

**ALBANY LEARNING TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**ANNUAL REPORT AND ACCOUNTS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

# ALBANY LEARNING TRUST

## CONTENTS

---

	Page
Reference and administrative details	1
Trustees' report	2 – 8
Governance statement	9 – 11
Statement on regularity, propriety and compliance	12
Statement of trustees' responsibilities	13
Independent auditor's report on the accounts	14 – 16
Independent reporting accountant's report on regularity	17 – 18
Statement of financial activities including income and expenditure account	19 – 20
Balance sheet	21
Statement of cash flows	22
Notes to the accounts including accounting policies	23 – 47

# ALBANY LEARNING TRUST

## REFERENCE AND ADMINISTRATIVE DETAILS

---

### Members

A Wiles  
S Partington  
G Brindle  
T Ward  
A Gibbs (Resigned 22 September 2020)

### Trustees

H J Brown (Chair)  
R Gavan  
P Rainford (Appointed 3 November 2020)  
D Conway (Appointed 3 November 2020)  
C Bryant (Appointed 3 November 2020)  
R Hodge (Appointed 3 November 2020)  
H Cable (Resigned 1 November 2020)  
K Crane (Resigned 1 November 2020)  
J Parkin (Resigned 11 September 2020)  
A Purcell (Resigned 4 November 2020)  
A J Rothwell (Resigned 1 November 2020)  
A Yates (Resigned 1 November 2020)

### Executive team

Mr P Mayland	(CEO and Accounting Officer)
Mr C Taylor	(CFO)
Miss L Burrows	(Executive Headteacher)
Mrs C Shaw	(HR Manager)
Mr J Boe	(Estates Manager)
Mr P Holmes	(IT Manager)

### Company secretary

C Shaw

### Company registration number

08123168 (England and Wales)

### Company name

Albany Learning Trust

### Registered office

Bolton Road  
Chorley  
PR7 3AY

### Independent auditor

CWR Chartered Accountants  
20 Mannin Way  
Lancaster Business Park  
Caton Road  
Lancaster  
LA1 3SW

# ALBANY LEARNING TRUST

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31 AUGUST 2021

---

The trustees present their annual report together with the financial statements and auditor's report of the charitable company for the period 1 September 2020 to 31 August 2021.

The annual report serves the purposes of both a trustees' report and a directors' report under company law. The trust operates two academies for pupils aged 4-16, serving a catchment area in Chorley and Horwich.

#### Structure, governance and management

##### Constitution

Albany Science College converted to Albany Academy ("The Academy") on 1 August 2012. The Academy is a company limited by guarantee and an exempt charity. The Charitable Company's memorandum and articles of association are the primary governing documents of the Academy.

The Academy was incorporated on 28 June 2012 and commenced its activities on transfer from the Local Authority on the conversion date stated above. On 28 March 2015 Albany Academy converted to a multi-academy trust; Albany Learning Trust.

The trustees are also the directors of the Charitable Company for the purposes of company law. The Charitable Company operates as Albany Learning Trust.

Chorley New Road Primary School converted to Chorley New Road Primary Academy on 1 November 2020, joining Albany Learning Trust on the same date.

Details of the trustees who served throughout the year, except as noted, are included in the Reference and Administrative Details on page 1.

##### 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

The Academy has purchased indemnity insurance to protect trustees and officers from claims arising in connection with Academy business. The insurance provides cover of up to £2,000,000 on any one claim.

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

The trustees are appointed by the following:

Trustees	Appointed by the Members or Trust Board
----------	---

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

All trustees are provided with copies of the relevant academy policies, the funding agreement and code of conduct for trustees on appointment. Induction training is provided by the Chair and Head Teacher and ongoing training is provided through a variety of activities and pathways coordinated by the clerk and Head Teacher.

##### Organisational structure

The Academy is governed by its Trust Board, whose members are directors of the Charitable Company for the purposes of the Companies Act 2006 and trustees for the purposes of charity legislation. The organisational structure of the Academy consists of three levels: the Trust Board, the Head Teacher and the Senior Leadership Team.

The Trust Board is responsible for setting general policies, adopting an academy improvement plan and budget, monitoring the Academy's performance, making major policy decisions, appointing senior staff and permanent staff appointments. Certain elements of these responsibilities are delegated to the following committees who make recommendations to the Trust Board:

- Local Governing Committees
- Finance, Audit, Buildings & Staffing
- Strategic Committee

# ALBANY LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2021

The CEO is also the Accounting Officer and has responsibility for the day-to-day leadership and management of the trust. The CEO is supported by the Executive Team.

The Executive Team comprised:

Mr P Mayland	(CEO and Accounting Officer)
Mr C Taylor	(CFO)
Miss L Burrows	(Executive Headteacher)
Mrs C Shaw	(HR Manager)
Mr J Boe	(Estates Manager)
Mr P Holmes	(IT Manager)

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

Trustees are unpaid volunteers. They are eligible for travel costs when they undertake duties on behalf of the Academy. Travel costs are benchmarked against Lancashire LA costs. Senior staff are paid in accordance with the trust pay policy, which takes into account STPCD and the size of the academy when setting the pay of the Head Teacher and other senior staff.

#### Trade union facility time

##### Relevant union officials

Number of employees who were relevant union: 0

Full-time equivalent employee number officials during the relevant period: 0

##### Percentage of time spent on facility time

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

Table 1 - % Time Facility Time

##### Percentage of pay bill on facility time

Provide the total cost of facility time	£1200
Provide the total pay bill	
Provide the percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time ÷ total pay bill) × 100	0%

Table 2 - % pay Facility Time

##### Paid trade union facilities

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as:  (total hours spent on paid trade union activities by relevant union officials during the relevant period ÷ total paid facility time hours) × 100	0%
--	----

Table 3 - Paid Union Activities

##### Related parties and other connected charities and organisations

The trustees and their close family members are considered to be connected organisations. Any related party transactions have been disclosed in the accounts.

# ALBANY LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2021**

---

### Objectives and activities

#### Objects and aims

The main objects of the Trust as set out in its governing document are:

- To advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing an academy offering a broad and balanced curriculum; and
- To promote for the benefit of individuals living in Horwich, Chorley, and the surrounding area who have need by reason of their age, infirmity or disability, financial hardship or social and economic circumstances or for the public at large the provision of facilities for recreation or other leisure time activities in the interests of social welfare and with the object of improving the condition of life of the said individuals.

The Trust aims to provide an outstanding education to all of our pupils in a caring and supportive environment.

#### Objectives, strategies and activities

The main objectives for the year were:

To complete the conversion of Chorley New Road Primary School to academy status.

To continue to develop our new curriculum planning; to continue to narrow the gap in pupil premium achievement.

To introduce High Performance Learning to both schools.

To align our school improvement strategy.

To maintain high quality provision despite covid 19.

#### Public benefit

The trustees are aware of the Charity Commission Guidance on providing public benefit and have had due regard to this in exercising their duties during the year. Trustees are committed to developing the multi-academy trust (MAT) to develop a supportive partnership with other schools and to improve the efficiency of services offered by the Academy.

Albany Academy serves the area around Chorley and also takes students from north Bolton. Chorley New Road Primary Academy serves the community of Horwich in Bolton. Both schools have higher than national percentage of disadvantaged students.

Short term objectives remain improving our systems and practices and preparing for the new curriculum changes. Longer term aims relate to strengthening our partnerships with other providers and developing the trust.

### Strategic report

#### Achievements and performance

Achievement at Albany Academy is very good. Pupil progress in 2015, 2016, 2018, and 2019 places the academy in the top 10 Lancashire schools for pupil progress. In 2020 there are no performance tables as a result of covid 19, however, in school analysis shows a P8 score well above average. FFT analysis for 2020 shows average progress. The pupil premium gap has been reduced in the past three years and English, a key subject for improvement identified the latest Ofsted inspection report (2014), achieved outstanding results in 2016, 2017, 2018 and again in 2019. Science, also recognised as underperforming historically achieved outcomes in 2018 above national averages and improved these in 2019. The only historically underperforming subject has outcomes above national averages in 2019 and again in 2020. The Education Endowment Foundation recognise that all students make good progress. In 2021, again covid prevented exams and GCSE grades were awarded based on teacher assessed grades. Outcomes again were in line with expectations and with an attainment 8 score of 5.0 and a positive P8 score calculated by FFT. Only one subject had a negative progress score in 2021.

The exceptional progress made by pupils during their time with us is because of the quality of teaching and learning they receive.

The Academy is increasingly popular and has been heavily oversubscribed in each of the past four years, with over 600 applicants for 135 places. From 2017 to 2021 the Academy exceeded PAN and admitted 150 students.

# ALBANY LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2021

Being a relatively small Trust there is considerable variation between year groups in terms of the composition and ability. Detailed progress analysis shows no pattern of over or underachievement and only confirms that each group is unique.

We focus on continual improvement and key objectives for next year are that all subjects perform as well as the best and that we improve our monitoring of post-16 provision for our students after they have left.

As a result of covid 19, GCSE grades were based on centre assessed grades. KS2 SATs were not completed.

#### Key performance indicators

GCSE Results															
GCSEs	9	8	7	6	5	4	3	2	1	U	Total	%7+	%5+	%4+	%1+
English Language	5	11	26	29	18	21	4	1	2	1	118	35.6	75.4	93.2	99.2
English Literature	8	6	9	21	26	22	17	6	1	2	118	19.5	59.3	78.0	98.3
Maths	2	7	7	20	24	25	17	12	3	1	118	13.6	50.8	72.0	99.2
Computer Science	2	2	3	2	6	3	2	2	0	0	22	31.8	68.2	81.8	100.0
Drama	2	4	2	4	2	4	1	1	0	0	20	40.0	70.0	90.0	100.0
Design Technology	0	0	1	2	4	3	6	0	0	0	16	6.3	43.8	62.5	100.0
Food & Nutrition	2	1	9	5	3	9	5	0	2	0	36	33.3	55.6	80.6	100.0
French	0	0	2	0	4	1	0	0	0	0	7	28.6	85.7	100.0	100.0
Spanish	0	2	1	0	9	3	5	0	0	0	20	15.0	60.0	75.0	100.0
Geography	2	3	4	4	15	13	12	1	0	2	56	16.1	50.0	73.2	96.4
History	3	5	7	7	9	7	4	4	0	0	46	32.6	67.4	82.6	100.0
Music	0	3	2	1	1	1	1	2	1	0	12	41.7	58.3	66.7	100.0
Photography	1	1	2	0	5	4	1	0	0	0	14	28.6	64.3	92.9	100.0
RE	2	3	2	4	0	2	2	2	0	0	17	41.2	64.7	76.5	100.0
Art	1	2	1	4	2	2	1	0	0	0	13	30.8	76.9	92.3	100.0
	9-9	9-8	8-8	8-7	7-7	7-6	6-6	6-5	5-5						
Combined Science*	1	2	2	4	7	4	14	5	14	0	118	14	44.9	72.03	100.00
Btec/OCR Nat. Results															
BTECs#	L2	D*	D	M	P	L1	D	M	P	U	Total				
Child Development		4	5	4	4		2	2	0	0	21	42.8	61.90	80.9	100.0
PE BTEC		30	8	8	3		0	0	0	0	49	78	93.9	100	100.0

Table 4 - GCSE Results 2021

In addition to the detailed performance data outlined above the most recent section 5 Ofsted inspection graded Albany as being 'Good with outstanding features'. In September, 2017 the section 8 inspection stated that the 'school continues to be good'. Chorley New Road Primary School was rated good in a section 5 inspection in December 2017.

Achievement at Chorley New Road Primary Academy is good and improving. Pupil progress in 2015, 2016, 2018, and 2019 places the academy in the top 10 Lancashire schools for pupil progress.

The percentage of Reception pupils attaining GLD has increased year on year from 2016 to 2019 and the number of Year 1 pupils passing the Phonics screening test has been consistently in line with national for the past 4 years. KS1 data shows an upward trajectory in the percentage of pupils achieving EXS+ in all 3 areas: reading, writing and maths over the past 3 years.

There was an increase in the progress made in Reading, Writing and Maths in KS2 from 2016 to 2018 and a decline in 2019. A full analysis of the 2019 data was completed and robust action plans in place to secure future improvement. Attainment from 2016 to 2018 showed a similar picture with percentages of pupils achieving EXS+ in Reading, Writing and Maths increasing but a dip in the 2019 cohort.

# ALBANY LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2021

---

A significant gap remains across all key stages, in all 3 subjects between disadvantaged and others. The pupil premium report focuses on well planned and timely interventions which are regularly tracked to ensure success of individuals. The number of SEND pupils who are also disadvantaged is high.

Mobility remains an issue at CNR when analysing data as the number of pupils that are educated at CNR for the full term is low- but is increasing. Because of this the progress that pupils show is often misleading as they sat their KS1 tests in another school and therefore, we cannot rely wholeheartedly on this data.

Over the years CNR has seen an increase in number on roll but there has been a recent decline in birth rate for this Receptions year intake, leading to a decline in numbers of roll currently. No class is at full capacity- meaning that in year admissions is unavoidable.

During the year both academies coped with a high number of covid cases which disrupted learning. Chorley New Road was flooded during flash floods in March. Children from KS2 were educated at Albany Academy until mobile classrooms were sourced. These events and other covid restrictions severely affected the operations of both schools. Despite this the quality of teaching remained high and all children who did not have access to laptops were provided with them for home use.

The staff from both schools worked together to implement high performance learning strategies; a school improvement strategy was also created, based on the good practice within the trust; plans for alignment were developed. The trust board undertook a self evaluation and an SRMA review provided an evaluation of financial management.

#### Going concern

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

#### **Financial review**

This year's financial statements include those related to Albany Academy and for Chorley New Road Primary School since it joined the trust on 1 November 2020.

The Academy's total incoming resources during the year were £6,294,000, excluding £5,699,000 related to the transfer of Chorley New Road Primary School when it converted from the local authority (2020: £4,385,000). The majority of the Academy's income derives from central government funding via the Education & Skills Funding Agency, in the form of current grants. Total funding received for the Academy's educational operations in the year was £5,770,000 (2020: £4,164,000); further details are provided in note 4 to the accounts.

Total outgoing resources for the year were £6,527,000 (2020: £4,294,000). The excess of income over expenditure was £5,466,000 (2020: excess of income over expenditure - £91,000). Total outgoing resources included Local Government Pension revaluation costs of £247,000 (2020: £150,000). The net surplus before these revaluation costs and excluding the value of the transfer from the local authority on conversion of Chorley New Road Primary Schools was £14,000 (2020: net surplus £241,000).

The land and buildings of Albany Academy were revalued during the year as described in Note 1.6 to the financial statements. This resulted in a surplus on revaluation of £1,565,000 and this is included in the balance on the fixed asset funds.

At the year end the Academy's total reserves were £8,909,000 (2020: £2,065,000), including unrestricted funds of £414,000 (2020: £403,000) and restricted funds of £8,495,000 (2020: £1,662,000). Restricted funds include fixed assets of £11,474,000 (2020: £3,636,000), less the LGPS pensions scheme deficit of £2,985,000 (2020: £1,974,000). At 31 August 2021 there was also a surplus on general restricted funds of £6,000 (2020: £nil) which will be utilised in the year ended 31 August 2022.

At 31 August 2021 all assets shown in the accounts were used exclusively for providing education and associated support services to students of the Academy.

# ALBANY LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2021

---

This year the Academy inherited a deficit of £577,000 in respect of the Local Government Pension Scheme of Chorley New Road Primary School when it joined Albany Learning Trust. Many of the non-teaching staff belong to Local Government Pension Schemes. The total deficit on these schemes related to Albany Learning Trust total £2,985,000 compared to £1,974,000 at 31 August 2020. The increase is due to the inherited deficit this year and to changes in actuarial assumptions regarding future returns on investments and the present value of future liabilities. The Academy does not have an obligation to settle this liability immediately and there are no indications that it will crystallise in the foreseeable future. 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.

The Academy's financial objectives are:

Applying at all times, best value principles in all purchases Monitoring and evaluating the value for money of all staff preventing all areas of wastage

These objectives were achieved in the financial year ended 31 August 2021.

#### Reserves policy

Restricted GAG reserves:

The trustees have considered the level of GAG reserves which they believe will provide sufficient working capital to cover delays between the spending and receipt of grants and unexpected or planned future revenue and capital costs. At 31 August 2021 the Academy held GAG reserves of £6,000 (2020: £nil).

Unrestricted reserves:

In addition to the GAG reserve, which can only be utilised for the restricted purposes set out in the Funding Agreement, the Academy holds unrestricted free reserves, which provide additional working capital and are not committed or designated. At 31 August 2021 the level of unrestricted reserves held was £414,000 (2020: £403,000).

It is the Trustees' policy to aim to hold approximately one months' educational expenditure in general reserves, to provide an additional cushion to cover delays between spending and the receipt of income. At the year end the Academy held general reserves, including both GAG and unrestricted reserves, of £420,000.

#### Investment policy and powers

All investments are agreed by the Trust Board, which has regard to the Charity Commission guidance in relation to charity investment policy. The Trust does not currently hold any investments other than cash, which is held for its normal operations. The Trust has adopted a low risk strategy to its cash holdings.

Surplus cash is held in an instant access deposit account to ensure that there is always access to sufficient cash to meet short and medium term requirements, whilst earning a competitive rate of interest on any surplus balances.

#### Principal risks and uncertainties

The Trustees have assessed the major risks to which the Trust is exposed, in particular those relating to teaching, health and safety, school trips, child protection and finances, and sufficient systems and procedures have been established to manage those risks. These risks are reviewed on an annual basis by the CEO and the Trust Board. A number of new operational systems have been implemented during the period in order to minimise specific risks. These include improved Quality Assurance procedures for the monitoring of learning and teaching, increased frequency of finance meetings to ensure resources are deployed to best effect and the revision of fire evacuation procedures. Trustees have undertaken a risk review and completed a risk register.

The principal risk is deemed to be the reliance on government funding via the ESFA. This funding is currently undergoing significant changes and this has introduced a degree of uncertainty into the education system. The risk here is mitigated in the following ways:

- Ensuring the Academy is relentless in providing an outstanding education for all learners
- Increasing pupil numbers
- Successful application for Capital Maintenance Grants
- Seeking out external sources of income such as lettings and grants

# ALBANY LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2021**

---

### **Fundraising**

The Trust did not undertake any fundraising activities during the year.

### **Plans for future periods**

The Academy plans to fully act upon the areas for development as detailed in the Academy Improvement Plan. Key areas remain responding to national curriculum changes, improving achievement of our pupil premium and high prior attaining pupils and refining our post -16 preparation.


### **Auditor**

In so far as the trustees are aware:

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

A resolution proposing that CWR Chartered Accountants be reappointed as auditor of the charitable company will be put to the members.

The trustees' report, incorporating a strategic report, was approved by order of the board of trustees as the company directors, on 7.12.2021 and signed on its behalf by:



**H J Brown**  
**Chair of Trustees**

# ALBANY LEARNING TRUST

## GOVERNANCE STATEMENT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2021**

### Scope of responsibility

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

As trustees, we have reviewed and taken account of the guidance in the DfE's Governance Handbook and competency framework for governance.

The Board of Trustees has delegated the day-to-day responsibility to the CEO, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Albany Academy 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 governance of Albany Academy consists of the Members (none of whom are Trustees), the Board of Trustees (and 2 committees) and Local Governing Committees for each academy. The performance of the committees and the Trust Board as a whole is reviewed on an annual basis and the chairs of the committees meet regularly with the CEO to evaluate this performance. Since conversion there have been a number of challenges to the Board of Trustees, including a number of new members, changes to funding, curriculum and examination changes and the requirements associated with academy status. These have been addressed through training sessions and the use of specialist organisations and in-house staff to provide the knowledge and skills needed by the Board of Trustees.

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 period. In addition, Trustees undertake a significant amount of academy business via email, link trustee arrangements and other informal visits to the academy. Trustees are involved in staff appointments. The CEO and Chair of the Board discuss Academy issues weekly.

Attendance during the period at meetings of the governing body was as follows:

Trustees	Meetings attended	Out of possible
H J Brown (Chair of Governing Body)	5	5
R Gavan	5	5
A Purcell	0	1
M Wilshaw	0	1
Charli Bryant	3	4
Dominic Conway	3	4
Rebecca Hodge	4	4
Phillip Rainford	4	4

There have been several changes in the personnel of the Board and a change in structure to reflect the joining of CNR. The members have been segregated from the trust board and trustees have been separated from the LGCs. The expanding role of trustees and the change in role for local governors have meant the formation of new teams. This has been a challenge during the year because of the covid related move to online meetings. Effective training available for trustees alongside the skills audit have helped provide a strategic direction of improvement for the board.

# ALBANY LEARNING TRUST

## GOVERNANCE STATEMENT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2021

The Finance, Audit, Buildings & Staffing Committee is a committee of the Trust Board. Its purpose is to provide strategic financial oversight of the Academy and report back to the Trust Board.

Attendance at meetings in the year was as follows:

	Meetings attended	Out of possible
H J Brown (Chair of Governing Body)	3	3
R Gavan	3	3
D Conway	3	3
P Rainford	3	3
R Hodge	2	3

#### Review of value for money

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

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

1. Ensuring that achievement of pupils has improved across the majority of key areas from the previous year, with 69% of all Year 11 students achieving a pass in English and maths.
2. Overall attainment was in line with that of 2019, despite changes to the English and maths GCSEs. Attendance has improved following significant improvements to the whole academy strategies. The pupil premium gap overall has halved and in several subjects and for higher attainers has closed.
3. KS2 tests did not take place, and internal assessment showed that outcomes were in line with expectations.
4. Overseeing successful capital bids to enable improvement of the teaching and learning environment, specifically this year work has commenced on replacing the fire doors and upgrading the fire alarm systems which will be mostly funded by a successful application to the Condition Improvement Fund.
5. Continuing to narrow the pupil premium gap, especially of higher attainers and in maths where gaps have narrowed since 2016. The Education Endowment Foundation, which reviews progress of pupil premium students, also recognises there was strong performance for all pupils during this period.
6. Shared staffing – finance, IT, PE; swapped contracts; maintenance contracts

#### The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Albany Learning Trust for the period 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements.

#### Capacity to handle risk

The Trust Board has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Trust Board 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 period 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Trust Board.

# ALBANY LEARNING TRUST

## GOVERNANCE STATEMENT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2021**

---

### **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 Trust Board;
- regular reviews by the finance, staffing and buildings 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; and
- identification and management of risks.

The Trust Board has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the trustees have appointed Haines Watts to perform additional checks. The reviewer's role includes performing a range of checks on the academy trust's financial systems. On a termly basis the reviewer reported to the board of trustees on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

The reviewer found that systems were in place and that there were no material control issues arising.

Following the appointment of the new Finance Manager, systems have been brought up to date and all reconciliations were fully completed at the year end. Month end procedures have been put into place and their operation was reviewed by the external auditor. There was no evidence of any material misstatement arising due to fraud or error during the period.

### **Review of effectiveness**

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

- the work of the reviewer
- the work of the external auditor; and
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the Board of Trustees on 7/12/21 and signed on its behalf by:

  
H J Brown  
Chair of Trustees

  
PJ Mayland  
CEO and Accounting Officer

# ALBANY LEARNING TRUST

## STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

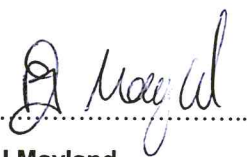
**FOR THE YEAR ENDED 31 AUGUST 2021**

---

As accounting officer of Albany Learning Trust, I have considered my responsibility to notify the academy board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy, under the funding agreement in place between the academy 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 2020.

I confirm that I and the academy's board of trustees are able to identify any material irregular or improper use of funds by the academy, or material non-compliance with the terms and conditions of funding under the academy's funding agreement and the Academies Financial Handbook 2020.

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.



**P J Mayland**  
**CEO and Accounting Officer**

Date: 13/12/21

# ALBANY LEARNING TRUST

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

**FOR THE YEAR ENDED 31 AUGUST 2021**

---

The trustees (who are also the directors of Albany Learning Trust for the purposes of company law) are responsible for preparing the trustees' report and the accounts in accordance with the Academies Accounts Direction 2019 to 2020 published 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 accounts for each financial year. Under company law, the trustees must not approve the accounts 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 accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021;
- make judgements 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 accounts; and
- prepare the accounts 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 accounts 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 that 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 accounts may differ from legislation in other jurisdictions.

Approved by order of the members of the board of trustees on .....7/12/21..... and signed on its behalf by:



**H J Brown**  
**Chair of Trustees**

# **ALBANY LEARNING TRUST**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ALBANY LEARNING TRUST**

***FOR THE YEAR ENDED 31 AUGUST 2021***

---

### **Opinion**

We have audited the accounts of Albany Learning Trust for the year ended 31 August 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the accounts, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2021 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;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021.

### **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 accounts' section of our report. We are independent of the academy trust in accordance with the ethical requirements that are relevant to our audit of the accounts in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the academy trust's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

### **Other information**

The trustees are responsible for the other information, which comprises the information included in the annual report other than the accounts and our auditor's report thereon. Our opinion on the accounts 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 accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts 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 accounts 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.

# ALBANY LEARNING TRUST

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ALBANY LEARNING TRUST (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2021**

---

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

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

- the information given in the trustees' report including the incorporated strategic report for the financial year for which the accounts are prepared is consistent with the accounts; and
- the trustees' report including the incorporated strategic report has been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report, including the incorporated 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 accounts are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of trustees**

As explained more fully in the statement of trustees' responsibilities, the trustees are responsible for the preparation of the accounts 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 accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the trustees are responsible for assessing the academy trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the accounts**

Our objectives are to obtain reasonable assurance about whether the accounts 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 accounts.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

# ALBANY LEARNING TRUST

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ALBANY LEARNING TRUST (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2021**

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:


- Identify and assess the risks of material misstatement of the group's or the parent charitable company's financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Identify and test journal entries, in particular any journal entries posting with unusual account combinations.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's or parent charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or parent charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation (ie. gives a true and fair view).
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

### Use of our report

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

  
.....  
Mr Robert Mitchell FCA (Senior Statutory Auditor)  
For and on behalf of CWR Chartered Accountants  
20 Mannin Way  
Lancaster Business Park  
Caton Road  
Lancaster  
LA1 3SW

Date: .....16/12/21.....

# ALBANY LEARNING TRUST

## INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO ALBANY LEARNING TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY

*FOR THE YEAR ENDED 31 AUGUST 2021*

---

In accordance with the terms of our engagement letter dated 31 August 2020 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Albany Learning Trust during the period 1 September 2020 to 31 August 2021 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 Albany Learning Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Albany Learning Trust and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Albany Learning Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

### **Respective responsibilities of Albany Learning Trust's accounting officer and the reporting accountant**

The Accounting Officer is responsible, under the requirements of Albany Learning Trust's funding agreement with the Secretary of State for Education and the Academies Financial Handbook, extant from 1 September 2020, 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 2020 to 2021. 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 from 1 September 2020 to 31 August 2021 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 Framework and Guide for External Auditors and Reporting Accountant of Academy Trusts issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

# ALBANY LEARNING TRUST

## INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO ALBANY LEARNING TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2021**

---

The work undertaken to draw to our conclusion includes:

- We have confirmed that the activities conform to the academy trust's framework of authorities. As identified by review of minutes, management accounts, discussion with the accounting officer and other key management personnel.
- We have carried out an analytical review as part of the consideration of whether general activities of the academy trust are within the academy trust's framework of authorities.
- We have considered the evidence supporting the accounting officer's statement on regularity, propriety and compliance and have evaluated the general control environment of the academy trust and extended the procedures required for financial statements to include regularity.
- We have assessed and tested a sample of the specific control activities over regularity of a particular activity. In performing sample testing of expenditure, we have considered whether the activity is permissible within the academy trust's framework of authorities. We confirm that each item tested has been appropriately authorised in accordance with the academy trust's delegated authorities and that the internal delegations have been approved by the governing body, and conform to the limits set by the Department for Education.
- Formal representations have been obtained from the governing body and the accounting officer acknowledging their responsibilities including disclosing all non-compliance with laws and regulations specific to the authorising framework, access to accounting records, provision of information and explanations, and other matters where direct evidence is not available.
- In performing sample testing of expenditure, we have reviewed against specific terms of grant funding within the funding agreement. We have reviewed the list of suppliers and have considered whether supplies are from related parties and have reviewed minutes for evidence of declaration of interest, and whether or not there was involvement in the decision to order from this supplier.
- We have performed sample testing of other income and tested whether activities are permitted within the academy trust's charitable objects.

### Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2020 to 31 August 2021 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

..........

Mr Robert Mitchell FCA (Senior Statutory Auditor)  
For and on behalf of CWR Chartered Accountants  
20 Mannin Way  
Lancaster Business Park  
Caton Road  
Lancaster  
LA1 3SW

Date: .....16/12/21.....

# ALBANY LEARNING TRUST

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT AND STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	Unrestricted Funds £000	Restricted funds: General £000	Fixed asset £000	Total 2021 £000	Total 2020 £000
<b>Income and endowments from:</b>						
Donations and capital grants	3	2	-	175	177	205
Donations - transfer from local authority on conversion	25	99	(556)	6,156	5,699	-
Charitable activities:						
- Funding for educational operations	4	96	5,674	-	5,770	4,164
Other trading activities	5	11	336	-	347	16
<b>Total</b>		<u>208</u>	<u>5,454</u>	<u>6,331</u>	<u>11,993</u>	<u>4,385</u>
<b>Expenditure on:</b>						
Charitable activities:						
- Educational operations	8	143	6,121	263	6,527	4,294
<b>Total</b>	6	<u>143</u>	<u>6,121</u>	<u>263</u>	<u>6,527</u>	<u>4,294</u>
<b>Net income/(expenditure)</b>		65	(667)	6,068	5,466	91
Transfers between funds	16	(54)	(151)	205	-	-
<b>Other recognised gains/(losses)</b>						
Actuarial losses on defined benefit pension schemes	18	-	(187)	-	(187)	(311)
Revaluation of fixed assets	12	-	-	1,565	1,565	-
<b>Net movement in funds</b>		11	(1,005)	7,838	6,844	(220)
<b>Reconciliation of funds</b>						
Total funds brought forward		<u>403</u>	<u>(1,974)</u>	<u>3,636</u>	<u>2,065</u>	<u>2,285</u>
Total funds carried forward		<u>414</u>	<u>(2,979)</u>	<u>11,474</u>	<u>8,909</u>	<u>2,065</u>

# ALBANY LEARNING TRUST

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT AND STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Comparative year information Year ended 31 August 2020	Notes	Unrestricted Funds £000	Restricted funds: General £000	Fixed asset £000	Total 2020 £000
<b>Income and endowments from:</b>					
Donations and capital grants	3	-	-	205	205
Charitable activities:					
- Funding for educational operations	4	87	4,077	-	4,164
Other trading activities	5	16	-	-	16
<b>Total</b>		103	4,077	205	4,385
<b>Expenditure on:</b>					
Charitable activities:					
- Educational operations	8	-	4,194	100	4,294
<b>Total</b>	6	-	4,194	100	4,294
<b>Net income/(expenditure)</b>		103	(117)	105	91
Transfers between funds	16	(59)	(56)	115	-
<b>Other recognised gains/(losses)</b>					
Actuarial losses on defined benefit pension schemes	18	-	(311)	-	(311)
<b>Net movement in funds</b>		44	(484)	220	(220)
<b>Reconciliation of funds</b>					
Total funds brought forward		359	(1,490)	3,416	2,285
Total funds carried forward		403	(1,974)	3,636	2,065

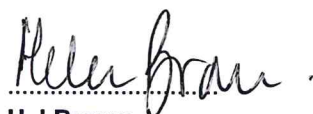
# ALBANY LEARNING TRUST

## BALANCE SHEET

AS AT 31 AUGUST 2021

		2021	2020
	Notes	£000	£000
<b>Fixed assets</b>			
Tangible assets	12	11,383	3,447
<b>Current assets</b>			
Debtors	13	410	285
Cash at bank and in hand		733	665
		1,143	950
<b>Current liabilities</b>			
Creditors: amounts falling due within one year	14	(632)	(358)
<b>Net current assets</b>		511	592
<b>Net assets excluding pension liability</b>		11,894	4,039
Defined benefit pension liability	18	(2,985)	(1,974)
<b>Net assets</b>		8,909	2,065
<b>Funds of the academy:</b>			
<b>Restricted funds</b>	16		
- Fixed asset funds		11,474	3,636
- Restricted income funds		6	-
- Pension reserve		(2,985)	(1,974)
<b>Total restricted funds</b>		8,495	1,662
<b>Unrestricted income funds</b>	16	414	403
<b>Total funds</b>		8,909	2,065

The accounts were approved by the trustees and authorised for issue on 7/12/2021 and are signed on their behalf by:



H J Brown

Chair of Trustees

Company Number 08123168

# ALBANY LEARNING TRUST

## STATEMENT OF CASH FLOWS

**FOR THE YEAR ENDED 31 AUGUST 2021**

---

		2021		2020	
	Notes	£000	£000	£000	£000
<b>Cash flows from operating activities</b>					
Net cash provided by operating activities	19		182		216
<b>Cash flows from investing activities</b>					
Capital grants from DfE and ESFA		304		16	
Payments to acquire tangible fixed assets		(418)		(131)	
			(114)		(115)
<b>Change in cash and cash equivalents in the reporting period</b>			68		101
Cash and cash equivalents at 1 September 2020			665		564
<b>Cash and cash equivalents at 31 August 2021</b>			<u>733</u>		<u>665</u>

# ALBANY LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 AUGUST 2021

---

#### 1 Accounting policies

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

##### 1.1 Basis of preparation

The accounts of the academy, 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 2020 to 2021 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

##### 1.2 Going concern

The trustees assess whether the use of going concern is appropriate, ie 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 accounts and have concluded that the academy has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy's ability to continue as a going concern. Thus they continue to adopt the going concern basis of accounting in preparing the accounts.

##### 1.3 Conversion to an academy trust

The conversion from a state maintained school to an academy trust involved 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 Chorley New Road Primary 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 25.

##### 1.4 Income

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

###### Grants receivable

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

General Annual Grant is recognised in full in the statement of financial activities in the period for which it is receivable, and any abatement in respect of the period is deducted from income and recognised as a liability.

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

# ALBANY LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2021

---

#### 1 Accounting policies

##### Sponsorship income

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

##### Donations

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

##### Other income

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

##### Donated goods, facilities and services

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

##### Donated fixed assets

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

#### 1.5 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 are allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

##### Expenditure on raising funds

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

##### Charitable activities

These are costs incurred on the academy's educational operations, including support costs and costs relating to the governance of the academy apportioned to charitable activities.

##### Governance costs

These include the costs attributable to the academy's compliance with constitutional and statutory requirements, including audit, strategic management, trustees' meetings and reimbursed expenses.

# ALBANY LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2021**

---

### **1 Accounting policies**

#### **1.6 Tangible fixed assets and depreciation**

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

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the balance sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding that require the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the statement of financial activities and carried forward in the balance sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the statement of financial activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

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

Land	125 years
Leasehold buildings	50 years
Computer equipment	3 years
Fixtures, fittings & equipment	5-10 years
Motor vehicles	5 years

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed 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.

The buildings of Albany Academy were revalued in the current period. The updated building valuation represents the value of leasehold assets as per the ESFA valuation carried out in 2020 by a RICS approved valuer. In this valuation the leasehold land and buildings were valued at £4,865,000. The assets were valued using a depreciated replacement cost model and the buildings are to be depreciated over a 50 year period.

#### **1.7 Liabilities**

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the academy anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

#### **1.8 Leasing and hire purchase commitments**

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

#### **1.9 Financial instruments**

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

# ALBANY LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2021

---

#### 1 Accounting policies

##### Financial assets

Trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

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

##### Financial liabilities

Trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. Taxation and social security are not included in the financial instruments disclosure definition.

Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

#### 1.10 Taxation

The academy is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the academy 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 Pensions benefits

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

The TPS is an unfunded scheme and contributions are calculated to spread the cost of pensions over employees' working lives with the academy 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 based on quadrennial valuations using a prospective unit credit method. The TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions are recognised in the period to which they relate.

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

#### 1.12 Fund accounting

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

# ALBANY LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

### 1 Accounting policies

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 Education and Skills Funding Agency/Department for Education.

### 2 Critical accounting estimates and areas of judgement

Accounting estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

#### Critical accounting estimates and assumptions

The academy 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 or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 18, 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 2019 has been used by the actuary in valuing the pensions liability at 31 August 2021. 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.

### 3 Donations and capital grants

	Unrestricted funds £000	Restricted funds £000	Total 2021 £000	Total 2020 £000
Donated fixed assets	-	60	60	-
Capital grants	-	115	115	205
Other donations	2	-	2	-
	<u>2</u>	<u>175</u>	<u>177</u>	<u>205</u>

# ALBANY LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2021

#### 4 Funding for the academy's educational operations

	Unrestricted funds £000	Restricted funds £000	Total 2021 £000	Total 2020 £000
<b>DfE / ESFA grants</b>				
General annual grant (GAG)	-	4,746	4,746	3,520
Other DfE / ESFA grants:				
UIFSM	-	23	23	-
Pupil premium	-	305	305	200
Start up grants	-	25	25	-
Others	-	220	220	187
	-	5,319	5,319	3,907
<b>Other government grants</b>				
Local authority grants	-	238	238	102
<b>COVID -19 additional funding (DfE/ESFA)</b>				
Catch-up premium	-	74	74	14
Other DfE/ESFA COVID-19 funding	-	36	36	-
	-	110	110	14
Other incoming resources	96	7	103	141
<b>Total funding</b>	<b>96</b>	<b>5,674</b>	<b>5,770</b>	<b>4,164</b>

The academy trust received £238,000 (2020: £102,000) from the local authority in the year being Early Years funding of £66,000, £142,000 SEN funding and £30,000 other funding.

The academy trust received £74,000 of funding for catch-up premium during the year.

Other DfE/ESFA covid-19 funding includes £28,000 for mass testing and £8,000 for the summer schools programme. These were fully spent during the year.

There were no unfulfilled conditions or other contingencies relating to the grants in the year.

Following the reclassification in the Academies Accounts Direction 2020/21 of some grants received from the Department for Education and ESFA, the academy trust's funding for Universal Infant Free School Meals and Pupil Premium is no longer reported under the Other DfE Group grants heading, but as separate lines under the Other DfE/ESFA grants heading. The prior year numbers have been reclassified.

# ALBANY LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

### 5 Other trading activities

	Unrestricted funds £000	Restricted funds £000	Total 2021 £000	Total 2020 £000
Hire of facilities	7	-	7	16
Parental contributions	4	-	4	-
Insurance proceeds	-	312	312	-
Other income	-	24	24	-
	<u>11</u>	<u>336</u>	<u>347</u>	<u>16</u>

The insurance proceeds have been received in respect of claims made after a major flood at the premises of Chorley New Road Primary School. There are costs included within the expense of maintenance of premises and equipment, see note 8, which match to these proceeds.

### 6 Expenditure

	Staff costs £000	Non-pay expenditure Premises £000	Other £000	Total 2021 £000	Total 2020 £000
Academy's educational operations					
- Direct costs	3,817	-	319	4,136	3,000
- Allocated support costs	1,046	931	414	2,391	1,294
	<u>4,863</u>	<u>931</u>	<u>733</u>	<u>6,527</u>	<u>4,294</u>

Net income/(expenditure) for the year includes:

	2021 £000	2020 £000
Fees payable to auditor for:		
- Audit	10	6
- Other services	2	2
Operating lease rentals	28	30
Depreciation of tangible fixed assets	263	100
Net interest on defined benefit pension liability	<u>47</u>	<u>32</u>

### 7 Central services

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

- human resources;
- financial services;
- legal services;
- educational support services.

The academy charges for these services as a percentage of the GAG income of the individual school. For the year ended 31 August 2021 this was 3% to Albany Academy and 2% to Chorley New Road Primary School.

# ALBANY LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

### 7 Central services

The amounts charged during the year were as follows:

	2021 £000	2020 £000
Albany Academy	110	-
Chorley New Road Primary Academy	21	-
	<u>131</u>	<u>-</u>

### 8 Charitable activities

	Unrestricted funds £000	Restricted funds £000	Total 2021 £000	Total 2020 £000
<b>Direct costs</b>				
Educational operations	-	4,136	4,136	3,000
<b>Support costs</b>				
Educational operations	143	2,248	2,391	1,294
	<u>143</u>	<u>6,384</u>	<u>6,527</u>	<u>4,294</u>

	2021 £000	2020 £000
<b>Analysis of costs</b>		
<b>Direct costs</b>		
Teaching and educational support staff costs	3,817	2,686
Staff development	41	29
Technology costs	55	48
Educational supplies and services	188	197
Examination fees	35	40
	<u>4,136</u>	<u>3,000</u>
<b>Support costs</b>		
Support staff costs	1,046	748
Depreciation	263	100
Technology costs	27	5
Maintenance of premises and equipment	437	73
Cleaning	39	6
Energy costs	108	88
Rent, rates and other occupancy costs	65	68
Insurance	19	14
Security and transport	10	11
Catering	143	78
Interest on defined benefit pension scheme	47	32
Legal costs	37	13
Other support costs	126	43
Governance costs	24	15
	<u>2,391</u>	<u>1,294</u>

# ALBANY LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

### 9 Staff

#### Staff costs

Staff costs during the year were:

	2021 £000	2020 £000
Wages and salaries	3,431	2,432
Social security costs	335	238
Pension costs	993	675
	<u>          </u>	<u>          </u>
Staff costs - employees	4,759	3,345
Agency staff costs	100	73
Staff restructuring costs	4	10
	<u>          </u>	<u>          </u>
	4,863	3,428
Staff development and other staff costs	41	35
	<u>          </u>	<u>          </u>
Total staff expenditure	<u>4,904</u>	<u>3,463</u>
Staff restructuring costs comprise:		
Severance payments	<u>4</u>	<u>10</u>

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

Included in staff restructuring costs is a non-contractual severance payment of £4,000. (2020: £9,616).

#### Staff numbers

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

	2021 Number	2020 Number
Teachers	57	37
Administration and support	61	44
Management	5	7
	<u>          </u>	<u>          </u>
	<u>123</u>	<u>88</u>

# ALBANY LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2021

#### 9 Staff

##### Higher paid staff

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

	2021 Number	2020 Number
£60,001 - £70,000	2	1
£70,001 - £80,000	1	-
£90,001 - £100,000	1	1

##### Key management personnel

The key management personnel of the academy comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy was £358,000 (2020: £543,000).

The significant fall in the cost of key management personnel this year compared to last year is due to the inclusion of all the senior leadership team of Albany Academy for the year ended 31 August 2020. The introduction of a new school to the trust during the year ended 31 August 2021 means that that key management personnel are now considered on a whole of trust basis.

#### 10 Trustees' remuneration and expenses

The principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff, and not in respect of their services as trustees. Other trustees did not receive any payments, other than expenses, from the academy trust in respect of their role as trustees.

The value of trustees' remuneration was as follows:

P Mayland (headteacher and trustee)	£15,001 - £20,000	(2020: £90,001 - £95,000)
H Cable (staff trustee)	£1 - £5,000	(2020: £15,001 - £20,000)
A Brindle (staff trustee)	£Nil	(2020: £50,001 - £55,000)

The value of trustees' pension contributions was as follows:

P Mayland (headteacher and trustee)	£1 - £5,000	(2020: £20,001 - £25,000)
H Cable (staff trustee)	£1 - £5,000	(2020: £1 - £5,000)
A Brindle (staff trustee)	£Nil	(2020: £10,001 - £15,000)

Albany Learning Trust became a multi academy trust on 1 November 2020 and no longer has staff trustees.

H Cable resigned as a trustee on 1 November 2020 and A Brindle had resigned as a trustee on 31 August 2020.

During the year ended 31 August 2021 no expenses incurred on behalf of the Academy were reimbursed to trustees (2020: £nil).

# ALBANY LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

### 11 Trustees' and officers' insurance

The academy has opted into the Department for Education's Risk Protection Arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business, and provides cover up to £10,000,000. It is not possible to quantify the trustees and officers' indemnity element from the overall cost of the RPA scheme.

### 12 Tangible fixed assets

	Leasehold land and buildings	Computer equipment	Fixtures, fittings & equipment	Motor vehicles	Total
	£000	£000	£000	£000	£000
<b>Cost</b>					
At 1 September 2020	3,792	177	251	-	4,220
Transfer on conversion	6,156	-	-	-	6,156
Additions	-	197	274	7	478
Revaluation	1,073	-	-	-	1,073
At 31 August 2021	11,021	374	525	7	11,927
<b>Depreciation</b>					
At 1 September 2020	523	108	142	-	773
Revaluation	(492)	-	-	-	(492)
Charge for the year	173	50	39	1	263
At 31 August 2021	204	158	181	1	544
<b>Net book value</b>					
At 31 August 2021	10,817	216	344	6	11,383
At 31 August 2020	3,269	69	109	-	3,447

The net book value of land and buildings comprises:

	2021 £000	2020 £000
Long leaseholds (over 50 years)	10,817	3,269

### 13 Debtors

	2021 £000	2020 £000
VAT recoverable	59	16
Prepayments and accrued income	351	269
	410	285

# ALBANY LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

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

	<b>2021</b>	<b>2020</b>
	<b>£000</b>	<b>£000</b>
Trade creditors	331	131
Other taxation and social security	68	61
Other creditors	67	68
Accruals and deferred income	166	98
	<u>632</u>	<u>358</u>

**15 Deferred income**

	<b>2021</b>	<b>2020</b>
	<b>£000</b>	<b>£000</b>
Deferred income is included within:		
Creditors due within one year	<u>41</u>	<u>27</u>
Deferred income at 1 September 2020	27	29
Released from previous years	(27)	(29)
Resources deferred in the year	<u>41</u>	<u>27</u>
<b>Deferred income at 31 August 2021</b>	<u>41</u>	<u>27</u>

Deferred income at 31 August 2021 consists of £23,000 of Universal Infant Free School Meals grant received in advance for the year ended 31 August 2022 (2020: £nil) and £18,000 of monies taken in advance for activities to take place in the year ended 31 August 2022 (2020: £27,000).

# ALBANY LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

### 16 Funds

	Balance at 1 September 2020 £000	Income £000	Expenditure £000	Gains, losses and transfers £000	Balance at 31 August 2021 £000
<b>Restricted general funds</b>					
General Annual Grant (GAG)	-	4,746	(4,595)	(151)	-
Start up grants	-	25	(25)	-	-
UIFSM	-	23	(23)	-	-
Pupil premium	-	305	(305)	-	-
Other DfE/ESFA COVID-19 funding	-	36	(36)	-	-
Other Coronavirus funding	-	74	(74)	-	-
Other DfE/ESFA grants	-	220	(214)	-	6
Other government grants	-	238	(238)	-	-
Other restricted funds	-	364	(364)	-	-
Pension reserve	(1,974)	(577)	(247)	(187)	(2,985)
	<u>(1,974)</u>	<u>5,454</u>	<u>(6,121)</u>	<u>(338)</u>	<u>(2,979)</u>
<b>Restricted fixed asset funds</b>					
Inherited on conversion	3,182	6,156	(170)	1,565	10,733
DfE group capital grants	248	115	(11)	-	352
Capital expenditure from GAG	206	-	(70)	205	341
Donated assets	-	60	(12)	-	48
	<u>3,636</u>	<u>6,331</u>	<u>(263)</u>	<u>1,770</u>	<u>11,474</u>
<b>Total restricted funds</b>	<u>1,662</u>	<u>11,785</u>	<u>(6,384)</u>	<u>1,432</u>	<u>8,495</u>
<b>Unrestricted funds</b>					
General funds	<u>403</u>	<u>208</u>	<u>(143)</u>	<u>(54)</u>	<u>414</u>
<b>Total funds</b>	<u>2,065</u>	<u>11,993</u>	<u>(6,527)</u>	<u>1,378</u>	<u>8,909</u>

# ALBANY LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2021

---

#### 16 Funds

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

Restricted general funds are those resources that have been designated restricted by the grant provider in meeting the objects of the academy and are restricted to both the day to day running of the academy and capital expenditure.

Restricted fixed asset funds are those funds relating to the long term assets of the academy used in delivering the objects of the academy.

Unrestricted funds are funds which the board of trustees may use in the pursuance of the academy's objects and are expendable at the discretion of the trustees.

The transfer of £205,000 into restricted fixed asset funds is to reflect the use of GAG funds to make fixed asset additions this year.

A transfer of £54,000 was made from unrestricted general funds to restricted general funds is to cover the over-spend in the year.

The £6,000 balance carried forward for Other DfE/ESFA grants represents PE and sports grants which was unspent at 31 August 2021.

The academy trust has recognised grants from the Condition Improvement Fund in the years ended 31 August 2020 and 31 August 2021 but has still to spend £91,000 of this funding. This amount is being carried forward in the fixed asset fund.

The transfer of £1,151,000 allocated to inherited fixed assets represents the revaluation gain related to the land and buildings of Albany Academy.

The donated assets consist of computer equipment received under an ESFA scheme.

Under the funding agreement with the Secretary of State, the academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2021.

# ALBANY LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

### 16 Funds

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

	Balance at 1 September 2019 £000	Income £000	Expenditure £000	Gains, losses and transfers £000	Balance at 31 August 2020 £000
<b>Restricted general funds</b>					
General Annual Grant (GAG)	-	3,520	(3,482)	(38)	-
Pupil premium	-	200	(200)	-	-
Other DfE/ESFA grants	40	201	(201)	(40)	-
Other government grants	5	102	(107)	-	-
Other restricted funds	(22)	54	(54)	22	-
Pension reserve	(1,513)	-	(150)	(311)	(1,974)
	<u>(1,490)</u>	<u>4,077</u>	<u>(4,194)</u>	<u>(367)</u>	<u>(1,974)</u>
<b>Restricted fixed asset funds</b>					
Transfer on conversion	3,250	-	(68)	-	3,182
DfE group capital grants	54	205	(11)	-	248
Capital expenditure from GAG	112	-	(21)	115	206
	<u>3,416</u>	<u>205</u>	<u>(100)</u>	<u>115</u>	<u>3,636</u>
<b>Total restricted funds</b>	<u>1,926</u>	<u>4,282</u>	<u>(4,294)</u>	<u>(252)</u>	<u>1,662</u>
<b>Unrestricted funds</b>					
General funds	<u>359</u>	<u>103</u>	<u>-</u>	<u>(59)</u>	<u>403</u>
<b>Total funds</b>	<u>2,285</u>	<u>4,385</u>	<u>(4,294)</u>	<u>(311)</u>	<u>2,065</u>

### Total funds analysis by academy

Fund balances at 31 August 2021 were allocated as follows:

	2021 £000	2020 £000
Albany Academy	261	403
Chorley New Road Primary Academy	160	-
Total before fixed assets fund and pension reserve	<u>421</u>	<u>403</u>
Restricted fixed asset fund	11,474	3,636
Pension reserve	<u>(2,985)</u>	<u>(1,974)</u>
Total funds	<u>8,910</u>	<u>2,065</u>

# ALBANY LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2021

#### 16 Funds

##### Total cost analysis by academy

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

	Teaching and educational support staff £000	Other support staff costs £000	Educational supplies £000	Other costs excluding depreciation £000	Total 2021 £000	Total 2020 £000
Albany Academy	2,857	843	117	636	4,453	4,044
Chorley New Road Primary Academy	947	171	71	491	1,680	-
Central services	13	80	-	38	131	-
	<u>3,817</u>	<u>1,094</u>	<u>188</u>	<u>1,165</u>	<u>6,264</u>	<u>4,044</u>

#### 17 Analysis of net assets between funds

	Unrestricted Funds £000	Restricted funds: General £000	Fixed asset £000	Total Funds £000
<b>Fund balances at 31 August 2021 are represented by:</b>				
Tangible fixed assets	-	-	11,383	11,383
Current assets	414	638	91	1,143
Creditors falling due within one year	-	(632)	-	(632)
Defined benefit pension liability	-	(2,985)	-	(2,985)
<b>Total net assets</b>	<u>414</u>	<u>(2,979)</u>	<u>11,474</u>	<u>8,909</u>
	Unrestricted Funds £000	Restricted funds: General £000	Fixed asset £000	Total Funds £000
<b>Fund balances at 31 August 2020 are represented by:</b>				
Tangible fixed assets	-	-	3,447	3,447
Current assets	403	358	189	950
Creditors falling due within one year	-	(358)	-	(358)
Defined benefit pension liability	-	(1,974)	-	(1,974)
<b>Total net assets</b>	<u>403</u>	<u>(1,974)</u>	<u>3,636</u>	<u>2,065</u>

# ALBANY LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2021**

---

### **18 Pensions and similar obligations**

The academy trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Lancashire County Council for Albany Academy and by Tameside Metropolitan Borough Council for Chorley New Road Primary Academy. Both are multi-employer defined-benefit schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2016, and that of the LGPS related to the period ended 31 March 2019.

Contributions amounting to £71,000 were payable to the schemes at 31 August 2021 (2020: £65,000) and are included within creditors.

#### **Teachers' Pension Scheme**

##### **Introduction**

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for teachers in academies. All teachers have the option to opt out of the TPS following enrolment.

The TPS is an unfunded scheme to which both the member and employer makes contributions, as a percentage of salary. These contributions 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 every 4 years. 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 2016. The valuation report was published by the Department for Education on 5 March 2019.

The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% 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 £218,100 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million giving a notional past service deficit of £22,000 million
- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI. The assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

The next valuation result is due to be implemented from 1 April 2023.

The pension costs paid to the TPS in the period amounted to £548,000 (2020 £409,000).

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

# ALBANY LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2021

#### 18 Pensions and similar obligations

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The academy trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The 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 2020 are as noted below.

Parliament has agreed, at the request of the Secretary of State for Education, to 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.

##### Albany Academy (Lancashire County Pension Fund)

The academy entered into an agreement to make contributions towards the scheme deficit amounting to £38,000 in the year ended 31 March 2022 and £39,500 in the year ended 31 March 2023. The agreed contribution rates for future years are 5.5% to 9.9% for employees and 19.7% for employers. The estimated value of employer contributions for the forthcoming year is £207,000.

Total contributions made	2021 £'000	2020 £'000
Employer's contributions	204	139
Employees' contributions	51	38
	<hr/>	<hr/>
Total contributions	255	177
	<hr/>	<hr/>

Principal actuarial assumptions	2021 %	2020 %
Rate of increases in salaries	4.2	3.9
Rate of increase for pensions in payment	2.8	2.5
Discount rate	1.7	1.8
Inflation assumption (CPI)	2.7	2.4
	<hr/>	<hr/>

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

	2021	2020
<i>Retiring today</i>		
Males	22.4	22.3
Females	25.1	25.0
<i>Retiring in 20 years</i>		
Males	23.9	23.8
Females	26.9	26.8

# ALBANY LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

### 18 Pensions and similar obligations

#### Sensitivity analysis

Scheme liabilities would have been affected by changes in assumptions as follows:

	Sensitivity 1 +0.1% pa Central £000	Sensitivity 2 +0.1% pa discount rate £000	Sensitivity 3 +0.1% pa inflation £000	Sensitivity 4 +0.1% pa pay growth £000	Sensitivity 5 1 yr increase in life expectancy £000
Liabilities	4,647	4,647	4,838	4,749	4,894
Assets	(2,563)	(2,563)	(2,563)	(2,563)	(2,563)
Deficit/surplus	2,178	2,084	2,275	2,186	2,331
Projected service cost	384	375	394	384	398
Projected net interest cost	35	36	37	35	38

The academy trust's share of the assets in the scheme were:

	2021 Fair value £'000	2020 Fair value £'000
Equities	1,294	960
Bonds	136	145
Property	256	286
Other	877	713

#### Total market value of assets

2,563 2,104

Actual return on scheme assets

305 311

#### Amounts recognised in the statement of financial activities

	2021 £'000	2020 £'000
Current service cost	350	257
Past service cost	-	-
Interest income	(39)	(27)
Interest cost	73	59
Total operating charge	384	289

#### Changes in the present value of defined benefit obligations

	2021 £'000	2020 £'000
Obligations at 1 September 2020	4,078	3,207
Current service cost	350	257
Past service costs	-	-
Interest cost	73	59
Employee contributions	51	38
Actuarial loss	284	595
Benefits paid	(95)	(78)
At 31 August 2021	4,741	4,078

# ALBANY LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

### 18 Pensions and similar obligations

#### Changes in the fair value of the academy trust's share of scheme assets

	2021 £'000	2020 £'000
Assets at 1 September 2020	2,104	1,614
Interest income	34	27
Actuarial gain (return on plan assets excluding interest income)	265	284
Employer contributions	204	139
Employee contributions	51	38
Benefits paid	(95)	(78)
<b>At 31 August 2021</b>	<b>2,563</b>	<b>2,104</b>

#### Chorley New Road Primary Academy (Greater Manchester Pension Fund)

The agreed contribution rates for future years are 5.5% to 9.9% for employees and 20.8% for the employer. The estimated value of employer contributions for the forthcoming year is £51,000.

Total contributions made	2021 £'000	2020 £'000
Employer's contributions	43	-
Employees' contributions	12	-
<b>Total contributions</b>	<b>55</b>	<b>-</b>

#### Principal actuarial assumptions

	2021 %	2020 %
Rate of increases in salaries	3.65	-
Rate of increase for pensions in payment	2.90	-
Discount rate	1.65	-

The sensitivities regarding the principal assumptions used to measure the scheme liabilities are set out below:

Change in assumptions at 31 August 2021	Approximate monetary amount £000
0.1% decrease in real discount rate	45
0.1% increase in the salary increase rate	6
0.1% increase in the pension increase rate	38

# ALBANY LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

### 18 Pensions and similar obligations

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

	2021 Years	2020 Years
Retiring today		
- Males	20.5	-
- Females	23.3	-
Retiring in 20 years		
- Males	21.9	-
- Females	25.3	-

The academy trust's share of the assets in the scheme	2021 Fair value £'000	2020 Fair value £'000
Equities	424	-
Bonds	90	-
Property	42	-
Cash	42	-
	<u>598</u>	<u>-</u>
Total market value of assets	598	-
	<u>100</u>	<u>-</u>
Actual return on scheme assets	100	-

Amounts recognised in the statement of financial activities	2021 £'000	2020 £'000
Current service cost	97	-
Past service cost	-	-
Net interest cost	8	-
	<u>105</u>	<u>-</u>
Total operating charge	105	-

Changes in the present value of defined benefit obligations	2020 £'000	2020 £'000
Obligations acquired on conversion	1,013	-
Current service cost	97	-
Past service costs	-	-
Interest cost	15	-
Employee contributions	12	-
Actuarial gains	268	-
Benefits paid	-	-
	<u>1,405</u>	<u>-</u>
At 31 August 2021	1,405	-

# ALBANY LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

### 18 Pensions and similar obligations

#### Changes in the fair value of the academy trust's share of scheme assets

	2021 £'000	2020 £'000
Assets acquired on conversion	436	-
Interest income	7	-
Return on plan assets (excluding amounts included in net interest): Actuarial gain	100	-
Employer contributions	43	-
Employee contributions	12	-
Benefits paid	-	-
	<u>598</u>	<u>-</u>
At 31 August 2021		

### 19 Reconciliation of net income to net cash flow from operating activities

	2021 £000	2020 £000
Net income for the reporting period (as per the statement of financial activities)	5,466	91
Adjusted for:		
Net surplus on conversion to academy	(5,699)	-
Capital grants from DfE and other capital income	(175)	(16)
Defined benefit pension costs less contributions payable	200	118
Defined benefit pension scheme finance cost	47	32
Depreciation of tangible fixed assets	263	100
(Increase) in debtors	(314)	(166)
Increase in creditors	274	57
Net cash introduced on conversion	120	-
	<u>182</u>	<u>216</u>
Net cash provided by operating activities		

### 20 Analysis of changes in net funds

	1 September 2020 £000	Cash flows £000	31 August 2021 £000
Cash	<u>665</u>	<u>68</u>	<u>733</u>

# ALBANY LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2021

#### 21 Long-term commitments, including operating leases

At 31 August 2021 the total of the academy's future minimum lease payments under non-cancellable operating leases was:

	2021 £000	2020 £000
Amounts due within one year	14	15
Amounts due in two and five years	8	4
	<u>22</u>	<u>19</u>

#### 22 Capital commitments

	2021 £000	2020 £000
Expenditure contracted for but not provided in the accounts	138	208

At 31 August 2020 there was a commitment for the project for a new alarm system and fire doors. This was not completed by 31 August 2021 and the remaining commitment on this project is £49,000. At 31 August 2021 there is an additional commitment of £89,000 for similar works.

#### 23 Related party transactions

Trustees who are also members of staff of the academy have been paid in accordance with national agreed levels as members of staff.

There have been no other transactions with related parties that require reporting under FRS102.

#### 24 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 or she is a member, or within one year after he or she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he or she ceases to be a member.

#### 25 Conversion to an academy

On 1 November 2020 Chorley New Road Primary School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Albany Learning Trust from the Metropolitan Borough of Bolton 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 values and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as a net gain in the statement of financial activities as donations – transfer from local authority on conversion.

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

# ALBANY LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

### 25 Conversion to an academy

Academy	Location	Date of conversion
Chorley New Road Primary Academy	Bolton	1 November 2020

	Unrestricted funds £000	Restricted funds: General £000	Fixed asset £000	Total 2021 £000
<b>Net assets transferred:</b>				
Pension scheme deficit	-	(577)	-	(577)
	<u>-</u>	<u>(577)</u>	<u>-</u>	<u>(577)</u>
	Unrestricted funds £000	Restricted funds: General £000	Fixed asset £000	Total 2021 £000
<b>Funds surplus/(deficit) transferred:</b>				
Fixed assets funds	-	-	6,156	6,156
LA budget funds	99	-	-	99
LGPS pension funds	-	(577)	-	(577)
Other funds	-	21	-	21
	<u>99</u>	<u>(556)</u>	<u>6,156</u>	<u>5,699</u>

The land and buildings were transferred from the local authority on a long term lease for 125 years.