

Company Registration No. 09904025 (England and Wales)

FRANK FIELD EDUCATION TRUST
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT AND AUDITED ACCOUNTS
FOR THE PERIOD ENDED 31 AUGUST 2019

FRANK FIELD EDUCATION TRUST

CONTENTS

	Page
Reference and administrative details	1 - 2
Trustees' report	3 - 14
Governance statement	15 - 19
Statement on regularity, propriety and compliance	20
Statement of trustees' responsibilities	21
Independent auditor's report on the accounts	22 - 24
Independent reporting accountant's report on regularity	25 - 26
Statement of financial activities including income and expenditure account	27 - 28
Balance sheet	29
Statement of cash flows	30
Notes to the accounts including accounting policies	31 - 51

FRANK FIELD EDUCATION TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Members

Rt Hon F Field
J Hoareau
C Penn Corporate Member C of E (Appointed 1 September 2019)
M Doyle (Appointed 1 September 2019)
N Whittle (Appointed 1 September 2019)

Trustees

W Norrie (Appointed 1 September 2019)
Rev Canon I Stockton (Co-vice Chair)
Rt Hon F Field (Chair)
K Fitzgerald (Appointed 1 September 2019)
M Pollitt
C Hampshire (Co-vice Chair) (Appointed 8 March 2019)
E Bleasedale OBE
Rev S Burmester (Appointed 8 March 2019)
N King OBE (Appointed 8 March 2019 and resigned 31 October 2019)
A Little (Resigned 31 August 2019)
H Davies (Resigned 31 August 2019)

Senior management team

- Chief Executive Officer	T Quinn
- Chief Operations Officer	S Mitchell
- Deputy Chief Executive Officer	M Unwin
- Principal - TEPCEC	I Robinson (resigned 15 February 2019)
- Principal - TEPCEC	C Green (appointed 1 March 2019)
- Principal - HGPS	M Unwin

Company registration number

09904025 (England and Wales)

Principal and registered office

The Ellesmere Port C Of E College
Whitby Road
Whitby
Ellesmere Port
Cheshire
CH65 6EA

Academies operated

The Ellesmere Port C of E College
Handforth Grange Primary School

Location

Ellesmere Port
Handforth

CEO

Cath Green
Mark Unwin

Independent auditor

UHY Hacker Young Manchester LLP
St James Building
79 Oxford Street
Manchester
M1 6HT

FRANK FIELD EDUCATION TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Bankers

Lloyds Bank plc
Liverpool Law Courts
Merchants Court
2-12 Lord Street
Liverpool
L2 1TS

Solicitors

Browne Jacobson LLP
No1 Spinningfields
Hardman Square
Manchester
M3 3EB

FRANK FIELD EDUCATION TRUST

TRUSTEES' REPORT

FOR THE PERIOD ENDED 31 AUGUST 2019

The trustees present their annual report together with the accounts and auditor's report of the charitable company for the period 1 January 2019 to 31 August 2019. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

For the period, the academy trust operated as a Multi Academy Trust with 1 Primary School (3-11) and 1 Secondary School (11-18) serving the town of Ellesmere Port, and the borough of Cheshire East. The trust has a pupil capacity of 1,575 and had a roll 944 on the school census October 2018.

The membership of The Frank Field Education Trust (FFET) is currently:

- Handforth Grange Primary School : a 3-11 Primary academy with a Resource Provision for children with ASC, serving the Handforth community in East Cheshire, joined the Trust in February 2019 with an OFSTED Outstanding 2017.
- The Ellesmere Port C of E College : an 11-18 Secondary Church of England College serving the community of Ellesmere Port in Cheshire, The Ellesmere Port Church of England College joined the Trust in December 2018, re-brokered from UCAT. The school was previously in OFSTED Special measures from 2017.

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 in conjunction with the schemes of delegation.

The charitable company operates as Frank Field Education Trust (FFET).

The trustees of Frank Field Education Trust are also the directors of the charitable company for the purposes of company law. Details of the trustees who served during the period, and to the date these accounts are approved, are included in the Reference and Administrative Details on page 1.

Members' liability

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

Trustees' indemnities

In accordance with normal commercial practice the academy trust has purchased insurance to protect trustees, governors and officers from claims arising due to negligent acts, errors or omissions occurring whilst on academy business. See Note 12 for further details.

Method of recruitment and appointment or election of trustees

All members of the academy trust are appointed and/or elected in accordance with the Articles of Association of the FFET. Consideration is given to skills that would enhance the effectiveness of the trust in line with its articles of association.

During the academic year under review the FFET held 4 Board meetings.

Policies and procedures adopted for the induction and training of trustees

All new trustees and governors will be given a tour of the site of the respective academies and given an opportunity to meet with the staff and students and are provided with copies of procedures, minutes, accounts, budget plans and other documents that they will need to undertake their role as trustees.

FRANK FIELD EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2019

Organisational structure

The trustees have overall responsibility and ultimate decision-making authority for all the work of the Academies and in order to discharge these responsibilities appoint people who are more locally based to serve on a board (each being a 'Local Governing Body') which has been established to ensure good governance of the academy trust. The directors have delegated the following functions to the Local Governing Body (LGB) through a formal scheme of delegation:

- Have a monitoring role in connection with the Academy;
- Consider budget monitoring information and make recommendations to the HT of the Academy in relation to annual budget proposals and any potential overspend;
- Govern admissions and appoint a committee to apply admissions criteria in accordance with DES guidance, the admissions code and with due regard to a locally agreed fair access protocols and to appoint the Chair of the LGB and the Principals as proposers in any admissions appeals;
- Govern exclusions in accordance with appropriate regulations;
- Support the Principal in recruitment and selection, grievance, disciplinary and processes in relation to staff where appropriate;
- Monitor and be accountable for standards and report annually to the Directors (or more frequently if requested);
- Where appropriate set their own policies and procedures.

The trustees delegate the leadership and day to day management of the academy trust to the Principal and Head Teacher. They are supported by the CEO.

Senior Management Teams (listed on page 1) will operate at each academy and are responsible for the day-to-day operation of the academies. In particular, they are responsible for, organising the staff (teaching and non-teaching), facilities and students.

The board of directors (trustees) will meet at least termly with an additional AGM following the submission of the accounts and report relevant decisions for appropriate decisions.

Roles and responsibilities are defined in the relevant Terms of Reference and Academy Scheme of Delegation.

Arrangements for setting pay and remuneration of key management personnel

Academy trustees are non-salaried and therefore no pay and remuneration scales are applicable.

The LGB's continue to refer to School Teachers' Pay and Conditions Document (STPCD) and National Joint Conditions (NJC) for support staff in the appointment of relevant grade and pay range allocations.

In addition the CEO, DCEO and COO of the trust, whilst not directors (trustees) are deemed to have sufficient influence/control to be key management personnel. Their remuneration is calculated in line with other trusts and using the same appraisal objectives set at the start of the year and outcomes delivered. The evaluation is carried out by the Chair.

Related parties and other connected charities and organisations

The trust contracted school improvement services from St John Plessington Catholic College TSA (The Holy Family Catholic MAT) up to 31st August 2019. The CEO and Deputy CEO are part of a wider strategic alliance with other educational establishments to further the development school to school support networks through the National College NLE and NSS framework.

FRANK FIELD EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2019

Trade union facility time

The Academy Trust does not have any employees that are Trade Union representatives. The Academy Trust does not pay into any LA scheme to pay Trade Union representatives employed elsewhere and providing trade union or public duty services.

Objectives and activities

Objects and aims

The academy trust's principle object is to advance, for public benefit, education in the United Kingdom, in particular but without prejudice to the generality of the foregoing, by establishing, maintaining, carrying on, managing and developing other schools which shall offer a broad and balanced curriculum.

The trust was established with the aim to provide a first-class education especially to the most disadvantaged students and children and young people with SEND.

The trust's approach builds on the 2010 Field Review into poverty and life chances, conducted by the founder of our trust, Frank Field. This review found that the gap in cognitive, social and emotional skills between the most and least disadvantaged students starts well before children enter the education system. This gap widens still further during school years.

Our aim is to run schools that buck this national trend with the aim of equalising life chances by the time our young people leave school.

Objectives, strategies and activities

The main objectives of the trust during the period ended 31st August 2019 are summarised below:

- To ensure that every student enjoys the same high-quality education in terms of resourcing, tuition and care.
- To raise the standard of educational achievement of all students.
- To improve the effectiveness of the academy trust by keeping the curriculum and organisational structure under regular review.
- To provide value for money for the funds expended.
- To comply with all appropriate statutory and curriculum requirements.
- To conduct the academy trust's business in accordance with the highest standards of integrity, probity and openness.

The high-quality education we aim to deliver will ensure that all children gain the social, intellectual and cultural capital that enables them to have:

- Unlimited dreams and ideas beyond expectation.
- A vision of what they want to achieve in life and how to achieve it.
- A strong sense of duty, responsibility and service.
- Care and compassion towards each other, within the local community and the wider world.
- Choice-filled lives and the desire and motivation to develop as a good person.
- A positive contribution to local communities and wider society.

FRANK FIELD EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2019

Above all else we want our pupils to have an education that gives them 'fullness of life', where the person that they become is of paramount importance.

The promotion and development of social, intellectual and cultural capital is at the core of the Trust's vision for promoting social justice, building social cohesion and providing outstanding opportunities for children and their offspring in turn to lead choice-filled lives in the future.

We believe that a high-quality education is the catalyst whereby children from disadvantaged backgrounds can break the cycle of deprivation prevalent which scars our society today. Social justice lies at the heart of our vision and we believe that this can only be achieved in our society when all barriers to educational success have been removed. It is our mission to ensure that all FFET academies remove those barriers and so ensure social justice outcomes for all our pupils.

Public benefit

The trustees have considered the Charity Commission's guidance on public benefit. The key public benefit delivered by the Frank Field Education Trust is the maintenance and development of the high-quality education provided by the schools.

FRANK FIELD EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2019

Strategic report

Achievements and performance

The Principal of Handforth Grange Primary has worked extensively across the region supporting and developing other schools through his Alliance networks.

The Interim Principal of Ellesmere Port C of E College joined the trust in March 2019 having previously led a successful OFSTED Good rated school.

The CEO was appointed in April 2019 and has extensive educational experience as a former member of the Lancashire and West Yorkshire Principal Board (HTB) a member of the DFE Secondary Reference Group, an OFSTED Inspector and a CEO of a medium sized MAT. He previously led an outstanding school for 14 years.

There are two schools currently within the trust and both had examination success this year. Students from across the schools participated in a wide range of curriculum and extra-curricular activities which enabled them to enjoy high quality provision in line with our ethos and aims.

Handforth Grange Primary School continues to provide excellent educational experiences and outcomes for its pupils in line with its vision of the 'very highest expectations of academic success, behaviour, excitement and fun.' It is highly over-subscribed with 103 applications for 45 places in 2018 / 2019. The school was judged outstanding in every category by Ofsted in April 2017 and has continued to improve its curriculum offer, outcomes and experiences in the years since. The schools' achievements for 2018 2019 include:

- Top school in Cheshire East (out of 147) for writing outcomes.
- All other outcomes above or significantly above national comparisons.
- Cheshire Choir of the Year.
- Wilmslow Boys Football Shield winner.
- Wilmslow Girls Champions League Winner.
- Wilmslow Junior Girls Cross Country Champions.
- 67 Headteachers and Deputies visited the school during the Academic year to learn from our Curriculum.
- Pupils and staff worked with a leading Film-maker and featured in the Being British project celebrating British Values School.
- School was awarded Platinum Schools Games Award status.
- Handforth Vibes Festival (drama, dance and signing) staged in July as part of Handforth Experiences project with the entire school on stage and over 1000 people visiting.

Four age group winners (out of six) in the Cheshire East Great British Writers Competition and over 30 children now published authors.

The Ellesmere Port C of E College continues to provide a highly effective education for its pupils. It continues to draw pupils from a wide catchment area. The school has a distinctive Christian ethos and is committed to the formation of reflective and capable thinkers:

FRANK FIELD EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2019

TEPCEC was placed in special measures in April 2017. Since being taken over by the trust it has no OFSTED designation and is due its first inspection in December 2021. Since the trust took over there have been many changes in order to facilitate rapid school improvement, these have been listed below:

- Principal left in February 2019 and replaced with an experienced Principal from a good school.
- A restructure took place in the summer term of 2019 which facilitated moving on underperforming staff and allowed the college to recruit new, experienced and outstanding staff. This recruitment drive included new senior leaders in key positions including a Director of Maths and an Assistant Principal responsible for teaching and learning. Outstanding middle leaders in English, Maths and Design Technology and a number of lead practitioners within the core subjects.
- Preparation and training took place in the summer term so that the school improvement model could be implemented from September 2019.
- A successful consultation with pupils and parents took place regarding a new school uniform which was agreed and ready for September 2019.
- Work commenced in establishing stronger links with partner primary schools and this resulted in 97 children starting the college in September 2019.

Key performance indicators

Handforth Grange Primary School Performance

KS2 Outcomes 2018 – Headline Data

	HGPS	Cheshire East	National
% of pupils meeting the expected standard	84	66	64
Progress Score in Reading Progress score description	+0.8 Average	+0.1	0
Progress Score in Writing Progress score description	+1.0 Average	-1.0	0
Progress Score in Maths Progress score description	+2.6 Above average	-0.2	0
% Achieving at a higher standard	18	6	5

KS2 Outcomes 2019 (provisional) – Headline Data

	HGPS	Cheshire East	National
% of pupils meeting the expected standard	77	66	65
Progress Score in Reading Progress score description	+0.6 Average		0
Progress Score in Writing Progress score description	+4.8 Well above average	-1.1	0
Progress Score in Maths Progress score description	+2.2 Above average	-0.4	0
% Achieving at a higher standard	23	12	10

FRANK FIELD EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2019

Y1 Phonics Outcomes - % Pass

	2019	2018
HGPS	99	86
Wirral	84	84
National	82	82

EYFS Outcomes – % GLD (Good Level of Development)

	2019	2018
HGPS	74	78
Wirral	73	73
National	71.8	71.5

Year on Year Comparisons

KS2 Outcomes - % of pupils meeting the expected standard in RWM

	2019	2018
HGPS	77	84
CEC	64	68
National	65	66

KS2 Outcomes - Progress Measures

HGPS	2019		2018	
Reading	+0.6	Average	+0.8	Average
Writing	+4.8	Well above average	+1.0	Average
Maths	+2.2	Above average	+2.8	Above average

KS1 Outcomes - Teacher Assessed % of pupils meeting the expected standard in Reading

	2019	2018
HGPS	89	93
Cheshire East	77	77
National	75	75

KS1 Outcomes - Teacher Assessed % of pupils meeting the expected standard in Writing

	2019	2018
HGPS	86	90
Cheshire East	70	70
National	69	70

KS1 Outcomes - Teacher Assessed % of pupils meeting the expected standard in Maths

	2019	2018
HGPS	91	93
Wirral	76	77
National	76	76

FRANK FIELD EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2019

The Ellesmere Port CE College Performance

KS4 Outcomes 2018 - Headlines

	TEPCEC	CWaC	National
% EnMa 9-5	14	41	43
% Entering EBacc	54	44	38
Progress 8	-1.26	-0.04	-0.03
Progress score description	Well below average		
Attainment 8	28.9	46.4	46.5
EBacc average point score	2.57	4.08	4.04

KS4 Outcomes 2019 (provisional) - Headlines

	TEPCEC	CWaC	National
% EnMa 9-5	18	43	43
% Entering EBacc	36	48	40
Progress 8	-0.78	-0.1	-0.03
Progress score description	Well below average		
Attainment 8	33.1	46.8	46.5
EBacc average point score	2.84	4.17	4.06

KS5 Outcomes 2018 - Headlines

	TEPCEC	CWaC	National
A Level VA Score	-0.30	NA	0
Progress score description	average		
A Level Average Points (Grade)	20.99 (D)	33.72 (C+)	33.33 (C+)
% A Level Students Completing their main study programme	68.2	95.1	92.5
% Achieving AAB or higher in at least 2 facilitating subjects	0	14.2	13.7
Grade and points for a student's best 3 A levels	22.38 (D+)	33.72 (C+)	33.33 (C+)
Applied General VA Score	+0.08 Average	NA	
Progress score description			
Applied General Points (Grade)	27.55 (Merit+)	27.13 (Merit+)	28.45 (Merit+)
% Applied Gen Students Completing their main study programme	88.2	94.3	90.4
English Level 2 Progress at the end of KS5	+0.13	-0.26	0.06
Maths Level 2 Progress at the end of KS5	-0.67	-0.18	+0.05

FRANK FIELD EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2019

Year Groups	TEPCEC	HGPS
N		
R		61
1		58
2		61
3		60
4		61
5		63
6		58
7	97	
8	85	
9	120	
10	103	
11	120	
12	37	
13	21	
TOTAL	583	422

Going concern

After making appropriate enquiries, the board of trustees has a reasonable expectation that the academy trust has adequate resources to continue in operational existence for the foreseeable future. For this reason 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.

Financial review

The Statement of Financial Activities ('SOFA') summarises the financial performance of the trust and the balance sheet on page 29 summarises the assets and liabilities of the trust at 31st August 2019.

Most of the Academies income is obtained from the Government in the form of recurrent grants, the use of which is restricted for particular purposes. The grants received during the year ended 31st August 2019 and associated expenditure is shown as restricted funds in the statement of financial activities.

During the period the trust received total income of £7,012,756 and incurred expenditure totalling £5,313,230 resulting in a surplus in the period of £1,699,526 before movement in defined benefit pension liabilities.

At the 31st August 2019 the trust had total funds carried forward of £15,336,255.

FRANK FIELD EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2019

Reserves policy

Trustees review the level of reserves on an annual basis. This review encompasses the nature of income and expenditure streams, the need to match income with commitments (including future commitments) and the type of reserves. The trusts current level of free reserves, represented by total reserves less the amounts held in fixed assets reserve and restricted pension fund reserve, is a deficit position of £355k.

The Trustees have decided to adopt a prudent approach and aim to hold reserves of at least 5% of income. These reserves will help to buy for unforeseen business interruptions, assist budgetary pressures over the medium term, provide funds for capital improvements or developments, assist cash flow where payments of the ESFA funding are retrospective and support short-term emergency requirements. This is sound commercial practice designed to safeguard the trust business interests and quality of education at all of its academies.

The Academies have taken on the deficit in the Local Government Pension Schemes in respect of its non-teaching staff transferred on conversion as detailed in the accounts. The academy trust's share of the deficit represents the amount the academies would have to contribute if the fund were wound up and its liabilities had to be met at that point. This is reflected in the provisions, and the deficit arising in the year is shown in the Statement of Financial Activities, however at this time there is no intention to wind up the scheme and therefore the Academies do not expect to have to fund this liability. The academies take advice on funding levels and would increase contributions if advised to so.

The net liability of the trust in the Local Government Pension Scheme and (LGPS) amounts to £2,751k. It should however be noted that an immediate liability for this amount is not crystallised at the financial year end. 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 18th of July 2013. This guarantee provides comfort to the Trustees in the event of an academy closure.

Investment policy

The academies trust operates an investment policy that seeks to maximise returns, minimise risk and maintain flexibility and access to funds.

FRANK FIELD EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2019

Principal risks and uncertainties

The principal risks to the trust are documented and managed using a risk management policy and a risk register that is regularly reviewed.

The trust has carried out a careful review of the risks and uncertainties it faces in the forthcoming year.

In summary these are viewed as;

- Pressures on growth emanating from Government policy direction for Multi Academy Trusts to take on additional schools,
- Potential loss of reputation and community confidence arising from any drop in standards and academic performance leading to falling rolls,
- Budgetary pressures brought about by reduced public sector education spending and funding formula changes,
- Impact of changes to school performance measures in terms of curriculum structures,
- Failure on high profile school to school support commissions,
- Downgrading of the current OFSTED report for any FFE Trust academy following inspection,
- Inability to sufficiently increase pupil numbers due to local demographic position for any academies within the trust,
- Sufficiency of accommodation to meet major growth in demand for places,
- Erosion of reserves to balance budgets in the short to medium term,
- Succession planning within trust governance and leadership.

Key controls in place to mitigate these risks include;

- Forensic data and annual examination performance analysis,
- Regular review of annual school improvement plans at all academies of the trust,
- Robust self-evaluation procedures and careful monitoring of teaching and learning with early intervention when required,
- An organisational structure with clearly defined roles, responsibilities and authorisation levels,
- Documented terms of reference and policies for the governance of the trust,
- Financial planning, budgeting and regular financial reporting to governors, sub committee and detailed scrutiny of financial risk,
- Robust due diligence procedures in place for growth of the trust through acquisitions.

Fundraising

The academy trust does not use any external fundraisers. All fundraising undertaken during the year was monitored by the Trustees.

FRANK FIELD EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2019

Plans for future periods

In setting our objectives and planning our activities the trustees have given careful consideration to the charity commission's general guidance on public benefit.

The Trust will continue to work to raise both the aspirations and outcomes of all its students at whatever age, closing gaps between the performance of different groups, where this is needed, and ensuring that they are able to proceed successfully to the next stage of their education.

Funds held as custodian trustee on behalf of others

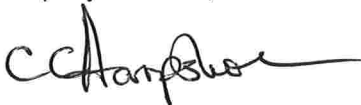
The Academy does not hold funds as Custodian on behalf of others.

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.

The trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 17 December 2019 and signed on its behalf by:



C Hampshire
Co-vice Chair

FRANK FIELD EDUCATION TRUST

GOVERNANCE STATEMENT

FOR THE PERIOD ENDED 31 AUGUST 2019

Scope of responsibility

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

The board of trustees has delegated the day-to-day responsibility to the 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 Frank Field Education 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 4 times during the academic year. Attendance during the period at meetings of the board of trustees was as follows:

Trustees	Meetings attended	Out of possible
W Norrie (Appointed 1 September 2019)	0	0
Rev Canon I Stockton (Co-vice Chair)	4	4
Rt Hon F Field (Chair)	4	4
K Fitzgerald (Appointed 1 September 2019)	0	0
M Pollitt	2	4
C Hampshire (Co-vice Chair) (Appointed 8 March 2019)	1	1
E Bleasedale OBE	2	4
Rev S Burmester (Appointed 8 March 2019)	1	1
N King OBE (Appointed 8 March 2019 and resigned 31 October 2019)	1	1
A Little (Resigned 31 August 2019)	0	4
H Davies (Resigned 31 August 2019)	0	1

FRANK FIELD EDUCATION TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2019

The Trust Board are from a range of backgrounds bringing different types of expertise, however, they all share a common ethos and commitment to outstanding education. The vision is for every school in the Trust to be an Outstanding school and every child receives an exceptional education.

Through the Scheme of Delegation the LGBs of each individual Academy met 4 times during the academic year. These LGBs were responsible for overseeing the decisions taken by the individual Academies Finance Sub Committees.

Attendance during the year at meetings of the individual Academies LGBs were as follows:

TEPCEC - LGB

Governor	Meetings attended	Out of a possible
G McGuiness	4	4
J Spencer Arneud	1	4
G Derby	4	4
L Dunne	4	4
M Maynell (joined 16 July 2019)	1	1

HGPS – LGB

Governor	Meetings attended	Out of a possible
Rev S. Burmester (Chair)	3	3
Dr. G. Griggs	3	3
C. Sampson	2	3
S. Milward	3	3
B.Holt	3	3
R. Mishra	0	3
A Booth	3	3
L. Lawson	1	3
R. De Asha	3	3
M. Unwin	3	3

FRANK FIELD EDUCATION TRUST

GOVERNANCE STATEMENT (CONTINUED) FOR THE PERIOD ENDED 31 AUGUST 2019

The main responsibilities and issues dealt with during the period were as follows:

- Review of the initial budget setting
- Regular monitoring of actual income and expenditure against budgets
- Ensuring returns are completed by deadlines
- Capital monitoring
- Authorising personnel changes through the year
- Reviewing the findings of the Responsible Officer in particular financial procedures and internal control.

As part of an internal review of Governance the Trust has identified the following recommendations:

- That the roles of CEO and COO should be developed further as the MAT grows.
- A trust sub committee structure should be introduced made up of 3 sub committees that meet at least 3 times a year:
 - Finance, Premises & Human Resources
 - Risk & Audit
 - Education Standards & Outcomes
- Membership of these sub committees should be made up of appropriate and qualified Trustees.
- An Accountant, HR Manager and Administrative Personnel have been appointed to support the work of the CEO and COO.
- An industry standard financial software package has been introduced for 2018/19 in time for the initial budget setting.

FRANK FIELD EDUCATION TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2019

Review of value for money

As accounting officer the chief executive has responsibility for ensuring that the academy trust delivers good value in the use of public resources. The accounting officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

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

Better Purchasing

Across the Trust, we have, since 2019 as well as procuring shared HR, payroll, consultancy, legal, H&S, EVOLVE (safeguarding procedures), Recruitment, Occupational Health, Insurance, Asset Management and Catering to secure better purchasing powers which should provide further joint savings to 2019.

This has been researched with the help of a "Capacity growth Fund" grant from the DfE, to develop more effective and efficient operational back office management systems.

Income generation

The CEO has secured grants from the DfE and the National College for specific projects and has have been particularly successful in winning grants to support curriculum development.

Next steps are to explore further the benefits of applying for grants from a variety of sources to further improve the quality of resources for teaching and learning.

Financial Governance

The COO ensures compliance with ESFA regulations regarding management of finance and delivering value for money.

Next steps: to go beyond compliance and use the COO to scrutinise all our practices to help us ensure outstanding management of finances, to ensure the best possible value for public money.

Reviewing Controls and Managing Risk

All academies have Business Continuity Plans and Risk Management plans in place.

The next steps are to ensure that these plans themselves enable the Trust to make best use of our financial resource.

Lessons Learned

During 2019-20, we will:

- Further accelerate the process of shared procurement to gain maximum value for money for goods and services;
- Through greater inter-academy collaboration, share staff and resources to ensure that all Trust academies are able to deliver good or better provision and outcomes for learners;
- Continue to improve the quality of financial management through more efficient use of IT and regular reporting to Directors.
- Further develop the back office structure to support the work of the CEO and COO.

Continue to develop the use of the newly purchased asset management software which is tailored to work hand in hand with the financial software.

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 Frank Field Education Trust for the period 1 January 2019 to 31 August 2019 and up to the date of approval of the annual report and accounts.

FRANK FIELD EDUCATION TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2019

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 January 2019 to 31 August 2019 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 not to appoint an internal auditor. However the trustees have appointed UHY Hacker Young Manchester LLP, the external auditor, to perform additional checks.

The internal reviewer's role includes performing a range of checks on the academy trust's financial systems.

The reviewer reported to the board of trustees, during the external audit process, on the operation of the systems of control and on the discharge of the financial responsibilities of the board of trustees. During 2019-20 these reviews will be performed quarterly and reported to the trustees through the audit committee.

cd
Risk and

Review of effectiveness

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

- the work of the COO;
- 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 by the audit committee 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 17 December 2019 and signed on its behalf by:



C Hampshire
Co-vice Chair



T Quinn
Accounting Officer

FRANK FIELD EDUCATION TRUST

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

FOR THE PERIOD ENDED 31 AUGUST 2019

As accounting officer of Frank Field Education Trust I have considered my responsibility to notify the academy trust board of trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2018.

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 Academies Financial Handbook 2018.

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



T Quinn
Accounting Officer

17 December 2019

FRANK FIELD EDUCATION TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE PERIOD ENDED 31 AUGUST 2019

The trustees (who are also the directors of Frank Field Education Trust for the purposes of company law) are responsible for preparing the trustees' report and the accounts in accordance with the Academies Accounts Direction 2018 to 2019 published by the Education & Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare accounts for each financial year. Under company law, the trustees must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period.

In preparing these accounts, the trustees are required to:

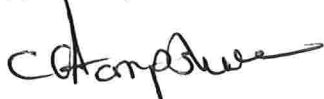
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting 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 17 December 2019 and signed on its behalf by:



C Hampshire
Co-vice Chair

FRANK FIELD EDUCATION TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FRANK FIELD EDUCATION TRUST

FOR THE PERIOD ENDED 31 AUGUST 2019

Opinion

We have audited the accounts of Frank Field Education Trust for the period ended 31 August 2019 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the accounts, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019 issued by the Education & 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 2019 and of its incoming resources and application of resources, including its income and expenditure, for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019.

Basis for opinion

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the accounts is not appropriate; or
- the trustees have not disclosed in the accounts any identified material uncertainties that may cast significant doubt about the academy trust's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the accounts are authorised for issue.

Other information

The trustees are responsible for the other information, which comprises the information included in the annual report other than the accounts and our auditor's report thereon. Our opinion on the accounts does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

FRANK FIELD EDUCATION TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FRANK FIELD EDUCATION TRUST (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2019

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 period for which the accounts are prepared is consistent with the accounts; and
- the trustees' report including the incorporated strategic report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report, including the incorporated strategic report.

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

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

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the accounts

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

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

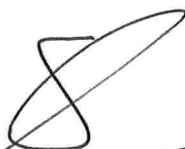
FRANK FIELD EDUCATION TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FRANK FIELD EDUCATION TRUST (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2019

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.



Stephen Grayson FCA (Senior Statutory Auditor)
for and on behalf of UHY Hacker Young Manchester LLP

17 December 2019

Chartered Accountants
Statutory Auditor

St James Building
79 Oxford Street
Manchester
M1 6HT

FRANK FIELD EDUCATION TRUST

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO FRANK FIELD EDUCATION TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY

FOR THE PERIOD ENDED 31 AUGUST 2019

In accordance with the terms of our engagement letter and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2018 to 2019, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Frank Field Education Trust during the period 1 January 2019 to 31 August 2019 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 Frank Field Education Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Frank Field Education 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 Frank Field Education Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Frank Field Education Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Frank Field Education Trust's funding agreement with the Secretary of State for Education and the Academies Financial Handbook, extant from 1 September 2018, 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 2018 to 2019. 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 January 2019 to 31 August 2019 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2018 to 2019 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.

We conducted our work in accordance with Technical Release TECH 08/12 AAF issued by the Institute of Chartered Accountants In England and Wales. In accordance with that Technical Release we have carried out the procedures we consider necessary to be able to report on whether anything has come to our attention which suggests that in all material respects expenditure disbursed and income received have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them. Other than those procedures undertaken for the purposes of our audit of the financial statements of Frank Field Education Trust for the year ended 31 August 2019 which provide evidence on regularity, our work was limited to only those additional procedures necessary to provide limited assurance.

FRANK FIELD EDUCATION TRUST

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO FRANK FIELD EDUCATION TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2019

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 January 2019 to 31 August 2019 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Reporting Accountant

UHY Hacker Young Manchester LLP

Dated: 17 December 2019

FRANK FIELD EDUCATION TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE PERIOD ENDED 31 AUGUST 2019

	Notes	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total 2019 £	Total 2018 £
Income and endowments from:						
Donations and capital grants	3	-	-	67,694	67,694	-
Donations - transfer from local authority on conversion	25	-	(308,735)	2,416,864	2,108,129	15,015,116
Charitable activities:						
- Funding for educational operations	4	-	4,483,513	-	4,483,513	523,947
Other trading activities	5	206,957	146,345	-	353,302	7,852
Investments	6	118	-	-	118	18
Total		207,075	4,321,123	2,484,558	7,012,756	15,546,933
Expenditure on:						
Charitable activities:						
- Educational operations	9	8,033	5,022,661	282,536	5,313,230	472,204
Total	7	8,033	5,022,661	282,536	5,313,230	472,204
Net income/(expenditure)		199,042	(701,538)	2,202,022	1,699,526	15,074,729
Other recognised gains/(losses)						
Actuarial losses on defined benefit pension schemes	20	-	(1,310,000)	-	(1,310,000)	(128,000)
Net movement in funds		199,042	(2,011,538)	2,202,022	389,526	14,946,729
Reconciliation of funds						
Total funds brought forward		7,360	(1,300,560)	16,239,929	14,946,729	-
Total funds carried forward		206,402	(3,312,098)	18,441,951	15,336,255	14,946,729

FRANK FIELD EDUCATION TRUST

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

FOR THE PERIOD ENDED 31 AUGUST 2019

Comparative year information		Unrestricted	Restricted funds:		Total
Year ended 31 December 2018		Funds	General	Fixed asset	2018
	Notes	£	£	£	£
Income and endowments from:					
Donations - transfer from local authority on conversion	25	-	(1,256,000)	16,271,116	15,015,116
Charitable activities:					
- Funding for educational operations	4	-	523,947	-	523,947
Other trading activities	5	7,342	510	-	7,852
Investments	6	18	-	-	18
Total		<u>7,360</u>	<u>(731,543)</u>	<u>16,271,116</u>	<u>15,546,933</u>
Expenditure on:					
Charitable activities:					
- Educational operations	9	-	441,017	31,187	472,204
Total	7	<u>-</u>	<u>441,017</u>	<u>31,187</u>	<u>472,204</u>
Net income/(expenditure)		7,360	(1,172,560)	16,239,929	15,074,729
Other recognised gains/(losses)					
Actuarial losses on defined benefit pension schemes	20	-	(128,000)	-	(128,000)
Net movement in funds		7,360	(1,300,560)	16,239,929	14,946,729
Reconciliation of funds					
Total funds brought forward		-	-	-	-
Total funds carried forward		<u>7,360</u>	<u>(1,300,560)</u>	<u>16,239,929</u>	<u>14,946,729</u>

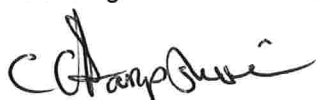
FRANK FIELD EDUCATION TRUST

BALANCE SHEET

AS AT 31 AUGUST 2019

	Notes	2019		2018	
		£	£	£	£
Fixed assets					
Tangible assets	13		18,374,257		16,239,929
Current assets					
Debtors	14	751,362		249,431	
Cash at bank and in hand		233,694		173,410	
			985,056		422,841
Current liabilities					
Creditors: amounts falling due within one year	15	(792,058)		(316,041)	
Net current assets			192,998		106,800
Total assets less current liabilities			18,567,255		16,346,729
Creditors: amounts falling due after more than one year	16		(480,000)		(480,000)
Net assets before defined benefit pension scheme liability			18,087,255		15,866,729
Defined benefit pension scheme liability	20		(2,751,000)		(920,000)
Total net assets			15,336,255		14,946,729
Funds of the academy trust:					
Restricted funds	18				
- Fixed asset funds			18,441,951		16,239,929
- Restricted income funds			(561,098)		(380,560)
- Pension reserve			(2,751,000)		(920,000)
Total restricted funds			15,129,853		14,939,369
Unrestricted income funds	18		206,402		7,360
Total funds			15,336,255		14,946,729

The accounts on pages 27 to 51 were approved by the trustees and authorised for issue on 17 December 2019 and are signed on their behalf by:



C Hampshire
Co-vice Chair

Company Number 09904025

FRANK FIELD EDUCATION TRUST

STATEMENT OF CASH FLOWS

FOR THE PERIOD ENDED 31 AUGUST 2019

	Notes	2019 £	£	2018 £	£
Cash flows from operating activities					
Net cash used in operating activities	21	(107,728)		(34,877)	
Cash funds transferred on conversion		100,200		53,887	
		<u>(7,528)</u>		<u>19,010</u>	
Cash flows from investing activities					
Dividends, interest and rents from investments		118		18	
Capital grants from DfE Group		67,694		-	
		<u>67,812</u>		<u>18</u>	
Net cash provided by investing activities			<u>67,812</u>		<u>18</u>
Net increase in cash and cash equivalents in the reporting period			60,284		19,028
Cash and cash equivalents at beginning of the year			173,410		154,382
Cash and cash equivalents at end of the year			<u>233,694</u>		<u>173,410</u>

FRANK FIELD EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 AUGUST 2019

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 2018 to 2019 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Frank Field Education Trust meets the definition of a public benefit entity under FRS 102.

These accounts have been prepared for the period 1 January 2019 to 31 August 2019 which is a period of less than twelve months. Academy trusts are required by the Education & Skills Funding Agency to report annually to 31 August and the academy trust is not permitted under the Companies Act 2006 to extend its accounting reference date to more than eighteen months but it may shorten it.

1.2 Going concern

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charitable company to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the 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 Conversion to an academy trust

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

The assets and liabilities transferred on conversion from the local authority to the academy trust have been valued at their fair value. The fair value has been derived based on that of equivalent items. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in transfer from local authority on conversion in the Statement of Financial Activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds. Further details of the transaction are set out in note 25.

1.4 Income

All incoming resources are recognised when the academy 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.

FRANK FIELD EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2019

1 Accounting policies

(Continued)

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.

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'.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

This includes all expenditure incurred by the academy 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.

FRANK FIELD EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2019

1 Accounting policies

(Continued)

Governance costs

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

1.6 Tangible fixed assets and depreciation

Tangible fixed assets acquired since the trust was established are stated at historical costs less accumulated depreciation and any accumulated impairment losses.

In the case of fixed assets transferred from predecessor schools these are treated as acquired at fair value, calculated by reference to either:

- net book value at date of transfer: or
- in the absence of reliable net book value data, an estimate of fair value calculated by reference to an assumed value of fixed assets as compared to the pupil roll.

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

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

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

Land and buildings	2% straight line
Computer equipment	25% straight line
Fixtures, fittings & equipment	25% straight line

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.

1.7 Liabilities

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

FRANK FIELD EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2019

1 Accounting policies

(Continued)

1.8 Provisions

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

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

1.9 Leased assets

Rentals payable under operating leases are charged against income on a straight line basis over the period of the lease.

1.10 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.

1.11 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.

1.12 Pensions benefits

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. 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.

FRANK FIELD EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 AUGUST 2019

1 Accounting policies

(Continued)

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 operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the statement of financial activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses. Actuarial gains and losses are recognised immediately in other recognised gains and losses.

1.13 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.

Critical accounting estimates and assumptions

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

Local Government Pension Scheme

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 20, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2019. 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.

Useful economic lives of tangible assets

The annual depreciation charge for tangible fixed assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets.

FRANK FIELD EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2019

3 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
Capital grants	-	67,694	67,694	-

4 Funding for the academy trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
DfE / ESFA grants				
General annual grant (GAG)	-	3,458,150	3,458,150	342,901
Start up grants	-	150,000	150,000	130,396
Other DfE group grants	-	855,500	855,500	50,650
	-	4,463,650	4,463,650	523,947
Other government grants				
Local authority grants	-	19,863	19,863	-
Total funding	-	4,483,513	4,483,513	523,947

5 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
Hire of facilities	93,416	-	93,416	7,342
Catering income	21,762	-	21,762	-
Other income	91,779	146,345	238,124	510
	206,957	146,345	353,302	7,852

6 Investment income

	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
Short term deposits	118	-	118	18

FRANK FIELD EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2019

7 Expenditure

	Staff costs	Non Pay Expenditure		Total	Total
	£	Premises	Other	2019	2018
	£	£	£	£	£
Academy's educational operations					
- Direct costs	3,322,034	275,920	283,584	3,881,538	307,502
- Allocated support costs	579,155	434,308	418,229	1,431,692	164,702
	<u>3,901,189</u>	<u>710,228</u>	<u>701,813</u>	<u>5,313,230</u>	<u>472,204</u>

Net income/(expenditure) for the period includes:

	2019	2018
	£	£
Fees payable to auditor for:		
- Audit	12,500	5,000
- Other services	5,000	-
Operating lease rentals	16,603	5,400
Depreciation of tangible fixed assets	282,536	31,187
Net interest on defined benefit pension liability	17,000	2,000
	<u>339,042</u>	<u>43,597</u>

8 Central services

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

- Human resources co-ordination and casework
- Financial services via hub managers
- IT Services
- Facilities and estates via hub managers

The academy trust charges for these services on a flat 6% of GAG income.

The amounts charged during the period were as follows:

	2019	2018
	£	£
The Ellesmere Port C of E College	236,664	-
Handforth Grange Primary School	14,583	-
	<u>251,247</u>	<u>-</u>

FRANK FIELD EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2019

9 Charitable activities	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
Direct costs				
Educational operations	-	3,881,538	3,881,538	307,502
Support costs				
Educational operations	8,033	1,423,659	1,431,692	164,702
	<u>8,033</u>	<u>5,305,197</u>	<u>5,313,230</u>	<u>472,204</u>
			2019	2018
			£	£
Analysis of support costs				
Support staff costs			579,155	111,787
Depreciation			6,616	197
Technology costs			96,713	98
Premises costs			427,692	14,383
Other support costs			293,921	8,009
Governance costs			27,595	30,228
			<u>1,431,692</u>	<u>164,702</u>

FRANK FIELD EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2019

10 Staff

Staff costs

Staff costs during the period were:

	2019	2018
	£	£
Wages and salaries	2,797,828	220,375
Pension costs	549,890	72,308
Amounts paid to employees	3,347,718	292,683
Agency staff costs	118,873	3,202
Staff restructuring costs	434,598	-
Amounts paid to staff	3,901,189	295,885
Staff development and other staff costs	2,597	80
Total staff expenditure	3,903,786	295,965

Staff restructuring costs comprise:

Redundancy payments	406,032	-
Severance payments	28,566	-
	434,598	-

Non statutory/non-contractual staff severance payments

Included in staff restructuring costs is a non-statutory/non-contractual severance payments totalling £28,566 (2018: £nil).

Staff numbers

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

	2019	2018
	Number	Number
Teachers	61	53
Administration and support	67	60
Management	3	1
	131	114

Higher paid staff

There were no employees whose remuneration during the period was £60,000 or more.

FRANK FIELD EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2019

10 Staff

(Continued)

Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £122,136 (2018: £8,972).

11 Trustees' remuneration and expenses

No trustees have been remunerated or have received any 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.

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 unlimited. 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	Total
	£	£	£	£
Cost				
At 1 January 2019	18,593,864	2,072,101	1,793,824	22,459,789
Transfer on conversion	2,400,000	75,057	147,536	2,622,593
At 31 August 2019	20,993,864	2,147,158	1,941,360	25,082,382
Depreciation				
At 1 January 2019	2,355,236	2,070,800	1,793,824	6,219,860
Transfer on conversion	-	70,097	135,632	205,729
Charge for the period	275,920	2,866	3,750	282,536
At 31 August 2019	2,631,156	2,143,763	1,933,206	6,708,125
Net book value				
At 31 August 2019	18,362,708	3,395	8,154	18,374,257
At 31 December 2018	16,238,628	1,301	-	16,239,929

On 1 February 2019 the trust acquired the freehold property of Handforth Grange Primary School which was transferred to the academy trust from a local authority at a value of £2,400,000.

FRANK FIELD EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2019

14 Debtors	2019 £	2018 £
Trade debtors	12,897	38,748
VAT recoverable	43,003	35,075
Other debtors	14,066	62,801
Prepayments and accrued income	681,396	112,807
	<u>751,362</u>	<u>249,431</u>
	<u>751,362</u>	<u>249,431</u>
15 Creditors: amounts falling due within one year	2019 £	2018 £
Trade creditors	131,082	11,822
Other taxation and social security	119,220	64,849
Other creditors	58,288	126,287
Accruals and deferred income	483,468	113,083
	<u>792,058</u>	<u>316,041</u>
	<u>792,058</u>	<u>316,041</u>
16 Creditors: amounts falling due after more than one year	2019 £	2018 £
Government loans	480,000	480,000
	<u>480,000</u>	<u>480,000</u>
	<u>480,000</u>	<u>480,000</u>
Analysis of loans		
Wholly repayable within five years	480,000	480,000
Less: included in current liabilities	-	-
	<u>480,000</u>	<u>480,000</u>
Amounts included above	<u>480,000</u>	<u>480,000</u>
	<u>480,000</u>	<u>480,000</u>
Loan maturity		
Due in more than two years but not more than five years	360,000	240,000
Due in more than five years	120,000	240,000
	<u>480,000</u>	<u>480,000</u>
	<u>480,000</u>	<u>480,000</u>

The long term creditor relates to a loan issued by the ESFA for £480,000. The loan is to be repaid by 2025 with repayments commencing in 2021, with annual payments of £120,000.

FRANK FIELD EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2019

17 Deferred income	2019 £	2018 £
Deferred income is included within:		
Creditors due within one year	50,698	97,688
Deferred income at 1 January 2019	97,688	130,396
Released from previous years	(95,858)	(130,396)
Resources deferred in the period	48,868	97,688
Deferred income at 31 August 2019	50,698	97,688

At the balance sheet date the Academy Trust was holding funds of £32,890 from the Sports Partnership, £2,095 PGCE funding and £13,883 SGO funding.

18 Funds	Balance at 1 January 2019 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2019 £
Restricted general funds					
General Annual Grant (GAG)	(380,560)	3,458,150	(3,638,688)	-	(561,098)
Start up grants	-	150,000	(150,000)	-	-
Other DfE / ESFA grants	-	855,500	(855,500)	-	-
Other government grants	-	19,863	(19,863)	-	-
Other restricted funds	-	211,610	(211,610)	-	-
Pension reserve	(920,000)	(374,000)	(147,000)	(1,310,000)	(2,751,000)
	(1,300,560)	4,321,123	(5,022,661)	(1,310,000)	(3,312,098)
Restricted fixed asset funds					
Inherited on conversion	-	2,416,864	-	-	2,416,864
DfE group capital grants	16,239,929	67,694	(282,536)	-	16,025,087
	16,239,929	2,484,558	(282,536)	-	18,441,951
Total restricted funds	14,939,369	6,805,681	(5,305,197)	(1,310,000)	15,129,853
Unrestricted funds					
General funds	7,360	207,075	(8,033)	-	206,402
Total funds	14,946,729	7,012,756	(5,313,230)	(1,310,000)	15,336,255

FRANK FIELD EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2019

18 Funds

(Continued)

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

Restricted general funds are those resources that have been designated by the grant provider in meeting the objectives of the academy.

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

Unrestricted funds are those which the Governing Body may use in the pursuance of the academy's objectives and are expendable at the discretion of the Governors.

Transfer of funds from General Annual Grant restricted general funds to restricted fixed asset funds are to fund assets for which no capital grant was received.

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 2019.

The academy trust is carrying a net deficit of £354,696 on restricted general funds (excluding pension reserve) plus unrestricted funds as a result of agreeing to take on a deficit of £480,000 when The Ellesmere Port C of E College (formerly University Church of England Academy) was transferred to the trust. This deficit was generated under the management of another Multi Academy Trust. The academy trust believes the deficit will continue to reduce over the next coming years as the 2019/20 accounting year will be the trust's first full year where two academies are in operation.

FRANK FIELD EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2019

18 Funds

(Continued)

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

	Balance at 1 January 2018 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 December 2018 £
Restricted general funds					
General Annual Grant (GAG)	-	342,901	(243,461)	(480,000)	(380,560)
Start up grants	-	130,396	(130,396)	-	-
Other DfE / ESFA grants	-	50,650	(50,650)	-	-
Other restricted funds	-	(479,490)	(510)	480,000	-
Pension reserve	-	(776,000)	(16,000)	(128,000)	(920,000)
	-	(731,543)	(441,017)	(128,000)	(1,300,560)
Restricted fixed asset funds					
Transfer on conversion	-	16,271,116	-	-	16,271,116
DfE group capital grants	-	-	(31,187)	-	(31,187)
	-	16,271,116	(31,187)	-	16,239,929
Total restricted funds	-	15,539,573	(472,204)	(128,000)	14,939,369
Unrestricted funds					
General funds	-	7,360	-	-	7,360
Total funds	-	15,546,933	(472,204)	(128,000)	14,946,729

Total funds analysis by academy

	2019 £	2018 £
Fund balances at 31 August 2019 were allocated as follows:		
The Ellesmere Port C of E College	(418,931)	(362,445)
Handforth Grange Primary School	32,485	-
Central services	31,750	(10,755)
Total before fixed assets fund and pension reserve	(354,696)	(373,200)
Restricted fixed asset fund	18,441,951	16,239,929
Pension reserve	(2,751,000)	(920,000)
Total funds	15,336,255	14,946,729

FRANK FIELD EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 AUGUST 2019

18 Funds

(Continued)

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 2019	Total 2018
	£	£	£	£	£	£
The Ellesmere Port C of E College	2,053,743	419,882	230,886	487,048	3,191,559	441,017
Handforth Grange Primary School	732,377	73,748	49,891	189,966	1,045,982	-
Central services	538,511	85,525	211	168,905	793,152	-
	<u>3,324,631</u>	<u>579,155</u>	<u>280,988</u>	<u>845,919</u>	<u>5,030,693</u>	<u>441,017</u>

19 Analysis of net assets between funds

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
Fund balances at 31 August 2019 are represented by:				
Tangible fixed assets	-	-	18,374,257	18,374,257
Current assets	206,402	710,960	67,694	985,056
Creditors falling due within one year	-	(792,058)	-	(792,058)
Creditors falling due after one year	-	(480,000)	-	(480,000)
Defined benefit pension liability	-	(2,751,000)	-	(2,751,000)
Total net assets	<u>206,402</u>	<u>(3,312,098)</u>	<u>18,441,951</u>	<u>15,336,255</u>

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
Fund balances at 31 December 2018 are represented by:				
Tangible fixed assets	-	-	16,239,929	16,239,929
Current assets	7,360	415,481	-	422,841
Creditors falling due within one year	-	(316,041)	-	(316,041)
Creditors falling due after one year	-	(480,000)	-	(480,000)
Defined benefit pension liability	-	(920,000)	-	(920,000)
Total net assets	<u>7,360</u>	<u>(1,300,560)</u>	<u>16,239,929</u>	<u>14,946,729</u>

FRANK FIELD EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 AUGUST 2019

20 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 Hymans Robertson LLP. 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 2012, and that of the LGPS related to the period ended 31 March 2016.

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

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 full-time teachers in academies and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

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

Valuation of the Teachers' Pension Scheme

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

The key elements of the valuation and subsequent consultation are:

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

The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The employers contribution will increase to 23.6% from 1 September 2019.

The employer's pension costs paid to the TPS in the period amounted to £395,516 (2018: £43,962).

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

FRANK FIELD EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2019

20 Pension and similar obligations

(Continued)

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 pension 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 % for employers and 5.5 to 12.5% for employees.

As described in note 25 the LGPS obligation relates to the employees of the academy trust, being the employees transferred as part of the conversion from the maintained school and new employees who joined the scheme in the period. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the academy trust at the balance sheet date.

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.

Total contributions made	2019 £	2018 £
Employer's contributions	179,000	15,000
Employees' contributions	45,000	4,000
	<u> </u>	<u> </u>
Total contributions	224,000	19,000
	<u> </u>	<u> </u>

Principal actuarial assumptions	2019 %	2018 %
Rate of increase in salaries	2.6	2.6
Rate of increase for pensions in payment/inflation	2.3	2.3
Discount rate for scheme liabilities	1.9	2.8
	<u> </u>	<u> </u>

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

	2019 Years	2018 Years
Retiring today		
- Males	21.2	22.3
- Females	23.5	24.5
Retiring in 20 years		
- Males	22.1	23.9
- Females	25.0	26.5
	<u> </u>	<u> </u>

FRANK FIELD EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 AUGUST 2019

20 Pension and similar obligations

(Continued)

Sensitivity analysis

	Approx. increase to Defined Benefit Obligation EPC/HGP %	Approx. monetary amount EPC/HGP £000
0.5% decrease in the real discount rate	14 / 11	1,397 / 116
0.5% increase in the salary increase rate	3 / 1	307 / 10
0.5% increase in the pension increase rate	10 / 10	975 / 104

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

	2019 Fair value £	2018 Fair value £
Equities	3,411,850	3,164,160
Bonds	3,571,250	2,834,560
Cash	148,890	65,920
Property	627,010	527,360
Total market value of assets	<u>7,759,000</u>	<u>6,592,000</u>

The actual return on scheme assets was £463,000 (2018: £51,000).

Amount recognised in the Statement of Financial Activities

	2019 £	2018 £
Current service cost	306,000	29,000
Past service cost	3,000	-
Interest income	(128,000)	(15,000)
Interest cost	145,000	17,000
Total operating charge	<u>326,000</u>	<u>31,000</u>

FRANK FIELD EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2019

20 Pension and similar obligations	(Continued)
Changes in the present value of defined benefit obligations	2019
	£
At 1 January 2019	7,512,000
Obligations acquired on conversion	877,000
Current service cost	306,000
Interest cost	145,000
Employee contributions	45,000
Actuarial loss	1,645,000
Benefits paid	(23,000)
Past service cost	3,000
	<hr/>
At 31 August 2019	10,510,000
	<hr/> <hr/>
Changes in the fair value of the academy trust's share of scheme assets	2019
	£
At 1 January 2019	6,592,000
Assets acquired on conversion	503,000
Interest income	128,000
Actuarial gain	335,000
Employer contributions	179,000
Employee contributions	45,000
Benefits paid	(23,000)
	<hr/>
At 31 August 2019	7,759,000
	<hr/> <hr/>

FRANK FIELD EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2019

21 Reconciliation of net income to net cash flow from operating activities

	2019	2018
	£	£
Net income for the reporting period (as per the statement of financial activities)	1,699,526	15,074,729
Adjusted for:		
Net surplus on conversion to academy	(2,108,129)	(15,015,116)
Capital grants from DfE and other capital income	(67,694)	-
Investment income receivable	(118)	(18)
Defined benefit pension costs less contributions payable	130,000	14,000
Defined benefit pension scheme finance cost	17,000	2,000
Depreciation of tangible fixed assets	282,536	31,187
(Increase) in debtors	(501,931)	(241,211)
Increase in creditors	476,017	153,439
Stocks, debtors and creditors transferred on conversion	(34,935)	(53,887)
Net cash used in operating activities	(107,728)	(34,877)

22 Commitments under operating leases

At 31 August 2019 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

	2019	2018
	£	£
Amounts due within one year	20,632	20,632
Amounts due in two and five years	-	15,632
	<u>20,632</u>	<u>36,264</u>

23 Related party transactions

Owing to the nature of the academy trust's operations and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the academy trust has an interest. All transactions involving such organisations are conducted in accordance with the requirements of the AFH, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the academy trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

Expenditure related party transactions

During the prior period the Trust paid management fees totalling £106,167 to The Holy Family Multi Academy Catholic Trust, A fellow Academy Trust in which the senior management team were also senior management team members.

FRANK FIELD EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2019

24 Members' liability

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

25 Conversion to an academy

On 1st February 2019, the Handforth Grange Primary School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Frank Field Education Trust from the Cheshire Local Authority for £nil consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair values and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as a net loss in the statement of financial activities as charitable expenditure – transfer from local authority on conversion.

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

Academy	Location	Date of conversion
Handforth Grange Primary School	Handforth	1 February 2019

	2019 £
Net assets transferred:	
Freehold land and buildings	2,400,000
Other tangible fixed assets	16,864
Cash	100,200
Pension scheme deficit	(374,000)
Creditors	(34,935)
	2,108,129
	2,108,129

	Unrestricted Funds £	Restricted funds: General Fixed asset £ £		Total 2019 £
Funds surplus/(deficit) transferred:				
Fixed assets funds	-	-	2,416,864	2,416,864
LGPS pension funds	-	(374,000)	-	(374,000)
Other funds	-	65,265	-	65,265
	-	(308,735)	2,416,864	2,108,129
	-	(308,735)	2,416,864	2,108,129