

Company registration number 11281425 (England and Wales)

**THE LEGACY LEARNING TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**ANNUAL REPORT AND ACCOUNTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

# THE LEGACY LEARNING TRUST

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# THE LEGACY LEARNING TRUST

## REFERENCE AND ADMINISTRATIVE DETAILS

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### Members

T Grieveson  
L Longstaff  
M McTague  
I Lone  
A Crawshaw (from 28 March 2023)

### Trustees

L Longstaff  
M J Pout  
S J Sarwar  
J A Park  
H U Rashid (Chair)  
Mrs S J Lymer (Accounting Officer)  
R I Marron  
J Heaton (Appointed 17 October 2023)  
L V Donner (Appointed 1 September 2023)

### Senior management team

#### The Legacy Learning Trust

- CEO/Executive Headteacher  
- DCEO/ Headteacher  
- CFOO/ Director of Corporate Services

S Lymer  
M Laidler  
N Flint

### Acklam Grange School

- Headteacher  
- Deputy Headteacher  
- Deputy Headteacher  
- Lead Assistant Headteacher  
- Assistant Headteacher  
- Assistant Headteacher  
- Assistant Headteacher  
- Assistant Headteacher  
- Associate Assistant Headteacher  
- Associate Assistant Headteacher  
- Associate Assistant Headteacher  
- Associate Assistant Headteacher

M Laidler  
L Gowland  
A Hassack  
J Pacey  
C Beaumont  
S King  
A Gika  
D Kerr-Morgan  
D Dixon  
D Grainger  
K Lowes  
N Pearson

### Linthorpe Community Primary School

- Executive Headteacher  
- Headteacher  
- Assistant Headteacher  
- Assistant Headteacher  
- Assistant Headteacher  
- Assistant Headteacher

S Lymer  
G Mitchell  
K McDonough  
C George  
S Maddison  
J Whittaker

### Company registration number

11281425 (England and Wales)

# THE LEGACY LEARNING TRUST

## REFERENCE AND ADMINISTRATIVE DETAILS

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**Registered office**

Acklam Grange School  
Lodore Grove  
Acklam  
Middlesbrough  
Cleveland  
TS5 8PB  
United Kingdom

**Academies operated**

Acklam Grange School  
Linthorpe Community Primary School

**Location**

Middlesbrough  
Middlesbrough

**Principal**

Mr M Laidler  
Mrs S Lymer

**Independent auditor**

Azets Audit Services  
Wynyard Park House  
Wynyard Avenue  
Wynyard  
TS22 5TB  
United Kingdom

**Bankers**

Lloyds Bank plc  
83 Linthorpe Road  
Middlesbrough  
TS1 5BU  
United Kingdom

**Solicitors**

Browne Jacobson LLP  
Manchester Office  
Spinningfields  
Manchester  
M3 3EB  
United Kingdom

# THE LEGACY LEARNING TRUST

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31 AUGUST 2023

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The trustees present their annual report together with the accounts and independent auditor's report of the charitable company for the period 1 September 2022 to 31 August 2023. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The Trust is a Multi-Academy trust (MAT) which during the period operated two schools; Acklam Grange Secondary School and Linthorpe Community Primary School, both serving the catchment of Middlesbrough in North East England.

It has a capacity of:

Nursery	118
5-16	2,100

The roll in January 2023 census was:

Nursery	94
5-16	2,097

#### **Structure, governance and management**

##### Constitution

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust.

The charitable company is known as The Legacy Learning Trust (TLLT).

The trustees of The Legacy Learning Trust are also the directors of the charitable company for the purposes of company law. Details of the trustees who served during the year are included in the Reference and Administrative Details on pages 1 and 2.

##### 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

Trustees are covered by the Education and Skills Funding Agency's Risk Protection Arrangements. As part of this scheme Trustees and Governors receive unlimited indemnity.

# THE LEGACY LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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

Each Trustee's role is linked to a core strand of business e.g. primary/secondary education, finance/business, human resources, marketing/PR. Recruitment activity is driven by a recruitment and selection process which includes formation of role profiles and role specifications which are linked to required skill sets or areas of expertise or need as laid out in the DfE Governance Competency Framework.

Positions or vacancies are advertised externally, for example through the Academy Ambassadors programme. Applicants are required to submit their skills focussed application form and be interviewed by a selection panel. A competitive recruitment process helps to ensure that the strongest candidates are considered for vacant posts, with the intention of adding value to the skills of the Trust Board.

Subject to the Articles of Association, the constitution of the Trust Board is as follows:

- Up to 9 trustees appointed by ordinary resolution by Members
- The total number of Trustees, including the Chief Executive Officer, who are employees of the Trust shall not exceed one third of the total number of Trustees
- The Trust will ensure parent participation, utilising Parent Governors on our Local Councils
- We will ensure a minimum of two Parent Governors will sit on each Local Council, with suitable procedures in place for the conduct of Parent Governor elections.

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

The provision of individual training for Trustees and members of the Local Council through an annual course directory which is reviewed annually to reflect any changes in practice and legislation. Training has also been provided by the Trust and by Azets focusing on trustee induction, roles, responsibilities and financial duties.

#### Organisational structure

The trust's governance structure consists of three levels:

##### Members

Trustees with two committees – Standards and Resources, Employment and Finance  
Local Councils of each academy

The Members have ultimate control over the Trust and are responsible for:

- Approving the Articles of Association
- Appointment and removal of Trustees
- Securing the highest standards of accountability from Trustees for the provision of all learners in the Multi Academy Trust (MAT)
- Appointment of the Trust's auditors and receipt of the trust's audited annual accounts.

The Trustees have overall responsibility for strategic planning and setting the Trust's policy as well as responsibility for all matters relating to finance and personnel matters. The Trustees have the power to direct change when required.

The Trust Board focuses its monitoring activity through two committees:

- Standards, focusing on matters relating to standards and quality of teaching and learning, personal development, welfare, behaviour including safeguarding.
- Resources, Employment and Finance, focusing on finance, resourcing and personnel matters.

# THE LEGACY LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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Powers are delegated from the Trust Board via a Scheme of delegation, which is reviewed annually.

The overall responsibility for holding school leaders to account and driving forward improvements in performance, attainment, progress in each academy/school is delegated to the Local Councils with their impact overseen and monitored and challenged by the Board of Trustees. Local Councils discharge their functions in line the Trust's Scheme of Delegation.

The Trustees are responsible for ensuring that the academy/school Local Councils fulfil their statutory obligations and principal aims and objectives, ensuring that procedures are in place to ensure regularity, propriety and value for money, setting general policy, adopting the Trust Development Plan and budget, monitoring use of budgets, external and internal review reports and enabling them to make major decisions about the direction of the Trust, capital expenditure and key Trust and Headteacher appointments.

The members of the Local Councils are responsible for adopting an annual School Development Plan, implementing policies laid down by the Board of Trustees.

Through the Trust reporting mechanisms, the Trust Board will receive at least termly CEO/Headteacher reports and school dashboards on outcomes of work in each school/academy.

During the year under review the Executive Team responsibilities were as follows: (CEO, CFOO and DCEO)

**Chief Executive Officer:** responsibility for setting the overall direction of the Academy Trust; leading the development and execution of long-term strategies, managing resources, risk management and communicating, on behalf of the Trust, with both internal and external stakeholders.

**Chief Finance and Operations Officer:** responsibility for leading and managing the operational aspects of the Academy Trust. Providing strategic and operational leadership in all aspects of business activities within the Academy Trust's schools, and being accountable for the operation, maintenance and development of systems, processes and procedures relating to budget, finance, risk, administration, HR, IT, estates and health and safety.

The Headteachers are responsible for the day to day running of their school (assisted by the school's senior leadership team).

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

The pay and remuneration of the CEO, Deputy CEO and CFOO is decided by the Trust Board. The trust has delegated responsibility to Local Councils of each academy for all other staff, including senior leadership teams in each academy. Local councils make pay related decisions having regard to the national framework of School Teacher's Pay and Conditions Document and the Trust's Pay Policy which takes into account the extent to which staff have achieved their performance objectives.

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

The Trust is presently made up of two academies and does not work with any other organisation, but is developing links with other schools, academies, colleges and other businesses where these partnerships assist the Trust's objectives. A related party transaction of a trustee was identified within the period. Authorisation was sought from the ESFA for the Trust to procure services from the related party, approval was given.

# THE LEGACY LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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#### Trade union facility time

##### *Relevant union officials*

Number of employees who were relevant union officials during the relevant period	-
Full-time equivalent employee number	-

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

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

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

Total cost of facility time	-
Total pay bill	-
Percentage of the total pay bill spent on facility time	-

##### *Paid trade union activities*

Time spent on paid trade union activities as a percentage of total paid facility time hours	-
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#### Engagement with employees

Employees are provided with appropriate and relevant information at different stages throughout the year. This includes Trust and individual school policies, statutory training updates and information related to staff pay. In addition, communication from Headteachers and senior leaders is frequent, relevant, clear and concise enabling an informed workforce who are well placed to undertake their roles efficiently and effectively.

Staff voice and staff consultation are regular features of leadership at the trust. In the period ended 31 August 2023, this was particularly prevalent as staff were consulted on well-being which has led to the development and implementation of a Trust wide Well-being strategy for all staff. This has also involved training for line managers to equip them to support the well-being within their teams whilst at the same time encouraging individuals to be responsible for their own well-being.

Employees are aware of their significant involvement in the performance of individual schools and the trust as a whole. This awareness comes from sharing of the TLLT Strategic Business Plan, information sharing, presentations, team meetings and individual meetings, led by senior and executive leaders of the trust. The use of layered performance management acts as a tool to promote the common goals of the company, with each individual contributing to this. The TLLT model of financial leadership reflects a culture of value for money and ensures financial ownership at all levels which enhances the company's financial performance.

In the same way, employees also share a common awareness of the factors that affect performance and understand how their contribution serves to enhance the positive and mitigate the negative factors to have the best possible impact on all outcomes.

In accordance with our policy on equal opportunities in employment, The Legacy Learning Trust will provide equal opportunities to any employee or job applicant and will not discriminate either directly or indirectly because of race, sex, sexual orientation, gender reassignment, religion or belief, marital or civil partnership status, age, disability, or pregnancy and maternity.



# THE LEGACY LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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#### Engagement with suppliers, customers and others in a business relationship with the academy trust

Executive and senior leaders promote positive relationships with all stakeholders which is permeated at every level and trust wide.

Through these relationships suppliers understand the needs of the trust and are able to deliver quality goods and services to meet those needs, adapting where necessary to keep up to date with how those needs may change. Examples include adaptable catering and cleaning providers and engagement with local businesses to provide timely and economical supplies, e.g. in response to the Covid pandemic.

Parental engagement is a key priority for all schools in the trust. This can be an area of challenge for the trust in relation to the geographical area it serves. Pleasingly, some of the systems introduced during the pandemic have improved parental engagement and elements of these will continue, e.g. video briefings and online parents' evening appointments. There has also been a return of more face to face events post pandemic with the trust using this flexibility as an opportunity to maximise parental engagement.

Executive, senior and middle leaders contribute confidently to local, regional and national networks mutually benefitting from relationships with other educational establishments in order to further the trust's objectives. Executive leaders have established strong relationships with RSC, DfE, ESFA, SNE, PixL, CST and other relevant bodies.

#### **Objectives and activities**

##### Objects and aims

The principal objective and activity of the charitable company, in accordance with the Articles of association is to advance education in the United Kingdom for the public benefit, offering a broad and balanced curriculum education for children of differing ages 5-16.

##### Objectives, strategies and activities

Objectives:

The TLLT family are committed to:

"Placing learners and learning at the heart of all that we do"

We pride ourselves on:

- Strong relationships
- High expectations and aspirations
- Equality and equity
- Celebrating diversity

All decision making is underpinned by our TLLT values, which are lived out as a golden thread through the ethos of and work in our schools. This can be seen in:

- A vibrant, broad and balanced curriculum for all learners
- Raising aspirations and overcoming barriers to learning
- The way in which we value all staff and their contribution to school life
- The provision of endless opportunities beyond the school day
- A truly inclusive community where individuals thrive
- Excellent outcomes which prepare learners for the next stage in their journey

The TLLT strategic business plan 2021-23 is based on Strategic Quality Management (SQM) an agile, iterative planning tool and is focussed on two academic years from September 2021.

The Statement of Intent within the TLLT strategic business plan is a strategy statement which describes where we want to be:

To build the future of TLLT by securing and developing capacity in order to thrive as a trust and positively impact on an increased number of learners.

# THE LEGACY LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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#### Strategies

Our trust recognises that in order to be successful we need:

- Strong recruitment, retention, development and reward of all TLLT staff
- A Trust Central Services model which is fit for the new structure of our growing Trust across all services.
- All schools within TLLT to be good or better
- All learner outcomes to be in line with national or better, including contextual benchmarks where appropriate.
- TLLT to be a going concern, demonstrating value for money and compliance within appropriate regulatory frameworks
- Governance at all levels to reflect organisational change due to growth. Respond to non-incremental growth including Trust Executive capacity, scalable systems and reporting and accountability mechanisms. Embed TLLT values and brand across Phase 1 of growth journey.

#### Activities

The Trust began a new phase of executive leadership in 2021-22. Secondary and primary phase expertise continues to be prevalent across the team with strong leadership structures in the academies within the Trust. In 2022-23 Trust growth progressed rapidly with four primary schools in Middlesbrough starting the journey to join the Trust with a target date of 1 October 2023.

This led to a focus on scaling up business systems, re-designing central services and further developing the Trust's school improvement model to reflect growth.

More use has been made of online platforms and software packages to upscale business systems and improve communication across a larger organisation, including risk assurance, buildings compliance, contract management and data management. Cybersecurity and staff well-being continue to be areas of priority.

School improvement work continued beyond the Trust with several other schools, in order to share specialist expertise in leadership and management, teaching and learning and financial management, promoting system leadership and positively impacting on the lives of young people in the North East region.

#### Public benefit

The trust provides effective school to school support and extensive CPD opportunities locally and nationally. The Executive Headteacher/CEO is also a Local Leader of Education and schools within the Trust have a number of Specialist Leaders of Education.

Both schools have a strong community presence. Acklam Grange School offers a sport and leisure provision to its local community on evenings, weekends and during school holidays.

Executive leaders and senior leaders hold designated positions in the wider sector both locally, regionally and nationally (e.g. DfE Primary Headteacher Reference Group, Middlesbrough SMF representative, Pixl Associate, Schools North East board membership)

The trustees have complied with their duty to have due regard to the guidance on public benefit issued by the Charity Commission in exercising their powers and duties.

# THE LEGACY LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

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### Strategic report

#### Achievements and performance

During 22-23, 2 schools were inspected. AGS had a section 8 inspection in October 2022 and retained its good judgement. Linthorpe Community Primary School also had a section 8 in December 2022 and although it retained its Good judgement, Inspectors thought that there was sufficient evidence to suggest it would be rated outstanding in its next Section 8 so the Trust expects a full inspection at Linthorpe within approximately 18 months. No improvements were recommended across any area in the report.

The data sets for both schools are strong and positive for many areas of progress an attainment, when compared to Local authority and National outcomes. Further analysis shows that the schools perform particularly well, when compared to similar pupils nationally for contextual groups, specifically disadvantages and SEND pupils. This is something the schools aspire for and take positive and deliberate action to achieve, in line with the Trust vision and values.

#### Summary of Trust Performance

##### LCPS Attainment

<b>LGLD</b>	69%	
<b>PSC</b>	Y1 - 86%	Y2 - 83%
<b>MTC</b>	Average score 22 % getting full marks - 54%	
<b>KS1</b>	<b>EXS</b>	<b>GDS</b>
<b>R</b>	69%	22%
<b>W</b>	60%	13%
<b>M</b>	71%	21%
<b>KS2</b>	<b>EXS</b>	<b>GDS</b>
<b>R</b>	73%	27%
<b>W</b>	8%	17%
<b>M</b>	88%	22%
<b>RWM</b>	68%	10%
<b>GPS</b>	70%	16%

<b>Progress</b>	
<b>Reading</b>	-0.03
<b>Writing</b>	+2.45
<b>Maths</b>	+0.93

# THE LEGACY LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

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### AGS Attainment

	<b>2023</b>	<b>National</b>	<b>LA</b>
<b>Attainment 8</b>	50.17	46.0	40.0
<b>Progress 8</b>	0.44	0	-0.46
<b>E&amp;M 9-5</b>	44%	45%	34%
<b>Ebacc 9-5</b>	19%	17%	11%
<b>English 9-5</b>	65%	60%	51%
<b>Maths 9-5</b>	53%	51%	39%
<b>E&amp;M 9-4</b>	73%	65%	56%
<b>Ebacc 9-4</b>	24%	24%	18%
<b>English 9-4</b>	84%	75%	69%
<b>Maths 9-4</b>	78%	70%	60%

### Going concern

The board of trustees has a reasonable expectation that the academy trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, the board of trustees continues to adopt the going concern basis in preparing the accounts. Further details regarding the adoption of the going concern basis can be found in the statement of accounting policies.

In arriving at this position, the Trustees have considered the impact of Covid-19 and other global factors, which has been fully reported to Trustees at individual academy and whole Trust level.

# THE LEGACY LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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#### Protecting the success of the academy trust

The objects of the Trust are to advance education in the United Kingdom, for the public benefit, offering a broad and balanced curriculum education for children of differing ages 5-16. Members and Trustees always seek to promote the success of TLLT, including in the following ways:

- A robust risk management system which includes identifying pertinent risks and implementing mitigating actions to reduce risks to an acceptable level. This is described in more detail in the Governance Statement.
- Care for the interests of employees through the application of the Teachers' Pay and Conditions and National Joint Council pay and conditions to all teachers and support staff. Monitor the gender pay gap report to ensure the gap remains small and in line with or better than the national picture, acting as appropriate if this is not the case. The Trust remains committed to reducing workload and investing in technology to help to achieve this aim.
- Strong values shared across the trust with an emphasis on respect for all.
- Develop strategic relationships with suppliers to support the business community, particularly during the Covid-19 pandemic in line with DfE guidelines, PPN 02/20 and PPN 04/20.
- Maintain strong relationships with TLLT families through excellent communications and effective engagement strategies, including but not exclusive to use of technology and social media and in-school events.
- Continuing to be at the heart of the TLLT community through improved educational outcomes for children and the provision of community use facilities.
- Strong reputation for high expectations and high standards in relation to educational outcomes, sound governance, financial performance and robust systems of internal control.
- Strong reputation as a provider for professional learning beyond the trust and effective school to school support when needed.
- Fair and consistent implementation of robust policies to support the Trust's approach to pay, staff benefits, whistleblowing, grievances, admissions staff and student well-being and mental health.

#### **Financial review**

The grants received from the ESFA and associated expenditure from 1 September 2022 to 31 August 2023 are shown as restricted funds in the Statement of Financial Activities.

All of the expenditure in the Statement of Financial Activities is in furtherance of the Trust's objectives.

During the twelve month period from 1 September 2022 to 31 August 2023, expenditure amounting to £16,000,442 was incurred or accrued. This was offset entirely by grants receivable from the ESFA and other funds.

The restricted fixed asset fund balance has been reduced by annual depreciation charges over the expected useful life of the assets concerned. These assets are used primarily for providing the Trust's educational operations and associated support to students.

Student numbers across the Trust continue to increase. Trustees expect student numbers to increase further linked to the growing reputation of our academies in the local community based on successful outcomes across all areas. Increased student numbers will secure increased funding in future years, but with an increasing pressure on expenditure, particularly in relation to pay budgets and increasing energy costs, Trustees prioritise strategic financial planning and multi-year budget planning across the Trust.

The Trust prides itself on offering a value for money educational provision, with all financial decisions made being based on this principle. Financial leadership at all levels is strong across the Trust. Trustees, local councils, executive and senior leadership teams, finance staff and budget holders all have a sound understanding of the value for money principles and how this translates to their role in school and their financial behaviour. There is a strong emphasis on the impact of spending on student outcomes through the Trust's reporting and accountability mechanisms and through strategic development planning and action planning. The Trust's Pupil Premium reports clearly demonstrate the impact of spending in this area on the outcomes of that specific cohort of students.

As the Trust moves towards significant growth and eligibility for SCA funding, plans are in place to appoint a Trust Head of Estates to ensure value for money in this significant area of both capital and revenue spend.

The pension liability on the balance sheet is unlikely to crystallise and trustees monitor the risk associated with being members of the LGPS.

# THE LEGACY LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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#### Reserves policy

Trustees review the level of Trust reserves termly and annually and have agreed that the Trust should aim to hold a prudent level of reserves designed to provide:

- sufficient working capital to cover delays between spending and receipt of grants
- a contingency fund for unexpected emergencies
- funding capacity for future estate maintenance and planned capital investment subject to conditions as set out by ESFA
- funding to cover any future liabilities as outlined in the Financial Statements.

Trustees agree that expenditure of Trust reserves is in line with the short and medium term Trust Development Plans that support academies in the Trust in raising standards.

As of 31 August 2023, the level of Trust revenue reserves are £635,279, including restricted general reserves of £51,000 and unrestricted reserves of £584,279. Net current assets as at 31 August 2023 was £803,157.

The Trustees believe that the level of reserves held by the Trust as at 31 August 2023 is sufficient to meet the Reserves Policy.

#### Investment policy

The Trust investment powers are governed by the Articles of Association, which permits the Charitable Company to deposit or invest any funds not immediately required for the furtherance of its objectives. Trustees agreed a policy for investment in which decisions on how much to invest and how long to invest for, will be based on operational requirements, demonstrated by cash flow forecasts produced by the CFOO and taking into account a contingency fund which ensures that extra funds are available on a regular timely basis to deal with any unforeseen emergencies. The cash flow forecasts will take account of the annual budget and spending plans approved by the Governing Body and updated on a monthly basis.

Trustees have agreed to invest when they feel it is prudent to do so, based on the financial performance of each individual academy within the Trust and medium term financial plans. When an investment is made and funds come to maturity Trustees will then make the decision whether to re-invest or whether the funds will be required for urgent necessities or contingencies.

The Trust will not take out any long term deposits until reliable cash flow patterns have been established and medium term budget planning gives ongoing confidence in relation to cash flow and future funding. Monies will only be paid into term deposits not exceeding six months. Trustees have an approved investment policy.

#### Principal risks and uncertainties

The Trustees regularly assess the major risks to which the Trust is exposed. The principal risks are as follows:

- Inadequate future funding and deficit budget position
- Inadequate estates management at Trust level
- Outcomes fall below national averages
- Staff vacancies cannot be filled with high quality personnel
- National strike action for education unions and implications for schools
- Single point of failure/over-reliance on key roles

# THE LEGACY LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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The Trust risk register is supplemented by individual academy risk registers.

In addition, the Trust has a Financial Handbook in place which ensures that systems of internal control are in place to enable sound financial management across the Trust. The Trust will have three internal assurance visits during the year carried out by an externally appointed internal auditor, independent from the Trust.

There are systems in place across the Trust to minimise risks including operating procedures and internal financial controls. As part of its risk management strategy the Trust uses the 'Risk Protection Arrangements' (RPA) which is specifically designed for academies as an alternative to commercial insurance. This has been of particular benefit during the Covid-19 pandemic where the RPA covered a wide ranges of risks in more generous terms than typically found with commercial insurers. RPA also now includes insurance in relation to Cyber Security, providing certain conditions are met. The trust is compliant for this purpose.

Risks relating to trust wide estates management are included on the Trust risk register and discussed regularly by Trustees to ensure the trust's estate is safe, well maintained and compliant. Action is being taken to mitigate these risks with the planned appointment of a Trust Head of Estates in autumn 2023.

External credit card fraud was identified during the 2022-23 year and was subsequently reported to both trustees and ESFA in the Autumn term 2023. Future reporting, as per the Academy Trust Handbook, will be undertaken in a more timely manner.

#### **Fundraising**

The Legacy Learning Trust approaches fundraising under the following categories:

- Student/pupil fundraising
- External grant finding
- Support/donations from local partners/ businesses/suppliers

Student/pupil fundraising is undertaken under the supervision of staff members. The beneficiary of the fundraising is always known in advance and is clearly communicated to those people who may contribute donations to raise funds. Fundraising activities are not intrusive or persistent and do not put any person under undue pressure to donate.

External grant finding is undertaken by selected staff who have appropriate training. Grant applications are completed according to the specifications and rules of the grant and are quality assured by the CFOO or CEO. A log of applications made, their status and the result is kept for internal management purposes to ensure a co-ordinated and coherent approach to fundraising across the Trust.

Support/donations from local partners/businesses/suppliers is considered on a case by case basis. Any offers of donations or support are viewed alongside the Trust's gifts and hospitality policy before acceptance and appropriate records are maintained. Where the Trust has approached these groups for donations for specific projects, full details have been maintained and all appropriate interests are recorded.

#### **Streamlined energy and carbon reporting**

<i>Energy consumption</i>	<b>2023</b>	<b>2022</b>
	<b>kWh</b>	<b>kWh</b>
Aggregate of energy consumption in the year		
- Gas combustion	2,360,340	2,243,791
- Fuel consumed for transport	3,817	1,425
- Electricity purchased	1,300,731	1,113,664
	<u>3,664,888</u>	<u>3,358,880</u>

# THE LEGACY LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

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	2023	2022
	metric tonnes	metric tonnes
<i>Emissions of CO2 equivalent</i>		
Scope 1 - direct emissions		
- Gas combustion	431.00	420.00
- Fuel consumed for owned transport	3.00	1.00
	<hr/>	<hr/>
	434.00	421.00
Scope 2 - indirect emissions		
- Electricity purchased	252.00	215.00
Scope 3 - other indirect emissions		
- Fuel consumed for transport not owned by the academy trust	1.00	1.00
	<hr/>	<hr/>
Total gross emissions	687.00	637.00
	<hr/> <hr/>	<hr/> <hr/>
<i>Intensity ratio</i>		
Tonnes CO2e per pupil	0.30	0.30
	<hr/> <hr/>	<hr/> <hr/>

### *Intensity measurement*

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO2 equivalent per pupil, the recommended ratio for the sector.

### **Plans for future periods**

In line with our aims, key objectives and TLLT Strategic Business Plan our plans for future periods are to:

- Continue to provide high quality, value for money education for all our students across the Trust
- All learner outcomes to be in line with national or better, including contextual benchmarks where appropriate.
- Continue to offer exceptional school to school support sharing our expertise in the interests of system leadership
- Phase 1 of Trust growth to secure 4 primary schools into the Trust from 1 October 2023
- Planning for Phase 2 growth with a target date of 1 October 2024.
- Development of Trust school improvement model
- Development of scalable business systems
- School improvement beyond the Trust will remain an important focus to better the life chances of more young people in our area.

### **Funds held as custodian trustee on behalf of others**

The Trust holds no funds as Custodian Trustee on behalf of others.



# THE LEGACY LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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#### **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 Azets Audit Services Limited 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 15 December 2023 and signed on its behalf by:



H U Rashid  
**Chair**

# THE LEGACY LEARNING TRUST

## GOVERNANCE STATEMENT

**FOR THE YEAR ENDED 31 AUGUST 2023**

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### Scope of responsibility

As trustees we acknowledge we have overall responsibility for ensuring that The Legacy 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 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 The Legacy Learning Trust and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

### Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The board of trustees has formally met 3 times during the twelve-month period. Attendance during the year at meetings of the board of trustees was as follows:

<b>Trustees</b>	<b>Meetings attended</b>	<b>Out of possible</b>
L Longstaff	3	3
M J Pout	0	3
S J Sarwar	1	3
J A Park	3	3
H U Rashid (Chair)	2	3
Mrs S J Lymer (Accounting Officer)	3	3
R I Marron	2	3
J Heaton (Appointed 17 October 2023)	0	0
L V Donner (Appointed 1 September 2023)	0	0

# THE LEGACY LEARNING TRUST

## GOVERNANCE STATEMENT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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The REF Committee has formally met 3 times during the twelve-month period. Attendance during the year at REF Committee meetings was as follows:

<b>Trustees</b>	<b>Meetings attended</b>	<b>Out of possible</b>
L Longstaff	2	3
M J Pout	2	3
S J Sarwar	2	3
J A Park	2	3
H U Rashid (Chair)	1	3
Mrs S J Lymer (Accounting Officer)	3	3
R I Marron	3	3

The Standards Committee has formally met 2 times during the twelve-month period. Attendance during the year at Standards Committee meetings was as follows:

<b>Trustees</b>	<b>Meetings attended</b>	<b>Out of possible</b>
L Longstaff	2	2
M J Pout	2	2
S J Sarwar	2	2
J A Park	2	2
H U Rashid (Chair)	2	2
Mrs S J Lymer (Accounting Officer)	2	2
R I Marron	2	2

The Trust Board has established a number of committees including the Resources, Employment and Finance Committee. The board of Trustees has reviewed and agreed key policies and documentation critical to the effective establishment of a Trust in the period from 1 September 2022 to 31 August 2023 including:

- Articles of association
- Scheme of Delegation
- Terms of Reference for Trust Committees and the Local Councils
- Review of individual school progress and results
- Review and monitoring of the Trust Strategic Business Plan, including vision and growth planning
- Finance Procedures for the Trust
- Approval of the 2023-24 annual budget

# THE LEGACY LEARNING TRUST

## GOVERNANCE STATEMENT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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The Trust Board was established on 1 July 2018 and its major challenge, during the 2018-19 period, was to ensure that all processes and procedures were fully embedded, compliant and effective. During 2019-20 challenges included response to Covid-19. This continued in 2020-21 with the major focus being on response to Covid and Covid recovery. The 2021-22 focus has included embedding a new Executive Leadership Team and a new approach to strategic planning, which includes a vision for growth. In 2022-23 the focus has been on Phase 1 growth with 4 local primary schools planned to join the Trust by 1 October 2023. The Trust Board have reflected and responded in their approach to governance of a larger trust and the context and challenges that brings. Trustees have undergone training via a Trust development day as well as extraordinary meetings in response to Phase 1 growth and planned Phase 2 growth

#### **Conflicts of interest**

The trust has processes in place to manage conflicts of interest, which include annual business and pecuniary interest declarations for all members, trustees, local council governors, executive and senior leaders and employees in the trust with a financial responsibility. All trustee and local council meeting agendas include an item for declaration of interests before the main body of the agenda begins and any business is discussed. When conflicts of interest are identified, the Trust's Governance and Policy Officer refers to the related Charity Commission guidance and checklist; Conflicts of interest: a guide for charity trustees (CC29). Advice is sought from external audit providers where needed.

The trust does not currently have any identified subsidiaries, joint ventures or associates. If, however this scenario should arise, e.g. a joint project with another organisation which led to the procurement of goods or services, the trust would ask for declaration of interests before any procurement was entered into. The trust tries to avoid third party related transactions where possible, but would follow appropriate guidance if a beneficial opportunity was presented.

#### **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 fall-out from global issues in this period has resulted in increased costs in relation to energy and material costs, as well as increased pay costs which will impact in 2022-23 and beyond. At all times, best endeavours to ensure value for money have been sought and detailed records have been maintained. This has involved claiming for additional funding where eligible and ensuring economy in resource provision, efficiency in resource deployment and an evaluation of effectiveness to inform future practice. The Trust continues to seek external funding where appropriate to minimise the negative financial effect of additional costs although this is not fully within the Trust's control and is sometimes reliant on national policy and the global marketplace.

# THE LEGACY LEARNING TRUST

## GOVERNANCE STATEMENT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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

- Sharing staffing skills and resources
- An ongoing and timely review of contracts and service level agreements
- Procurement and tender process for two large trust wide contracts
- Continued development of central services to serve the whole Trust improving service quality and reducing cost, including upscaling systems.
- Continued development of the Estates strategy to ensure strategic management of estates and compliance with relevant regulatory frameworks.

The impact on educational outcomes has been:

- Established strategies, which are having a positive impact on student outcomes, can be continued, despite rising costs and funding challenges

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

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in The Legacy Learning Trust for the period 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and accounts.

#### **Capacity to handle risk**

The board of trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and accounts. This process is regularly reviewed by the board of trustees.

#### **The risk and control framework**

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

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

The board of trustees has considered the need for a specific internal audit function and has decided:

- to appoint Clive Owen LLP as internal auditor to carry out termly internal assurance reviews.

The internal auditor's role includes performing a range of checks on the academy trust's financial systems as one of the options under the Academies Financial Handbook.

The auditor reports to the board of trustees on the operation of the systems of control and on the discharge of the financial responsibilities of the board of trustees in the December meeting each year.

# THE LEGACY LEARNING TRUST

## GOVERNANCE STATEMENT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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An internal assurance review was undertaken in spring 2023(2 days) and summer 2023 (1 day), which considered the following areas:

- Key financial controls
- Income
- Information Technology/Cybersecurity
- Website Compliance
- Review of previous audit action plans and updates

Three minor recommendations were identified across the year, which have since been implemented by the Trust.

An annual report summarised the internal audit activity for the year, along with recommendations for improvement and was reported to the trustees.

#### **Review of effectiveness**

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

- the work of the internal auditor;
- the work of the external auditor;
- the financial management and governance self-assessment process;
- the work of the executive managers within the 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 and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the board of trustees on 15 December 2023 and signed on its behalf by:



H U Rashid  
**Chair**



Mrs S J Lymer  
**Accounting Officer**

# THE LEGACY LEARNING TRUST

## STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE FOR THE YEAR ENDED 31 AUGUST 2023

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As accounting officer of The Legacy Learning Trust, I have considered my responsibility to notify the academy trust board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding, including for estates safety and management, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2022, including responsibilities for estates safety and management.

I confirm that I and the academy trust's board of trustees are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academy Trust Handbook 2022.

I confirm that the following instances of material irregularity, impropriety or funding non-compliance discovered to date have been notified to the board of trustees and ESFA. If any instances are identified after the date of this statement, these will be notified to the board of trustees and ESFA:

### Financial issues

- During the year there were a number of examples of credit card fraud identified, where an external party gained details of a trust credit card and made purchases using those details across several months. Management have subsequently worked with the bank and recovered the majority. Management continue to work with the bank to recover the remainder. An oversight occurred where we did not inform either the trustees whilst the process was taking place, or the ESFA in a timely manner, as required under 6.12 of the Academy Trust Handbook 2022.



Mrs S J Lymer  
**Accounting Officer**

15 December 2023

# THE LEGACY LEARNING TRUST

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

### FOR THE YEAR ENDED 31 AUGUST 2023

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The trustees (who are also the directors of The Legacy 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 2022 to 2023 published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare 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 2022 to 2023;
- 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 15 December 2023 and signed on its behalf by:



H U Rashid  
Chair



# THE LEGACY LEARNING TRUST

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

**FOR THE YEAR ENDED 31 AUGUST 2023**

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### **Opinion**

We have audited the accounts of The Legacy Learning Trust for the year ended 31 August 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the accounts, including 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 2022 to 2023 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 2023 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 2022 to 2023.

### **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.

### **Emphasis of matter - LGPS disclosure**

We draw your attention to note 2 to the financial statements which describes how the LGPS balance has been accounted for. Our opinion is not modified in respect of this matter.

### **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 other information comprises the information included in the annual report other than the accounts and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. 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. 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 course of 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 this gives rise to a material misstatement in the accounts themselves. 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.

# THE LEGACY LEARNING TRUST

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

### FOR THE YEAR ENDED 31 AUGUST 2023

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#### **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:

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.

# THE LEGACY LEARNING TRUST

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

### FOR THE YEAR ENDED 31 AUGUST 2023

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#### **Extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the 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. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of senior leadership, Governors/Trustees and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the company through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations including compliance with the Academies Accounts Direction 2022 to 2023 issued by the Education and Skills Funding Agency;
- Performing audit work over the recognition of grant income and the allocation of expenditure to funds;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

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 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.

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

# THE LEGACY LEARNING TRUST

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

**FOR THE YEAR ENDED 31 AUGUST 2023**

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### Use of our report

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

*Azets Audit Services*

**Graham Fitzgerald BA FCA DChA (Senior Statutory Auditor)  
for and on behalf of Azets Audit Services**

*20/12/2023*

.....

**Statutory Auditor**

Wynyard Park House  
Wynyard Avenue  
Wynyard  
United Kingdom  
TS22 5TB

# THE LEGACY LEARNING TRUST

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

**FOR THE YEAR ENDED 31 AUGUST 2023**

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In accordance with the terms of our engagement letter dated 22 August 2023 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2022 to 2023, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Legacy Learning Trust during the period 1 September 2022 to 31 August 2023 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to The Legacy 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 The Legacy 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 The Legacy Learning Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

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

The accounting officer is responsible, under the requirements of The Legacy Learning Trust's funding agreement with the Secretary of State for Education dated 28 March 2018 and the Academy Trust Handbook, extant from 1 September 2022, 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 2022 to 2023. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2022 to 31 August 2023 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 trust's income and expenditure.

# THE LEGACY LEARNING TRUST

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

**FOR THE YEAR ENDED 31 AUGUST 2023**

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The work undertaken to draw to our conclusion includes:

- completion of self assessment questionnaire by Accounting Officer
- discussions with the Accounting Officer and finance team
- review of Internal Assurance report
- review of trustee and committee meeting minutes
- review of finance and other relevant policies
- review of purchases, expenses and expense claims on a sample basis including the application of controls and tendering processes where applicable
- review of gifts and hospitality transactions including the application of controls
- review of credit and debit card transactions including the application of controls
- review of payroll transactions on a sample bases including the application of controls
- review of potential special payments to staff
- review of leases and consideration of areas where borrowing may have been incurred
- consideration of transactions with related and connected parties
- review of register of business interests for completeness and compliance with regulations
- enquiries into transactions that may require disclosure under ESFA delegated authority rules
- consideration of value for money and appropriateness of transactions

### **Modified conclusion**

In the course of our work, except for the matters listed below, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2022 to 31 August 2023 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

As noted in the Accounting Officers Statement of Regularity, Propriety and Compliance, the trust failed to notify trustees of the issue with an external credit card fraud during the year and did not notify the ESFA in a timely manner as required under 6.12 of the Academy Trust Handbook 2022.

*Azets Audit Services*

### **Reporting Accountant**

Azets Audit Services

Dated: .....20/12/2023.....

# THE LEGACY LEARNING TRUST

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	Unrestricted funds £	Restricted funds: General    Fixed asset £            £		Total 2023 £	Total 2022 £
<b>Income and endowments from:</b>						
Donations and capital grants	3	5,602	-	585,778	591,380	761,074
Charitable activities:						
- Funding for educational operations	4	161,375	15,006,425	-	15,167,800	14,103,599
Other trading activities	5	300,189	-	-	300,189	266,926
Investments	6	139	-	-	139	140
<b>Total</b>		<b>467,305</b>	<b>15,006,425</b>	<b>585,778</b>	<b>16,059,508</b>	<b>15,131,739</b>
<b>Expenditure on:</b>						
Raising funds	7	325,303	-	-	325,303	524,429
Charitable activities:						
- Educational operations	9	53,721	15,817,418	765,708	16,636,847	16,682,023
<b>Total</b>	<b>7</b>	<b>379,024</b>	<b>15,817,418</b>	<b>765,708</b>	<b>16,962,150</b>	<b>17,206,452</b>
<b>Net income/(expenditure)</b>		<b>88,281</b>	<b>(810,993)</b>	<b>(179,930)</b>	<b>(902,642)</b>	<b>(2,074,713)</b>
Transfers between funds	17	(276,969)	640,392	(363,423)	-	-
<b>Other recognised gains/(losses)</b>						
Actuarial gains on defined benefit pension schemes	19	-	2,310,000	-	2,310,000	7,478,000
Pension asset not recognised	19	-	(1,585,000)	-	(1,585,000)	-
<b>Net movement in funds</b>		<b>(188,688)</b>	<b>554,399</b>	<b>(543,353)</b>	<b>(177,642)</b>	<b>5,403,287</b>
<b>Reconciliation of funds</b>						
Total funds brought forward		772,967	(503,399)	36,372,112	36,641,680	31,238,393
Total funds carried forward		584,279	51,000	35,828,759	36,464,038	36,641,680

# THE LEGACY LEARNING TRUST

## STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2023

<b>Comparative year information</b>		<b>Unrestricted</b>	<b>Restricted funds:</b>		<b>Total</b>
<b>Year ended 31 August 2022</b>		<b>funds</b>	<b>General</b>	<b>Fixed asset</b>	<b>2022</b>
	<b>Notes</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Income and endowments from:</b>					
Donations and capital grants	<b>3</b>	33,247	-	727,827	761,074
Charitable activities:					
- Funding for educational operations	<b>4</b>	256,954	13,846,645	-	14,103,599
Other trading activities	<b>5</b>	266,926	-	-	266,926
Investments	<b>6</b>	140	-	-	140
<b>Total</b>		<u>557,267</u>	<u>13,846,645</u>	<u>727,827</u>	<u>15,131,739</u>
<b>Expenditure on:</b>					
Raising funds	<b>7</b>	524,429	-	-	524,429
Charitable activities:					
- Educational operations	<b>9</b>	44,604	15,879,780	757,639	16,682,023
<b>Total</b>	<b>7</b>	<u>569,033</u>	<u>15,879,780</u>	<u>757,639</u>	<u>17,206,452</u>
<b>Net expenditure</b>		(11,766)	(2,033,135)	(29,812)	(2,074,713)
Transfers between funds	<b>17</b>	-	626,428	(626,428)	-
<b>Other recognised gains/(losses)</b>					
Actuarial gains on defined benefit pension schemes	<b>19</b>	-	7,478,000	-	7,478,000
<b>Net movement in funds</b>		(11,766)	6,071,293	(656,240)	5,403,287
<b>Reconciliation of funds</b>					
Total funds brought forward		784,733	(6,574,692)	37,028,352	31,238,393
Total funds carried forward		<u>772,967</u>	<u>(503,399)</u>	<u>36,372,112</u>	<u>36,641,680</u>



# THE LEGACY LEARNING TRUST

## BALANCE SHEET

AS AT 31 AUGUST 2023

	Notes	2023		2022	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	13		35,660,881		36,321,637
<b>Current assets</b>					
Debtors	14	1,295,706		1,603,695	
Cash at bank and in hand		1,114,236		675,366	
		<u>2,409,942</u>		<u>2,279,061</u>	
<b>Current liabilities</b>					
Creditors: amounts falling due within one year	15	(1,606,785)		(1,430,018)	
<b>Net current assets</b>			803,157		849,043
<b>Net assets excluding pension liability</b>			36,464,038		37,170,680
Defined benefit pension scheme liability	19		-		(529,000)
<b>Total net assets</b>			<u>36,464,038</u>		<u>36,641,680</u>
<b>Funds of the academy trust:</b>					
<b>Restricted funds</b>	17				
- Fixed asset funds			35,828,759		36,372,112
- Restricted income funds			51,000		25,601
- Pension reserve			-		(529,000)
<b>Total restricted funds</b>			<u>35,879,759</u>		<u>35,868,713</u>
<b>Unrestricted income funds</b>	17		584,279		772,967
<b>Total funds</b>			<u>36,464,038</u>		<u>36,641,680</u>

The accounts on pages 29 to 55 were approved by the trustees and authorised for issue on 15 December 2023 and are signed on their behalf by:



H U Rashid  
Chair

Company registration number 11281425 (England and Wales)

# THE LEGACY LEARNING TRUST

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2023

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	Notes	2023 £	£	2022 £	£
<b>Cash flows from operating activities</b>					
Net cash used in operating activities	20		(42,095)		(1,132,400)
<b>Cash flows from investing activities</b>					
Dividends, interest and rents from investments		139		140	
Capital grants from DfE Group		585,778		727,827	
Purchase of tangible fixed assets		(104,952)		(50,923)	
<b>Net cash provided by investing activities</b>			480,965		677,044
<b>Net increase/(decrease) in cash and cash equivalents in the reporting period</b>			438,870		(455,356)
Cash and cash equivalents at beginning of the year			675,366		1,130,722
<b>Cash and cash equivalents at end of the year</b>			1,114,236		675,366

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# THE LEGACY LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 AUGUST 2023

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#### 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 trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2022 to 2023 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 trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern. Thus they continue to adopt the going concern basis of accounting in preparing the accounts.

##### 1.3 Income

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

###### Grants

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

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

Capital grants are recognised 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.

###### Sponsorship income

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

###### Donations

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

###### Other income

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

# THE LEGACY LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

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### 1 Accounting policies

(Continued)

#### 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 trust's accounting policies.

### 1.4 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 trust to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

#### Charitable activities

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

### 1.5 Tangible fixed assets and depreciation

Assets costing £3,000 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.

# THE LEGACY LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

---

#### 1 Accounting policies

(Continued)

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:

Long leasehold land	125 years
Long leasehold buildings	50 years
Computer equipment	3 years
Fixtures, fittings & equipment	10 years
Motor vehicles	3 years

The trust's land and buildings are occupied on a 125 year lease from the local authority. In the view of the trustees, the risks and rewards of occupying the site have been substantially transferred to the trust and therefore the land and buildings have been recognised as a donation on conversion and capitalised within the restricted fixed assets fund. Land and buildings have been valued by trustees on a depreciated replacement cost basis based on previous values provided by the local authority. Other assets transferred on conversion have been valued based on an estimated book value based on their original purchase cost.

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

#### 1.6 Liabilities

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

#### 1.7 Leased assets

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

#### 1.8 Financial instruments

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

##### Financial assets

Trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. 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.

# THE LEGACY LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

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### 1 Accounting policies

(Continued)

#### 1.9 Taxation

The academy trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the academy trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by 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.

#### 1.10 Pensions benefits

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

The TPS is an unfunded scheme and contributions are calculated to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary 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 trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high-quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to 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.

#### 1.11 Fund accounting

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

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

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

### 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.

# THE LEGACY LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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#### 2 Critical accounting estimates and areas of judgement

(Continued)

##### Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 19, 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 2022 has been used by the actuary in valuing the pensions liability at 31 August 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability. The UK corporate bond yields at 31 August 2023 are at their highest levels for many years resulting in higher accounting discount rates at the year end. This places a significantly lower value on the pension obligations compared to last year and will be one of the main reasons a net asset has been reported. We have ensured that our assumptions are appropriate for the Academy Trust and the valuation has been based on the following estimates:

- There is a minimum funding requirement in relation to LGPS
- There is the ability to recover a surplus through the ability to reduce future contributions (not refund)
- In calculating the surplus, the present value of current and past service costs is offset against the future contributions over the future period
- The present values in the above calculations are calculated using an annuity representing participation into perpetuity.

There is no known intention to exit the LGPS and therefore the economic benefit of a refund would be highly unlikely and on that basis recognition of an asset is considered inappropriate. We have however considered the economic benefit available to the Academy Trust as a future contribution reduction and whether it is appropriate to recognise the net asset in full. Under FRS 102, a net asset restriction may apply as the prevailing view is that a minimum funding requirement for future service exists in the LGPS. We requested our actuaries consider the impact of the minimum funding requirement on the asset ceiling and as a result we have restricted the asset to £nil based upon an asset restriction calculation. We consider this to be appropriate and a more accurate reflection of the pension positions as at 31 August 2023.

##### Critical areas of judgement

###### Land and buildings

The trust's land and buildings are occupied on a 125 year lease from the local authority. In the view of the trustees, the risks and rewards of occupying the site have been substantially transferred to the trust and therefore the land and buildings have been recognised as a donation on conversion and capitalised within the restricted fixed assets fund. The land and buildings are valued on the basis of valuations provided by the ESFA/local authority

###### Depreciation

Depreciation is calculated as to write off the cost of an asset off over its useful economic life. The accounting policies are disclosed in the accounting policy above.

# THE LEGACY LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

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### 3 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Capital grants	-	585,778	585,778	727,827
Other donations	5,602	-	5,602	33,247
	<u>5,602</u>	<u>585,778</u>	<u>591,380</u>	<u>761,074</u>



# THE LEGACY LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 4 Funding for the academy trust's charitable activities

Educational operations	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
<b>DfE/ESFA grants</b>				
General annual grant (GAG)	-	11,853,406	11,853,406	11,617,218
Other DfE/ESFA grants:				
- UIFSM	-	68,228	68,228	64,146
- Pupil premium	-	963,453	963,453	907,790
- Start up grants	-	75,000	75,000	-
- PE and sports grant	-	21,370	21,370	21,270
- Rates	-	62,791	62,791	62,857
- National tutoring programme	-	126,136	126,136	117,495
- Teachers pay and pension grants	-	10,516	10,516	18,303
- Supplementary grant	-	549,517	549,517	-
- Others	-	165,180	165,180	241,013
	-	13,895,597	13,895,597	13,050,092
<b>Other government grants</b>				
Local authority grants	-	904,516	904,516	654,889
Special educational projects	-	20,833	20,833	8,675
	-	925,349	925,349	663,564
<b>COVID-19 additional funding</b>				
<b>DfE/ESFA</b>				
Other DfE/ESFA COVID-19 funding	-	185,479	185,479	18,608
<b>Non-DfE/ESFA</b>				
Other COVID-19 funding	-	-	-	114,381
	-	185,479	185,479	132,989
<b>Other incoming resources</b>	110,620	-	110,620	212,511
<b>Total funding for educational operations</b>	110,620	15,006,425	15,117,045	14,059,156
<b>Catering</b>	50,755	-	50,755	44,443
<b>Total funding</b>	161,375	15,006,425	15,167,800	14,103,599

# THE LEGACY LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 5 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Hire of facilities	100,019	-	100,019	41,116
Catering income	410	-	410	299
Parental contributions	56,453	-	56,453	50,515
Other income	143,307	-	143,307	174,996
	<u>300,189</u>	<u>-</u>	<u>300,189</u>	<u>266,926</u>

### 6 Investment income

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Short term deposits	139	-	139	140
	<u>139</u>	<u>-</u>	<u>139</u>	<u>140</u>

### 7 Expenditure

	Staff costs £	Non-pay expenditure		Total 2023 £	Total 2022 £
		Premises £	Other £		
Expenditure on raising funds					
- Direct costs	24,249	-	301,054	325,303	524,429
Academy's educational operations					
- Direct costs	9,663,225	-	420,799	10,084,024	9,330,252
- Allocated support costs	3,000,882	2,319,021	1,232,920	6,552,823	7,351,771
	<u>12,688,356</u>	<u>2,319,021</u>	<u>1,954,773</u>	<u>16,962,150</u>	<u>17,206,452</u>

#### Net income/(expenditure) for the year includes:

	2023 £	2022 £
Operating lease rentals	13,364	31,305
Depreciation of tangible fixed assets	765,708	757,639
Fees payable to auditor for:		
- Audit	12,500	9,550
- Other services	3,900	2,950
Net interest on defined benefit pension liability	27,000	126,000
	<u>792,472</u>	<u>928,444</u>

# THE LEGACY LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

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### 8 Central services

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

- leadership
- risk assurance
- human resources;
- financial services;
- admissions appeals;
- school improvement;
- IT, data management, cyber security;
- website compliance;
- marketing and design; and
- governance

In the current year, each academy has made a contribution to central services on a basis agreed with trustees.

The amounts charged during the year were as follows:

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Acklam Grange School	338,222	343,470
Linthorpe Community Primary School	154,893	151,249
	<u>493,115</u>	<u>494,719</u>
	<u><u>493,115</u></u>	<u><u>494,719</u></u>

# THE LEGACY LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 9 Charitable activities

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
<b>Direct costs</b>				
Educational operations	-	10,084,024	10,084,024	9,330,252
<b>Support costs</b>				
Educational operations	53,721	6,499,102	6,552,823	7,351,771
	<u>53,721</u>	<u>16,583,126</u>	<u>16,636,847</u>	<u>16,682,023</u>
			<b>2023</b> £	<b>2022</b> £
<b>Analysis of support costs</b>				
Support staff costs			3,000,882	3,474,213
Depreciation			765,708	757,639
Technology costs			88,476	137,695
Premises costs			1,553,313	1,790,366
Legal costs			1,950	7,909
Other support costs			1,115,251	1,162,818
Governance costs			27,243	21,131
			<u>6,552,823</u>	<u>7,351,771</u>

### 10 Staff

#### Staff costs

Staff costs during the year were:

	2023 £	2022 £
Wages and salaries	9,350,314	8,617,533
Social security costs	938,614	853,909
Pension costs	2,080,015	2,739,980
Staff costs - employees	<u>12,368,943</u>	<u>12,211,422</u>
Agency staff costs	319,413	261,647
Staff development and other staff costs	12,688,356 4,170	12,473,069 33,440
Total staff expenditure	<u>12,692,526</u>	<u>12,506,509</u>

# THE LEGACY LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 10 Staff

(Continued)

##### Staff numbers

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

	2023 Number	2022 Number
Teachers	122	124
Administration and support	250	166
Management	19	20
	<u>391</u>	<u>310</u>

##### Higher paid staff

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

	2023 Number	2022 Number
£60,001 - £70,000	3	8
£70,001 - £80,000	4	-
£90,001 - £100,000	-	2
£100,001 - £110,000	2	-
	<u>2</u>	<u>2</u>

##### Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension and national insurance contributions) received by key management personnel for their services to the academy trust was £206,638 (2022: £179,907).

#### 11 Trustees' remuneration and expenses

One or more of the trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment, and not in respect of their services as trustees.

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

Mrs S Lymer (Accounting Officer)	
Remuneration	£105,001 - £110,000 (2022: £95,0001 - £100,000)
Employer's pension contributions	£25,001 - £30,000 (2022: £20,001 to £25,000)

During the year, travel and subsistence payments totalling £28 (2022: £397) were reimbursed or paid directly to 1 trustee (2022: 1 trustee).

# THE LEGACY LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 12 Trustees' and officers' insurance

The academy trust 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 trust 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.

#### 13 Tangible fixed assets

	Land and buildings	Computer equipment	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£	£
<b>Cost</b>					
At 1 September 2022	39,204,282	109,285	112,616	22,714	39,448,897
Additions	12,469	17,741	74,742	-	104,952
At 31 August 2023	39,216,751	127,026	187,358	22,714	39,553,849
<b>Depreciation</b>					
At 1 September 2022	2,994,440	80,339	29,791	22,690	3,127,260
Charge for the year	726,807	23,866	15,035	-	765,708
At 31 August 2023	3,721,247	104,205	44,826	22,690	3,892,968
<b>Net book value</b>					
At 31 August 2023	35,495,504	22,821	142,532	24	35,660,881
At 31 August 2022	36,209,842	28,946	82,825	24	36,321,637

#### 14 Debtors

	2023 £	2022 £
Trade debtors	141,399	61,158
VAT recoverable	231,281	818,571
Other debtors	43,376	88,854
Prepayments and accrued income	879,650	635,112
	1,295,706	1,603,695

# THE LEGACY LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

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

	2023 £	2022 £
Trade creditors	170,257	254,148
Other taxation and social security	217,414	200,383
Other creditors	208,839	199,687
Accruals and deferred income	1,010,275	775,800
	<u>1,606,785</u>	<u>1,430,018</u>

### 16 Deferred income

	2023 £	2022 £
Deferred income is included within:		
Creditors due within one year	86,666	38,064
	<u>86,666</u>	<u>38,064</u>
Deferred income at 1 September 2022	38,064	203,123
Released from previous years	(38,064)	(203,123)
Resources deferred in the year	86,666	38,064
	<u>86,666</u>	<u>38,064</u>
Deferred income at 31 August 2023	86,666	38,064

Deferred income consists of universal infant free school meals and rates relief received in advance of the 2023/24 academic year.

# THE LEGACY LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 17 Funds

	Balance at 1 September 2022 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2023 £
<b>Restricted general funds</b>					
General Annual Grant (GAG)	25,601	11,853,406	(12,558,677)	679,670	-
Start up grants	-	75,000	(24,000)	-	51,000
UIFSM	-	68,228	(68,228)	-	-
Pupil premium	-	963,453	(963,453)	-	-
Other DfE/ESFA COVID-19 funding	-	185,479	(185,479)	-	-
Other DfE/ESFA grants	-	165,180	(165,180)	-	-
Other government grants	-	925,349	(886,071)	(39,278)	-
Teachers pay and pension grants	-	10,516	(10,516)	-	-
PE and sports premium	-	21,370	(21,370)	-	-
Rates	-	62,791	(62,791)	-	-
National tutoring programme	-	126,136	(126,136)	-	-
Supplementary grant	-	549,517	(549,517)	-	-
Pension reserve	(529,000)	-	(196,000)	725,000	-
	<u>(503,399)</u>	<u>15,006,425</u>	<u>(15,817,418)</u>	<u>1,365,392</u>	<u>51,000</u>
<b>Restricted fixed asset funds</b>					
Inherited on conversion	35,494,647	-	(716,255)	-	34,778,392
DfE group capital grants	236,397	585,778	(9,495)	(468,374)	344,306
Capital expenditure from GAG	78,113	-	(27,627)	65,673	116,159
Other LA income	6,155	-	(1,231)	39,278	44,202
Donated assets	556,800	-	(11,100)	-	545,700
	<u>36,372,112</u>	<u>585,778</u>	<u>(765,708)</u>	<u>(363,423)</u>	<u>35,828,759</u>
<b>Total restricted funds</b>	<u>35,868,713</u>	<u>15,592,203</u>	<u>(16,583,126)</u>	<u>1,001,969</u>	<u>35,879,759</u>
<b>Unrestricted funds</b>					
General funds	<u>772,967</u>	<u>467,305</u>	<u>(379,024)</u>	<u>(276,969)</u>	<u>584,279</u>
<b>Total funds</b>	<u>36,641,680</u>	<u>16,059,508</u>	<u>(16,962,150)</u>	<u>725,000</u>	<u>36,464,038</u>



# THE LEGACY LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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#### 17 Funds

(Continued)

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

General Annual Grant must be used for the normal running costs of the academy. Under the funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2023.

Other DfE/ESFA grants include teachers pay and pension grants, pupil premium, PE grant and universal infant free school meals grants received.

Other government grants include funding received for pupils with special educational needs, early years funding and pupil premium received from the local authority.

Teaching school income and expenditure is generated as a result of the academy trust's status as a teaching school.

The pension reserve reflects the LGPS transactions. The costs and income associated with the defined benefit pension scheme have been recorded in the restricted fund. Staff costs are paid from this fund, including contributions to the LGPS, and the pension liability has therefore been aligned with these funds.

The Inherited Fixed Asset Fund reflects the fixed assets acquired from the Local Authority on conversion. Depreciation on these assets is charged against this fund.

Capital grants are reflected in the restricted fixed asset fund, the trust has carried forward £167,878 in capital funds into 2023/24. Capital grants have been used on expenditure that has been expensed in the year, resulting in a funds transfer from capital to restricted general funds.

Unrestricted funds can be used for any purpose, at the discretion of the trustees, within the objects of the academy trust.

At 31 August 2023 the academy had restricted general and unrestricted funds of £635,279.

# THE LEGACY LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 17 Funds

(Continued)

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

	Balance at 1 September 2021 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2022 £
<b>Restricted general funds</b>					
General Annual Grant (GAG)	296,308	11,617,218	(12,514,353)	626,428	25,601
UIFSM	-	64,146	(64,146)	-	-
Pupil premium	-	907,790	(907,790)	-	-
Other DfE/ESFA COVID-19 funding	-	18,608	(18,608)	-	-
Other Coronavirus funding	-	114,381	(114,381)	-	-
Other DfE/ESFA grants	-	460,938	(460,938)	-	-
Other government grants	20,000	663,564	(683,564)	-	-
Pension reserve	(6,891,000)	-	(1,116,000)	7,478,000	(529,000)
	<u>(6,574,692)</u>	<u>13,846,645</u>	<u>(15,879,780)</u>	<u>8,104,428</u>	<u>(503,399)</u>
<b>Restricted fixed asset funds</b>					
Inherited on conversion	36,210,902	-	(716,255)	-	35,494,647
DfE group capital grants	205,845	727,827	(9,087)	(688,188)	236,397
Capital expenditure from GAG	35,219	-	(18,866)	61,760	78,113
Other LA income	7,986	-	(1,831)	-	6,155
Donated assets	568,400	-	(11,600)	-	556,800
	<u>37,028,352</u>	<u>727,827</u>	<u>(757,639)</u>	<u>(626,428)</u>	<u>36,372,112</u>
<b>Total restricted funds</b>	<u>30,453,660</u>	<u>14,574,472</u>	<u>(16,637,419)</u>	<u>7,478,000</u>	<u>35,868,713</u>
<b>Unrestricted funds</b>					
General funds	<u>784,733</u>	<u>557,267</u>	<u>(569,033)</u>	<u>-</u>	<u>772,967</u>
<b>Total funds</b>	<u>31,238,393</u>	<u>15,131,739</u>	<u>(17,206,452)</u>	<u>7,478,000</u>	<u>36,641,680</u>

# THE LEGACY LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### 17 Funds (Continued)

#### Total funds analysis by academy

	2023	2022
	£	£
Fund balances at 31 August 2023 were allocated as follows:		
Acklam Grange School	138,574	261,772
Linthorpe Community Primary School	344,552	515,220
Central services	152,153	21,576
	<u>635,279</u>	<u>798,568</u>
Total before fixed assets fund and pension reserve	635,279	798,568
Restricted fixed asset fund	35,828,759	36,372,112
Pension reserve	-	(529,000)
	<u>36,464,038</u>	<u>36,641,680</u>
Total funds	<u>36,464,038</u>	<u>36,641,680</u>

#### Total cost analysis by academy

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

	Teaching and educational support staff	Other support staff costs	Educational supplies	Other costs excluding depreciation	Total 2023	Total 2022
	£	£	£	£	£	£
Acklam Grange School	6,588,654	2,050,072	179,171	2,020,329	10,838,226	11,095,812
Linthorpe Community Primary School	2,863,631	482,875	242,839	805,175	4,394,520	3,721,195
Central services	239,359	-	293,554	234,783	767,696	515,806
	<u>9,691,644</u>	<u>2,532,947</u>	<u>715,564</u>	<u>3,060,287</u>	<u>16,000,442</u>	<u>15,332,813</u>

### 18 Analysis of net assets between funds

	Unrestricted Funds	Restricted funds:		Total Funds
	£	General	Fixed asset	£
		£	£	
Fund balances at 31 August 2023 are represented by:				
Tangible fixed assets	-	-	35,660,881	35,660,881
Current assets	584,279	1,657,785	167,878	2,409,942
Current liabilities	-	(1,606,785)	-	(1,606,785)
	<u>584,279</u>	<u>51,000</u>	<u>35,828,759</u>	<u>36,464,038</u>
<b>Total net assets</b>	<u>584,279</u>	<u>51,000</u>	<u>35,828,759</u>	<u>36,464,038</u>

# THE LEGACY LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 18 Analysis of net assets between funds

(Continued)

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
<b>Fund balances at 31 August 2022 are represented by:</b>				
Tangible fixed assets	-	-	36,321,637	36,321,637
Current assets	772,967	1,455,619	50,475	2,279,061
Current liabilities	-	(1,430,018)	-	(1,430,018)
Pension scheme liability	-	(529,000)	-	(529,000)
<b>Total net assets</b>	<b>772,967</b>	<b>(503,399)</b>	<b>36,372,112</b>	<b>36,641,680</b>

### 19 Pension and similar obligations

The academy trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Middlesbrough Borough Council. 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 £209,366 were payable to the schemes at 31 August 2023 (2022: £198,539) 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 academy trusts. 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 31 March 2016 TPS actuarial valuation results were implemented from 1 September 2019.

# THE LEGACY LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 19 Pension and similar obligations

(Continued)

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 latest actuarial TPS valuation results, as at 31 March 2020, were released in October 2023. The revised employer contribution rate, arising from this valuation, is due to be implemented from 1 April 2024.

The employer's pension costs paid to the TPS in the period amounted to £1,620,577 (2022: £1,289,336).

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

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

#### Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 17.5% for employers and 5.5 - 12.5% for employees.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013 and on 21 July 2022, the Department for Education reaffirmed its commitment to the guarantee, with a parliamentary minute published on GOV.UK.

<b>Total contributions made</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Employer's contributions	493,000	452,000
Employees' contributions	167,000	153,000
	<hr/>	<hr/>
Total contributions	660,000	605,000
	<hr/> <hr/>	<hr/> <hr/>

  

<b>Principal actuarial assumptions</b>	<b>2023</b>	<b>2022</b>
	<b>%</b>	<b>%</b>
Rate of increase in salaries	3.95	4.05
Rate of increase for pensions in payment/inflation	2.95	3.05
Discount rate for scheme liabilities	5.20	4.25
Inflation assumption (CPI)	2.95	3.05
	<hr/> <hr/>	<hr/> <hr/>

# THE LEGACY LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### 19 Pension and similar obligations

(Continued)

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

	2023 Years	2022 Years
Retiring today		
- Males	20.5	21.7
- Females	23.5	23.5
Retiring in 20 years		
- Males	21.3	22.9
- Females	25.0	25.3

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

	2023 £	2022 £
Discount rate + 0.1%	7,467,000	8,817,000
Discount rate - 0.1%	7,879,000	9,315,000
Mortality assumption + 1 year	7,366,000	8,703,000
Mortality assumption - 1 year	7,980,000	9,429,000
CPI rate + 0.1%	7,849,000	9,285,000
CPI rate - 0.1%	7,497,000	8,847,000

#### The academy trust's share of the assets in the scheme

	2023 Fair value £	2022 Fair value £
Equities	6,758,340	5,805,160
Asset not recognised	(1,585,000)	-
Cash	370,320	1,195,180
Property	2,129,340	1,536,660
Total market value of assets	7,673,000	8,537,000

The actual return on scheme assets was £202,000 (2022: £477,000).

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

	2023 £	2022 £
Current service cost	662,000	1,442,000
Interest income	(373,000)	(132,000)
Interest cost	400,000	258,000
Total operating charge	689,000	1,568,000

# THE LEGACY LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

<b>19 Pension and similar obligations</b>		<b>(Continued)</b>	
<b>Changes in the present value of defined benefit obligations</b>		<b>2023</b>	<b>2022</b>
		<b>£</b>	<b>£</b>
At 1 September 2022		9,066,000	14,408,000
Current service cost		662,000	1,442,000
Interest cost		400,000	258,000
Employee contributions		167,000	153,000
Actuarial gain		(2,481,000)	(7,133,000)
Benefits paid		(141,000)	(62,000)
At 31 August 2023		<u>7,673,000</u>	<u>9,066,000</u>
<b>Changes in the fair value of the academy trust's share of scheme assets</b>		<b>2023</b>	<b>2022</b>
		<b>£</b>	<b>£</b>
At 1 September 2022		8,537,000	7,517,000
Interest income		373,000	132,000
Actuarial loss/(gain)		(171,000)	345,000
Employer contributions		493,000	452,000
Employee contributions		167,000	153,000
Benefits paid		(141,000)	(62,000)
Asset not recognised		(1,585,000)	-
At 31 August 2023		<u>7,673,000</u>	<u>8,537,000</u>
<b>20 Reconciliation of net expenditure to net cash flow from operating activities</b>		<b>2023</b>	<b>2022</b>
		<b>£</b>	<b>£</b>
<b>Notes</b>			
Net expenditure for the reporting period (as per the statement of financial activities)		(902,642)	(2,074,713)
Adjusted for:			
Capital grants from DfE and other capital income		(585,778)	(727,827)
Investment income receivable	<b>6</b>	(139)	(140)
Defined benefit pension costs less contributions payable	<b>19</b>	169,000	990,000
Defined benefit pension scheme finance cost	<b>19</b>	27,000	126,000
Depreciation of tangible fixed assets		765,708	757,639
Decrease/(increase) in debtors		307,989	(866,375)
Increase in creditors		176,767	663,016
<b>Net cash used in operating activities</b>		<u>(42,095)</u>	<u>(1,132,400)</u>

# THE LEGACY LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 21 Analysis of changes in net funds

	1 September 2022	Cash flows	31 August 2023
	£	£	£
Cash	675,366	438,870	1,114,236

#### 22 Long-term commitments

##### Operating leases

At 31 August 2023 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

	2023	2022
	£	£
Amounts due within one year	2,101	20,680
Amounts due in two and five years	-	2,101
	2,101	22,781

#### 23 Related party transactions

Owing to the nature of the academy trust and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. The following related party transactions took place in the financial period.

North Yorkshire County Council (NYCC) – Chair of the Trust Board is commercial lead for trade activity within the NYCC HR portfolio and was Education Services Director at NYCC until March 2023:

- The academy trust purchased payroll services from NYCC totalling £59,475 (2022: £nil) during the period. There were no amounts outstanding at 31 August 2023 (2022: £nil)
- The academy trust made the purchase at arms' length following a competitive tendering exercise in accordance with its financial regulations, which the Chair neither participated in, nor influenced
- In entering into the transaction, the academy trust has complied with the requirements of the Academy Trust Handbook
- The element above £2,500 has been provided 'at no more than cost' and NYCC has provided a statement of assurance confirming this

#### 24 Post balance sheet events

After the year end, the following schools converted to academy trust status and joined The Legacy Learning Trust.

Academy	Location	Date of conversion
Green Lane Primary Academy	Middlesbrough	1 October 2023
Newham Bridge Primary School	Middlesbrough	1 October 2023
Breckon Hill Primary School	Middlesbrough	1 October 2023
Abingdon Primary School	Middlesbrough	1 October 2023



# THE LEGACY LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) *FOR THE YEAR ENDED 31 AUGUST 2023*

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### **25 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.