371,568	180	-
Total	<u>26,328,960</u>	<u>27,568,308</u>	<u>105,634</u>	<u>75,212</u>

The charitable company is committed to funding payments under the PFI Scheme for East Dene Primary School, Coleridge Primary School and Heath Park Academy. Separate funding is received from the ESFA towards these costs.

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**NOTES TO THE FINANCIAL STATEMENTS
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25. RELATED PARTY TRANSACTIONS

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

Mr D Selkirk and Mrs G Holloway were both Trustees of the trust during the year and are related by marriage. Mr D Selkirk's remuneration is disclosed in note 11. Mrs G Holloway resigned as a trustee on 15 March 2018 and so her remuneration disclosed in note 11 represents 6.5 months of her total annual salary and pension contributions.

Her annual salary and pension contributions for the year are between £175,000 to £180,000 and £25,000 to £30,000 respectively.

Mr G Holloway, brother of Mrs G Holloway, is employed by the trust on a salary commensurate with the position held and was employed in line with the trust's recruitment policy. During the year Mr G Holloway received remuneration, inclusive of pension costs, of £30,617 (2017 - £30,617).

26. 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.