

The Arthur Terry Learning Partnership

Trustees' report and financial statements

for the year ended 31 August 2021



The Arthur Terry Learning Partnership
(A company limited by guarantee)

Contents

	Page
Reference and administrative details	1 - 2
Trustees' report	3 - 17
Governance statement	18 - 21
Statement on regularity, propriety and compliance	22
Statement of Trustees' responsibilities	23
Independent auditor's report on the financial statements	24 - 27
Independent reporting accountant's report on regularity	28 - 29
Statement of financial activities incorporating income and expenditure account	30
Balance sheet	31
Statement of cash flows	32
Notes to the financial statements	33 - 71

The Arthur Terry Learning Partnership
(A company limited by guarantee)

Reference and Administrative Details

Members
Mr Timothy Sewell
Mr Alan Wharton
Mrs Sarah Taylor
Mr Mick Waters
Sir Tim Brighouse

Trustees
Mr Timothy Sewell²
Mr John Vickers, Chair
Mr Jonathan Brake²
Miss Heather Morris, Vice Chair, Chair of Audit and Risk¹
Mr Richard Gill CBE, CEO & Accounting Officer²
Mr Brian Cookson, Chair of Finance²
Mr Dan Mortiboys (resigned 28 January 2021)¹
Mr Samuel Henson²
Mrs Katie Hale¹

¹ member of the Audit Committee

² member of Finance Committee

Company registered number
07730920

Company name
The Arthur Terry Learning Partnership

Principal and registered office
Kittoe Road
Four Oaks
Sutton Coldfield
West Midlands
B74 4RZ

Chief Executive Officer and Accounting Officer
Mr Richard Gill CBE

Chief Finance and Operations Officer
Mr Simon Smith

Executive team

Mr Richard Gill CBE, Chief Executive Officer
Mr Simon Smith, Chief Finance and Operations Officer
Ms Anna Balson, Director of Education (Primary Schools)
Mr Neil Warner, Director of Education (Secondary Schools) (until 31 August 2021)
Mrs Sue Pountney, Director of HR (until 31 August 2021)
Miss Sandra Martin, Director of HR
Miss Michelle Doughty, Director of Estates and Operations
Mrs Sue Bailey, Safeguarding Lead
Mrs Ria Farrell, Finance Manager
Mrs Anna Newson, Head of PR & Communications
Mrs Claire Swann, CEO PA

Independent auditor
Dains LLP
15 Colmore Row
Birmingham
B3 2BH

The Arthur Terry Learning Partnership
(A company limited by guarantee)

Reference and Administrative Details (continued)
for the year ended 31 August 2021

Bankers

Lloyds Bank Plc
9 Birmingham Road
Sutton Coldfield
West Midlands
B72 1QA

Solicitors

Browne Jacobson LLP
Victoria House
Victoria Square
Birmingham
B2 4BH

The Arthur Terry Learning Partnership
(A company limited by guarantee)

Trustees' report
for the year ended 31 August 2021

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year 1 September 2020 to 31 August 2021. The annual report serves the purposes of both a Trustees' report and a directors' report under company law.

The trust operates eleven primary academies, and five secondary academies across Birmingham, Staffordshire and North Warwickshire. Its academies had a total roll of 8,419 in the school census in October 2021.

Structure, governance and management

a. Constitution

The academy is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The trustees of the Arthur Terry Learning Partnership Trust are also the directors of the charitable company for the purposes of company law. The charitable company operates as The Arthur Terry Learning Partnership.

Details of the Trustees who served during the year, and to the date these accounts are approved are included in the Reference and administrative details on page 1.

b. 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.

c. Trustees' indemnities

The trustees of the trust have been indemnified in respect of their legal liability for financial loss arising as a result of a negligent act, accidental error or omission in the course of their official duties. The limit of this indemnity under the insurance arrangement of £5 million.

d. Method of recruitment and appointment or election of Trustees

The Articles provide that

- The members may appoint by ordinary resolution up to 8 Trustees (Article 50)
- The total number of trustees, including the Chief Executive Officer if they so choose to act as trustee under Article 57, who are employees of the Academy Trust shall not exceed one third of the total number of trustees (Article 50B)
- In circumstances where trustees have not appointed local governing bodies in respect of the academies as envisaged in Article 100a or if no provision is made for at least 2 parent local governors on each established local governing body pursuant to Article 101A there shall be a minimum of two parent trustees and otherwise such number as the members shall decide who shall be appointed or elected in accordance with Articles 54 – 56. (Article 53)

The ultimate management of the multi academy trust is the responsibility of the trustees who are elected and co-opted under the terms of the Articles of Association.

The approach to appointing new trustees would depend upon the nature of the vacancy, as outlined in the Articles. The trust considers the appropriate skill set of prospective trustees to enable effective leadership of trust responsibilities.

The Arthur Terry Learning Partnership
(A company limited by guarantee)

Trustees' report (continued)
for the year ended 31 August 2021

Structure, governance and management (continued)

e. Policies adopted for the induction and training of Trustees

The training and induction provided for new trustees will depend upon their existing experience and an audit of their skills. Where required, an induction will provide training on educational, safeguarding, legal and financial matters. All trustees are provided with access to the policies, procedures, governance handbook, minutes, accounts, budgets plans and other documents that they will need to undertake their role as trustees and directors of the Charitable company. As there is normally expected to be only a small number of new trustees each year, induction tends to be informal and is tailored specifically to the individual.

The academy insurance indemnifies governors. This policy is available for inspection on request.

f. Organisational structure

The company has established a structure to enable its efficient running. The structure consists of seven levels:-

- a) Members
- b) Board of Trustees, Finance Committee & Audit and Risk Committee
- c) Two Hub Governing Bodies (Secondary Schools and Primary Schools)
- d) Local Governing Body for each of the schools
- e) Chief Executive, who is the Accounting Officer for the Trust.
- f) Executive Team consisting of Chief Executive Officer, Director of Education (Secondary), Director of Education (Primary), Chief Finance and Operations Officer, HR Directors and Estates and Operations Director.
- g) Leadership Group for each of the schools

The trustees are responsible for setting strategic policy around pupil and student educational outcomes, risk management, five-year business plan, three-year budget plan, monitoring the financial status of the trust, estates management, growth, senior staff appointments and monitoring the performance of the Chief Executive Officer.

Local Governing Bodies (LGB) have no formal decision-making responsibilities but act as consultees in education matters. The Trust Board are the legal and accountable body and the LGB support the implementation of trust policies and school improvement.

The local governing bodies are a mix of parents, staff and co-opted members as defined in the articles of association. At each academy there is a Headteacher/Associate Headteacher and a Leadership Group.

The audit and risk committee & finance committee are committees of the trust board, with delegated responsibilities. The committees assist the trust to fulfil its responsibilities, with particular reference to strategic financial planning, monitoring and reporting, internal control, risk management, internal and external audit. All other matters are dealt with by the Trust Board.

Structure, governance and management (continued)

g. Arrangements for setting pay and remuneration of key management personnel

The Trust Board have adopted an Executive Pay Policy which sets out the framework for making decisions on executive pay at The Arthur Terry Learning Partnership. It has been developed to comply with current legislation, the requirements of the Academy Trust Handbook, the 'Setting executive salaries: guidance for academy trusts' document from the Education & Skills Funding Agency and in accordance with the principles of public life. Pay progression decisions for executive staff are made by the Trust Board based on performance and are linked to the Executive Appraisal Policy. The Trust uses the compa-ratio method for determining pay and for determining pay progression linked to performance. A pay benchmarking exercise is undertaken every two years in order to assist the Board with its pay decision making. When new executive posts are designed or reviewed, the Trust undertakes a pay benchmarking exercise in order to determine the appropriate salary for the role.

Executive posts (excluding the CEO) are appraised by the CEO. In appraising the performance of the executive posts, the CEO can consult a suitably skilled and/or experienced external advisor/associate member for that purpose. The CEO is appraised by the Trust Board Appraisal Committee. In appraising the performance of the CEO, the Trust Board Appraisal Committee can consult a suitably skilled and/or experienced external advisor/associate member for that purpose.

The Chief Executive Officer (CEO), in association with the Directors of Education, is responsible for ensuring performance objectives for all Headteachers/Associate Headteachers are set and reviews are undertaken in line with the approved policy. The outcome of the reviews and recommendations are reported to the appropriate Pay Committee annually.

h. Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the year	8
Full-time equivalent employee number	7

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	-
1%-50%	8
51%-99%	-
100%	-

Percentage of pay bill spent on facility time	£000
Total cost of facility time	6
Total pay bill	39,889
Percentage of total pay bill spent on facility time	0.02 %

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	-	%
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Structure, governance and management (continued)

i. Engagement with employees (including disabled persons)

The Arthur Terry Learning Partnership aims to provide employees with information on all matters concerning them. Sharing strategies, performance, objectives, vision and values helps employees feel valued, informed and allows us to be working towards the same goal. It is important to achieve a common awareness of factors that can affect performance, including financial and economic factors, as this will strengthen understanding. Continued Professional Development and staff training is encouraged and supported by the Trust and regular training days and events are held. The appraisal scheme encourages employee feedback and facilitates the opportunity to identify training and support. We're an established and respected employer, attracting and retaining the best staff and training the next generation of teachers to work in our schools. Each academy provides a nurturing, vibrant and creative environment; while staff can enjoy the benefits of being part of a larger, united organisation, with a strong support network. We invest in our staff to get the best out of them.

The Trust is dedicated to staff well-being and have consulted with staff in well-being meetings, where staff from all departments are represented, to establish changes that can be made to improve well-being, such as reducing emails out of work hours. Staff have access to information on supporting mental health, bereavement support and dealing with trauma, as well as an Employee Counselling helpline. The Trust hold well-being events such as staff breakfasts and praise events to celebrate employees and teams' successes.

During the Coronavirus crisis it has been particularly important to keep employees informed, especially of national guidelines and requirements, risk assessments and procedures, which in some cases change daily. Staff who were working from home throughout lockdown were provided with guidance on remote working, which included taking regular breaks, taking time to communicate to aid with feelings of isolation and other tips to assist with adjusting.

The Arthur Terry Learning Partnership aims to ensure that no job applicant suffers discrimination. The recruitment procedures are reviewed regularly to ensure that individuals are treated based on their relevant merits and abilities. Job selection criteria are regularly reviewed to ensure that they are relevant to the job and are not disproportionate. Short listing of applicants will be done by more than one person wherever possible. Job advertisements will avoid stereotyping or using wording that may discourage groups with a particular protected characteristic from applying. Steps are taken to ensure that vacancies are advertised to a diverse labour market. Applicants will not be asked about health or disability before a job offer is made. There are limited exceptions which will only be used with the HR Manager approval. For example:

- Questions necessary to establish if an applicant can perform an intrinsic part of the job (subject to any reasonable adjustments).
- Questions to establish if an applicant is fit to attend an assessment or any reasonable adjustments that may be needed at interview or assessment.
- Positive action to recruit disabled persons.
- Equal opportunities monitoring (which will not form part of the decision-making process).

Applicants will not be asked about past or current pregnancy or future intentions related to pregnancy. Applicants will not be asked about matters concerning age, race, religion or belief, sexual orientation, or gender reassignment without the approval from HR (who will first consider whether such matters are relevant and may lawfully be considered). It is a legal requirement to ensure that all staff are entitled to work in the UK. Assumptions about immigration status will not be made based on appearance or apparent nationality. All prospective employees, regardless of nationality, will be expected to produce original documents (such as a passport) before employment starts, to satisfy current immigration legislation. The list of acceptable documents is available from the UK Border Agency.

Structure, governance and management (continued)

Engagement with employees (including disabled persons) (continued)

To ensure that this policy is operating effectively, and to identify groups that may be underrepresented or disadvantaged in the organisation, we monitor applicants' ethnic group, gender, disability, sexual orientation, religion and age as part of the recruitment procedure. Provision of this information is voluntary, and it will not adversely affect an applicant's chances of recruitment, or any other decision related to their employment. Analysing this data helps appropriate steps to be taken to avoid discrimination and improve equality and diversity.

If staff are disabled or become disabled, they are encouraged to inform the Trust about their condition so that support can be provided as appropriate. If staff experience difficulties at work because of their disability, they may wish to contact their line manager or the HR team to discuss any reasonable adjustments that would help overcome or minimise the difficulty. Their line manager or a member of the HR team may wish to consult with the staff member and a medical adviser(s) about possible adjustments. They will consider the matter carefully and try to accommodate the staff member needs within reason. If it is considered a particular adjustment would not be reasonable, the reasons will be explained, and an alternative solution found where possible. The Arthur Terry Learning Partnership will monitor the physical features of its premises to consider whether they place disabled workers, job applicants or service users at a substantial disadvantage compared to other staff. Where reasonable, steps to improve access for disabled staff and service users will be taken.

Employee consultation is important to us as we want to ensure all staff feel valued, heard and respected. The Arthur Terry Learning Partnership use various methods to communicate with staff, which include all staff emails and briefings, meetings and trade union representatives. The Trust also have a Joint Consultation and Negotiation Committee (JCNC) for consulting with employees. This consultation has been evident during the Coronavirus crisis where staff were consulted and advised if shielding/ self-isolation was required.

j. Engagement with suppliers, customers and others in a business relationship with the multi academy trust

It has been a difficult and challenging year for us all, so it has been particularly important to engage and stay in contact with our suppliers, customers and others as this is vital to the performance and success of the MAT. The Arthur Terry Learning Partnership build and maintain good relationships with suppliers, customers and others. This was evident during the Coronavirus crisis, where the Trust adhered to the Governments Procurement Policy Note to continue to pay suppliers where financial sustainability, retaining staff and continued trading were at risk. Having regard for the challenges facing our suppliers and customers, as well as the impact of external factors, has strengthened relationships and allowed a more proactive engagement.

As a Trust, we ensure payment terms are adhered to and queries raised and settled in a timely manner. We report our Payments Practices and Performance bi-annually, which is available on Companies House.

During the Coronavirus crisis, the Arthur Terry Learning Partnership was proactive in considering the impact on the local community and a decision was made to supply supermarket vouchers to families who were normally in receipt of free school meals. This helped relieve the stress of struggling families and ensured children were fed. The Trust has also worked hard to ensure schools remain open during holidays for vulnerable students and students whose parents are key workers.

The Arthur Terry Learning Partnership
(A company limited by guarantee)

Trustees' report (continued)
for the year ended 31 August 2021

Objectives and activities

a. Objects and aims

The Company's objects are specifically restricted to the following:

- (a) Advancing for the public benefit education in the United Kingdom ('the area of benefit'), in particular but without prejudice to the generality of the foregoing by
 - (i) Establishing, maintaining, carrying on, managing and developing a school offering a broad and a balanced curriculum,
 - (ii) Providing childcare facilities and adult training to develop the capacity and skills of parents to be and parents with children primarily but not exclusively under five in such a way that they are better able to identify and help meet the needs of children,
- (b) Promoting in the area of benefit the physical, intellectual and social development of primarily but not exclusively children under five especially those who are socially and economically disadvantaged,
- (c) Developing the capacity and skills of those inhabitants of the area of benefit who are socially and economically disadvantaged in such a way that they are better able to identify, and help meet, their needs and to participate more fully in society,
- (d) Relieving poverty among the inhabitants of the area of benefit,
- (e) Relieving unemployment in the area of benefit for the benefit of the public in such ways as may by thought fit, including assistance to find employment;
- (f) Advancing the health of the inhabitants of the area of benefit
- (g) Providing recreational and leisure time facilities in the interest of social welfare for the inhabitants of the area of benefit especially those who have need of such facilities by reason of their youth, age, infirmity or disablement, poverty or social and economic circumstances,
- (h) To promote for the benefit of the inhabitants of West Midlands and the surrounding area the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity, or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving the condition of life of the said inhabitants.

b. Objectives, strategies and activities

The five-year business plan describes our objectives, purpose and vision. Our plans focus upon ensuring The Arthur Terry Learning Partnership remains a centre for academic excellence at all levels across the partnership. The Arthur Terry Learning Partnership is committed to delivering outstanding provision through collaborative working, local responsibility and accountability, systematic quality assurance and a commitment to continual improvement.

Leaders and managers at all levels are encouraged to innovate in response to a continually changing educational climate and an absolute priority remains to ensure that all children feel safe in an environment where the discipline is firm but fair, yet where student voice is heard. Best practice in teaching and learning is widely shared in order to ensure that all children thrive and succeed and make better than expected progress.

In setting the objectives, the trustees have given careful consideration to the academy's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education.

The Arthur Terry Learning Partnership
(A company limited by guarantee)

Trustees' report (continued)
for the year ended 31 August 2021

Objectives and activities (continued)

c. Public benefit

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

The main objectives of the trust are summarised below;

- To ensure that every child enjoys the same high-quality education in terms of resourcing, tuition and care
- To raise the standard of educational achievement of all pupils
- To improve the effectiveness of the trust by keeping the curriculum and organisational structure under continual review
- To provide value for money for the funds expended to maintain close links with industry and commerce, and
- To conduct the trust's business in accordance with the highest standards of integrity, probity and openness.

To ensure that standards are continually raised the trust, hub governing bodies, the local governing bodies, executive team and the school leadership teams;

- Operate a robust quality assurance calendar which monitors the quality of teaching and learning and includes book trawls
- Is visited, scrutinised and supported by a School Improvement Partner
- Undertake a rigorous review of attainment using IDSR and FFT live to measure the progress of students, paying particular regard to their achievement on entry and levels of progress secured.

The trust recognises that equal opportunities should be an integral part of good practice within the workplace. The trust aims to establish equal opportunity in all areas of its activities including creating a working environment in which the contribution and needs of all people are fully valued.

Lifts, ramps and disabled toilets are installed and door widths are adequate to enable wheelchair access in a range of areas within the trust. The policy of the trust is to support recruitment and retention of students and employees with disabilities. The Trust does this by adapting the physical environment by making support resources available and through training and career development.

Strategic report

Achievements and performance

a. Key performance indicators

Teaching School

We were designated as the Teaching School Hub for North Birmingham in February 2021, following a competitive bidding process. 87 Teaching School Hubs have been designated from across the country, each taking responsibility for a region, replacing the previous network of around 750 teaching schools, which will end in August 2021.

Teaching School Hubs will be centres of excellence for teacher training and development, providing high-quality professional development to teachers at all stages of their careers.

They will be expected to play a significant role in delivering:

- school-based initial teacher training (ITT)
- the early career framework when it is available nationally from September 2021
- the new specialist national professional qualifications (NPQ)

The Arthur Terry Learning Partnership
(A company limited by guarantee)

Trustees' report (continued)
for the year ended 31 August 2021

Strategic report (continued)

Achievements and performance (continued)

- leadership NPQs
- appropriate body services for early career teachers
- other high-quality evidence-based professional development to school leaders and teachers.

Teaching School Hub Status has secured funding of £80,000 start-up costs and £170,000 per year, guaranteed for 3 years, with additional income streams from the delivering of ECF, NPQ training and Appropriate Body services.

The hub's official designation period starts in September 2021. To date, we have recruited 207 Early Career Teachers (ECTs) onto the Early Career Framework (ECF) Programme and have run 5 training sessions for mentors and ECTs in schools across North Birmingham with 97% of participants rating the training to be good or very good. We have also recruited 156 participants onto our National Professional Qualification (NPQ) Programmes which are due to begin in November. In addition, 411 ECTs are signed up with our Appropriate Body Service which registers and oversees the statutory induction and assessment of ECTs.

Our SCITT continues to operate and recruited 57 Associate Teachers to train in our partnership of schools this year across both primary and secondary phases. All of last year's Associate Teachers achieved Qualified Teaching Status and 95% of them have found employment, which is well above the sector average.

Primary Schools

In a year like no other, our remote learning was paramount to the success of our schools, and it was extremely impressive in the way that teachers rapidly responded to this with the emphasis being on the teaching of 'new knowledge'. The remote learning strategy was skilfully supported by Operations and Estates to access Government schemes and ensuring all children could access remote provision.

COVID catch Up Funding enabled schools to engage additional teachers who are working with focused children to support their learning in a range of subjects, with impact reported at key milestones.

Safeguarding continued to be of extreme importance as children spent longer and longer out of school. Our designated safeguarding leads and their teams ensured that all children, but particularly the most vulnerable, had regular 'safe and well checks' and our most disadvantaged families were supported to a high standard.

Our primary schools were open every day to pupils including holiday time, and respect and gratitude must go to all our Head Teachers and school staff for putting all our children first and protecting them from the chaos that covid brought.

Secondary Schools

The secondary schools in the partnership adapt admirably to the many challenges faced during the pandemic in 2020/21. The re-opening of schools in September 2020 was an inspirational but difficult time, with schools welcoming back students for the first time since March 2020, but with a range of government restrictions. During the autumn term there was a gradual increase in rates of Covid-19, escalating dramatically after the October half term. Schools saw attendance fall sharply and there was an inevitable impact on learning and teaching. During both the firebreak lockdown in October and the full lockdown from January, schools provided an exceptional level of provision through their remote learning. Operation and Estates supported schools to access government schemes such as free laptops for those students without access, ensuring that students were able to access the remote provision. In March 2021 schools re-opened, with all students being offered on-site testing, this was an incredible joint effort with teachers and support staff delivering the tests, supported by Operation and Estates. During the summer term schools worked collaboratively to put a rigorous and robust process in place to establish the new Teacher Assessed Grades (TAGs). All secondary schools engaged with the process and worked together to ensure a high level of moderation was in place. The success of this programme paid dividends with the extremely low number of parental appeals which were received following release of exam results, with both GCSE and A level in the same week for the first time. Our School Improvement Team has been expanded in 2021/22 to include seconded staff in key areas, with two Secondary Strategic Leads providing

Strategic report (continued)

Achievements and performance (continued)

support for headteachers and their schools.

Financial Performance Indicators

• Maintaining a balanced budget at year-end

The trustees monitor the financial position on a monthly basis by reviewing financial year-end projections. 2020-21 secured an in year surplus on revenue reserves of £1,278,000.

• Benchmarking expenditure against other similar organisations

Benchmarking information has been reviewed by trustees to make comparative judgements on the efficiency of each school. Trustees have continued to reduce staffing costs as opportunities arise to reduce the percentage of income allocated to staffing resources. Extensive work has been undertaken to drive efficiency across the partnership, this has included a centralised approach to procurement of large contracts, the provision of benchmarking data for governors to challenge school leaders and rationalisation across a range of staffing areas to achieve consistency.

• Improving the reserve position

The trust has increased the level of reserves at the end of this accounting period through underspends across many of our schools. Long-term strategic planning is allowing for building expenditure requirements over and above the School Condition Allocation, which will require higher levels of self-funding.

• Achieving value for money through effective financial management procedures

The trust ensures compliance with the requirements of the Academies Financial Handbook (later Academies Trust Handbook). Internal controls are tested by an independent auditor and have verified procedures of financial management and internal control to achieve value for money. The audit and risk committee oversee the findings from any independent audit work that has been carried out.

• Maintain a positive cash flow with sufficient cash balances to cover monthly expenditure

Monitoring of cash flow throughout the year has secured sufficient cash balances to ensure cash balances to cover monthly expenditure.

Financial Key Performance Indicators (2020-21)

Key Performance Indicator	KPI Target	KPI Actual
<u>Staffing Costs</u>		
% spend of total income	75%	71%
% spend on Leadership	13%	15%
<u>Pupil Teacher Ratio</u>		
Secondary Schools	17	16.10
Primary Schools	24.2	21.13
<u>Teacher Contact Ratio</u>		
Secondary Schools	0.78	0.74

Strategic report (continued)

Achievements and performance (continued)

b. Going concern

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

The Coronavirus crisis continues to have a significant impact on pupil attendance, resources and finances. Students identified in the vulnerable or key worker groups were offered full time provision, whilst others were supported with remote learning and resources packs, alongside personalised pastoral support. There is continued financial investment to support hybrid learning as children have returned back to school but with the virus still prevalent in some schools. Any coronavirus related costs have been included in the budgets for 2021/22 and these will continue to be monitored.

c. Promoting the success of the company

The Trustees, in accordance with their duties under section 172(1) of the Companies Act 2006, have acted in the way they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole and in doing so, have regard to the:

- Likely consequences of any decisions in the long-term;
- Interests of the company's employees;
- Need to foster the company's business relationships with suppliers, customers and others;
- Impact of the company's operations on the community and environment;
- Desirability of the company maintaining a reputation for high standards of business conduct;
- Need to act fairly as between shareholders and the company

The Trustees regard to these matters is embedded in their decision-making process, through the Trusts objectives, strategy, purpose and vision. The consequences of all decisions and activities of the Trust are assessed by how they drive us towards achieving our long-term purpose. As an educational establishment, we are accountable not only to our direct beneficiaries (our pupils) but also our parents, families and wider community. These stakeholders support us, engage with us, and challenge us. They ensure that the decisions we make are for their benefit.

We are an organisation driven by values and our values mean that we are informed and empowered by our determination to uphold our purpose and vision. Well-established involvement from parties ensure that decisions made by the Trustees are informed by the needs of the organisation's stakeholders. All matters reserved for decision by the Trustees are presented at Board or Committee meetings as appropriate. Trustees are informed on any identified potential risks or impact to our stakeholders and how they are to be mitigated. The Trustees take these factors into consideration before making a final decision which together they believe is in the best interests of the Trust and its stakeholders.

Long-term consequences of any decision

Trustees consider the consequences of any strategic decision in the long-term as part of their assessment, including the principal risks and impact. Our aim as an organisation is to ensure we balance our income and expenditure to ensure financial sustainability in the long term. This aim is balanced against the needs of our pupils, staff and other stakeholders and the wider community, to ensure we act responsibly, effectively and proactively in the use of funds to support our objectives, with openness and integrity. This has included, for example, the centralisation of services such as HR, Finance and Operations and Estates, which has increased efficiency, communication and the provision of these services to our schools.

Strategic report (continued)

Achievements and performance (continued)

The interests of the company's employees

Details of how the Trustees give consideration to the interests of the organisation's employees can be found in the section Engagement with employees within this report. Our employees contribute to a positive and healthy working environment and are key to our success. We engage with staff to ascertain training and development opportunities and hold regular staff training. We are dedicated to the well-being of staff and regularly hold well-being events. The appraisal scheme encourages employee feedback and facilitates the opportunity to identify training and support.

The need to foster the company's business relationships with suppliers, customers and others

Details of how the Trustees give consideration to the interests of the organisation's other stakeholders can be found in the section Engagement with suppliers, customers and others in a business relationship with the Trust. We remain committed to being fair and transparent in our dealings with all of our suppliers. The trust has systems and procedures in place to ensure suppliers are paid in a timely manner.

The impact of the company's operations on the community and the environment

Details of how the Trustees give consideration to the impact on the community can be found in the section Engagement with suppliers, customers and others in a business relationship with the Trust. Further information is also given in the sections Objects and Aims and Public Benefit. The Trusts approach to social responsibility, diversity and the wider community is of high importance. The Trust has worked hard to ensure schools have remained open during the COVID-19 lockdown, including during the holiday periods, to support children of key workers and vulnerable students when other childcare facilities were not available.

The desirability of the company maintaining a reputation for high standards of business conduct

The Trust aims to conduct all its business relationships with integrity, fairness and courtesy. The Trust is informed and monitors compliance with relevant governance standards to help ensure we act in ways that promote high standards of business conduct. The Trust has several policies that help to ensure maintenance of high standards; these include the Finance Policy, Anti-Fraud and Corruption Policy and Conflicts of Interest Policy.

The need to act fairly as between members of the company

Details on the Trustees induction can be found in the section Policies and Procedures Adopted for the Induction and Training of Trustees. Members of the Trust are treated fairly and equally. They have the same access to information and have the ability to directly contact trustees or the Executive. Members are invited and encouraged to participate in training or strategic development events; for example, all Members were invited to participate in our recent ATLP Training Day.

Financial review

The majority of the trust's income is received from the Department for Education via the Education and Skills Funding Agency in the form of the General Annual Grant (GAG); the use of which is restricted to particular purposes i.e. the objectives of the Academy Trust. The GAG received during the period covered by this report and the associated expenditure is shown as restricted funds in the Statement of Financial Activities.

Priorities identified in the ATLP Business Plan are as follows:

- Achievement in our academies will build on the previous personal best with year-on-year improved progress for students of all abilities across the ATLP.
- Recruitment, training and development of all staff will result in delivery of an outstanding provision to all of our students.
- Leadership & governance across the ATLP will be outstanding and succession planning effective in securing leaders of high calibre across the Learning Partnership
- A sustainable educational and business plan will be in place that supports the academies to meet their core

The Arthur Terry Learning Partnership
(A company limited by guarantee)

Trustees' report (continued)
for the year ended 31 August 2021

Strategic report (continued)

objective of delivering outstanding education for every child.

The in-year surplus for the financial period is £1,278,000 as detailed in the 2020-21 financial statements. The combined General Restricted Fund and Unrestricted Fund show an operating surplus, before the actuarial losses on defined benefit pension schemes, of £7,758,000. This operating surplus is the result of budget control procedures, which have been embedded in the trust's daily financial management in accordance with the Academies Financial Handbook. The trust operates a detailed Finance Policy, linked specifically to the Academies Financial Handbook to ensure adequate controls and parameters are incorporated. In addition, all staff members receive a summary of the trust's financial regulations –specifically relevant for all staff members.

The trust has taken appropriate action to reduce expenditure where possible without compromising the educational outcomes of young people, due to continuing rising costs relating to national pay awards, increasing employer pension contributions and general increases in costs related to managing the academy trust.

The trust operates a consolidated requirement of surplus and accepts that some schools will require additional support whereas others can be 'capacity givers'. The policy results in compensating variances across the schools within the partnership but ensures that schools that need support receive the support in a timely manner. Trustees, through the Finance Committee, scrutinise these balances throughout the year.

a. Reserves policy

In determining the reserves policy for the trust, the trustees consider long-term forecast income and expenditure streams, the requirement to cover commitments and investment in estates/capital projects.

Reserves at the end of the period are £63,847,000 however, £56,089,000 are represented by fixed assets and the Local Government Pension Scheme deficit.

The restricted fund reserves will be used to fund current commitments, designated building maintenance projects as well as expenditure required to implement the Aims and Objectives of the Academy Trust as outlined in the Business Plan. In addition, trustees plan to maintain a level of reserves to ensure financial sustainability in the current uncertain financial climate.

£1,643,000 are designated funds ringfenced for committed capital works or specifically ringfenced project funding.

The trust's reserves statement confirms 'the minimum level for the unrestricted and restricted reserves combined should be equal to one month's average payroll costs or any forecast deficit as highlighted within the 3-year budget forecast, whichever is the greater'.

b. Investment policy

The trust does not currently hold any investments.

If the board of trustees wished to make investments to further the trust's charitable aims, it would ensure that investment risks are properly managed.

When considering an investment, the board will:

- Act within its powers to invest as set out in the articles of association
- Ensure value for money.
- Take advice from professional advisers where appropriate.
- Ensure that exposure to investment products is tightly controlled so that security of funds takes precedence over revenue maximisation.
- Ensure investment decisions are in the best interests of the MAT.

The Arthur Terry Learning Partnership
(A company limited by guarantee)

Trustees' report (continued)
for the year ended 31 August 2021

Prior approval will be sought from the ESFA prior to any investment transactions that are novel, contentious and/or repercussive, regardless of value.

Most of the trust's income is received from the ESFA in the form of recurrent grants. The trustees ensure investment in resource appropriate to the aims and objectives of the trust.

c. Principal risks and uncertainties

The trustees determine areas of principle risk for the trust and regularly review the risk register to ascertain whether risks are adequately assessed and rated, and procedures for avoiding, transferring, mitigating or acceptance of risk are appropriate.

Risk management areas cover strategic financial, reputational, legal, compliance and operational continuity.

- Impact of COVID-19
- ATLP growth impacting ability to deliver high quality support
- Ofsted outcomes
- Significant fall in student numbers
- Data breach
- Litigation and legislative changes
- Pension deficit
- Failure to meet academic objectives
- Detrimental media publicity
- Failure of financial controls
- Detrimental impact of reduction in funding
- Increases to employer costs
- Health, safety and safeguarding
- Weak governance
- Business continuity

Fundraising

The trust does not operate a high level of fundraising activities and is very mindful to avoid unreasonably intrusive or persistent fundraising approaches. Fundraising in the trust is generally limited to 'non-uniform' charity days where schools request a donation from the parent/carer. The beneficiary of the donations is always made know to parents in advance of the event; it may be to support a local charity of the students' choice or to financially support a specified event being organised by the school or students. Contributions are not compulsory. Some of the schools within the trust seek voluntary donations at the beginning of each academic year to support student activities.

Local charitable trusts sometime make donations to schools through specific targeted bids to local trusts. Schools have benefitted through a range of successful bids to support extended provision of resources to our schools.

The academy trust does not use any external fundraisers.

The Arthur Terry Learning Partnership
(A company limited by guarantee)

Trustees' report (continued)
for the year ended 31 August 2021

Streamlined energy and carbon reporting

The multi academy trust's greenhouse gas emissions and energy consumption are as follows:

	2021	2020
Energy consumption used to calculate emissions (kWh)	12,268,568	10,765,513
Energy consumption breakdown (kWh):		
Gas	9,043,655	7,808,767
Electricity	3,206,230	2,901,795
Transport fuel	18,683	54,951
Scope 1 emissions (in tonnes of CO2 equivalent):		
Gas consumption	1,656.44	1,435.80
Owned transport	1.64	6.41
Total scope 1	1,658.08	1,442.21
Scope 2 emissions (in tonnes of CO2 equivalent):		
Purchased electricity	680.78	676.52
Scope 3 emissions (in tonnes of CO2 equivalent):		
Business travel in employee-owned or rental vehicles	4.12	7.00
Total gross emissions (in tonnes of CO2 equivalent):	2,342.98	2,125.73
Intensity ratio:		
Tonnes of CO2 equivalent per pupil	0.28	0.28

The multi academy trust has followed and used the following quantification and reporting methodologies:

- the 2019 HM Government Environmental Reporting Guidelines;
- the GHG Reporting Protocol - Corporate Standard; and
- the 2021 UK Government's Conversion Factors for Company Reporting.

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO2e per pupil, the recommended ratio for the sector.

Measures Taken to Improve Energy Efficiency

Indirectly, COVID-19 has also contributed to a period of much lower building occupancy, which has contributed, naturally, to lower energy consumption across the board and vastly reduced use of reprographics facilities.

The Arthur Terry Learning Partnership
(A company limited by guarantee)

Trustees' report (continued)
for the year ended 31 August 2021

Plans for future periods

Trustees engage with schools in the geographical area with a view to future growth of the partnership. School improvement and likeminded aims and objectives are key for developing relationships with other schools keen to be involved in the learning partnership.

Following on from the work carried out with Greysbrooke Primary School and Osborne Primary School, they both officially joined the trust on 1st April 2021. Since approval to join the trust was given by the Diocesan Board of Education, our work has continued to support both St Michaels Primary School, Lichfield and St Chads Primary, Lichfield. Both of which are planned to join the trust in 2022. Similarly, we are working closely with West Coventry Academy (WCA) and the Department for Education and also expect WCA to join the partnership in 2022.

The Trust will continue striving to improve the levels of performance of its students at all levels and will continue its efforts to ensure all students are secure in their next steps when leaving school to employment or continuing in training or formal education.

Funds held as custodian on behalf of others

The trust holds funds on behalf of the Teaching School Council.

Disclosure of information to auditor


Insofar as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware, and
- that 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.

Auditor

The auditor, Dains LLP, has indicated his willingness to continue in office. The designated Trustees will propose a motion reappointing the auditor at a meeting of the Trustees.

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 6 December 2021 and signed on its behalf by:



Mr John Vickers
Chair of Trustees

The Arthur Terry Learning Partnership
(A company limited by guarantee)

Governance Statement

Scope of responsibility

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

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

The board of Trustees has delegated the day-to-day responsibility to the Chief Executive, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between The Arthur Terry Learning Partnership 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 7 times during the year.

Attendance during the year at meetings of the board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
Mr Timothy Sewell	7	7
Mr Richard Gill CBE, CEO & Accounting Officer	7	7
Mr John Vickers, Chair	7	7
Mr Jonathan Brake	7	7
Miss Heather Morris, Vice Chair, Chair of Audit and Risk	6	7
Mr Brian Cookson, Chair of Finance	7	7
Mrs Katie Hale	6	7
Mr Samuel Henson	6	7
Mr Dan Mortiboys (resigned 27th January 2021)	3	3

The finance committee is a committee of the main trust board. Its purpose is to assist the trust in fulfilling its responsibilities for strategic financial planning and monitoring.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Mr Richard Gill, CEO & Accounting Officer	10	10
Mr Timothy Sewell	9	10
Mr Johnathan Brake	8	10
Mr Brian Cookson, Chair of Finance	10	10
Mr Sam Henson	8	9

The Arthur Terry Learning Partnership
(A company limited by guarantee)

Governance Statement (continued)

Governance (continued)

The audit committee is a committee of the main trust board. Its purpose is to assist the trust in fulfilling its responsibilities for internal control, risk management and external audit; all other matters are dealt with by the trust board.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Miss Heather Morris, Chair of Audit and Risk	5	5
Mr Dan Mortiboys (resigned 27th January 2021)	3	3
Mrs Katie Hale	4	5

Richard Gill (CEO & Accounting Officer) is in attendance at the Audit Committee.

Reviews

The existing governance arrangements reflect those agreed as part of the review in 2017. The structure is designed to meet the requirements of the competency framework for governance enabling implementation of the trust board's strategy whilst holding school leaders to account. The trust continues to develop governance to the highest level to ensure actions contribute to deliver school improvement and mitigate risk.

However, 4 years from this review, trustees are aware of the need for continuous improvement in our governance arrangements and a further review commenced during the year. This review is considering the role of the local governing bodies (LGB) and the expertise needed to fulfil the responsibilities detailed in the scheme of delegation and taking in account expectations outline by the department. Findings and recommendations will be agreed and implemented in 2021/22.

Each LGB meets four times a year. LGBs are being asked to be even more focused and specific in the agendas that are asked of them, specifically in scrutinising and challenging schools' response to COVID-19.

The Acting Head of Finance prepares forecast outturn data and management accounts which are presented at each finance committee, which took place every month during 2020/21. Management accounts are presented to the chair of the trustees on a monthly basis and presented to the board of trustees six times annually. The forecast financial position for each school is 'RAG' rated throughout the financial year. All new approved budgets are also 'RAG' rated to ensure consistency and close monitoring of any potentially vulnerable budgets. The whole process of financial governance is totally inclusive to enable the appropriate level of challenge.

Review of value for money

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

The accounting officer considers how the academy trust's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data where appropriate. The accounting officer for the academy trust has delivered improved value for money during the year by continuing to develop strategies to raise educational outcomes for its children and young people by extending its partnership working, through collaboration by sharing skills and expertise cross curricular and cross phase (primary and secondary). The Trust has benefited from extensive continuing professional development ranging from leadership development, coaching, changes to curriculum, improving student attainment, assessment, behaviour for learning, performance management and performance related pay. All of these areas of training have been provided in-house to achieve good value. This has two-fold value; financial saving and development and investment in our own staff.

The accounting officer has also delivered additional good value for money by utilising expertise within the trust to

Governance Statement (continued)

Review of value for money (continued)

support other trusts requiring support with school improvement.

The trust board and accounting officer have confidence in the quality assurance of financial management and stringent systems of internal control. The delegated responsibility of the separate audit and finance committees allows additional independent monitoring and oversight of internal controls; this has undoubtedly strengthened the consistency and challenge to local governing bodies. Governors, headteachers and finance staff across the whole partnership have continued to benefit from in-house training to increase the consistency and quality of financial management and strategic long-term budget planning. Governors, trustees and headteachers are aware of the government's strategy to drive efficiency and the importance of the financial health of academies.

The partnership implemented centralised services in January 2019 to provide expertise within the areas of operations, estates, finance and human resource management. This will provide additional good value from a financial and consistency of delivery approach.

A range of centrally procured services and contracts have successfully been implemented to ensure consistency of service and additional value for money. A programme of review was carried out during the year and will be implemented over the next three years.

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 multi academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in The Arthur Terry Learning Partnership for the year 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the multi 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 multi academy trust's significant risks that has been in place for the year 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

The risk and control framework

The multi 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 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
- identification and management of risks

The Board of Trustees has decided to buy-in an internal audit service from Crowe U.K. LLP

The Arthur Terry Learning Partnership
(A company limited by guarantee)

Governance Statement (continued)

The risk and control framework (continued)

The internal auditor role includes giving advice on financial matters and performing a range of checks on the trust's financial systems e.g. payroll, financial controls and risk.

The internal auditor reports to the audit committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

The internal auditor has delivered the schedule of work as planned. There have been no material control issues arising as a result of the internal auditor's work.

Review of effectiveness

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

- the work of the external auditor;
- the work of the internal auditor;
- the school resource management self-assessment tool;
- The work of the Chief Finance and Operations Officer, Acting Head of Finance and Finance Managers within the Trust who have responsibility for the development and maintenance of the internal control framework..

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the audit committee and a plan to address any recommendations to ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on 6 December 2021 and signed on their behalf by:



Mr John Vickers
Chair of Trustees



Mr Richard Gill
Chief Executive and Accounting Officer

The Arthur Terry Learning Partnership
(A company limited by guarantee)

Statement on Regularity, Propriety and Compliance

As accounting officer of The Arthur Terry Learning Partnership I have considered my responsibility to notify the multi 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 multi academy trust, under the funding agreement in place between the multi 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 2020.

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

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



Mr Richard Gill
Chief Executive and Accounting Officer

Date: 6 December 2021

The Arthur Terry Learning Partnership
(A company limited by guarantee)

Statement of Trustees' responsibilities
for the year ended 31 August 2021

The Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with the Academies Accounts Direction published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial . Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from ESFA/DfE have been applied for the purposes intended.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by order of the members of the Board of Trustees on 6 December 2021 and signed on its behalf by:



Mr John Vickers
Chair of Trustees

The Arthur Terry Learning Partnership
(A company limited by guarantee)

Independent auditor's Report on the financial statements to the Members of The Arthur Terry Learning Partnership

Opinion

We have audited the financial statements of The Arthur Terry Learning Partnership (the 'multi academy trust') for the year ended 31 August 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the multi academy trust's affairs as at 31 August 2021 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

The Arthur Terry Learning Partnership
(A company limited by guarantee)

Independent auditor's Report on the financial statements to the Members of The Arthur Terry Learning Partnership (continued)

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report including the Strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report and the Strategic report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the Trustees (who are also the directors of the multi academy trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the multi 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 multi academy trust or to cease operations, or have no realistic alternative but to do so.

Independent auditor's Report on the financial statements to the Members of The Arthur Terry Learning Partnership (continued)

Auditor's responsibilities for the audit of the financial statements

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

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the senior statutory auditor ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
 - we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the academies sector;
 - we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the financial reporting legislation, Companies Act 2006, taxation legislation, anti-bribery, employment, and environmental and health and safety legislation;
 - we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in Note 3 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators and the company's legal advisors.

The Arthur Terry Learning Partnership
(A company limited by guarantee)

Independent auditor's Report on the financial statements to the Members of The Arthur Terry Learning Partnership (continued)

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

Use of our report

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

Andrew Morris FCA (Senior statutory auditor)

for and on behalf of
Dains LLP

Statutory Auditor
Chartered Accountants

Birmingham

6 December 2021

The Arthur Terry Learning Partnership
(A company limited by guarantee)

Independent Reporting Accountant's Assurance Report on Regularity to The Arthur Terry Learning Partnership and the Education & Skills Funding Agency

In accordance with the terms of our engagement letter dated 24 September 2018 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Arthur Terry Learning Partnership during the year 1 September 2020 to 31 August 2021 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to The Arthur Terry Learning Partnership and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to The Arthur Terry Learning Partnership and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than The Arthur Terry Learning Partnership and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of The Arthur Terry Learning Partnership's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of The Arthur Terry Learning Partnership's funding agreement with the Secretary of State for Education dated 1 May 2012 and the Academies Financial Handbook, extant from 1 September 2020, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2020 to 2021. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2020 to 31 August 2021 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Framework and Guide for External Auditors and Reporting Accountant of Academy Trusts issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The Arthur Terry Learning Partnership
(A company limited by guarantee)

Independent Reporting Accountant's Assurance Report on Regularity to The Arthur Terry Learning Partnership and the Education & Skills Funding Agency (continued)

Conclusion

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

Dains LLP

Statutory Auditor
Chartered Accountants

Birmingham

Date: 6 December 2021

The Arthur Terry Learning Partnership
(A company limited by guarantee)

Statement of financial activities (incorporating income and expenditure account)
for the year ended 31 August 2021

	Unrestricted funds	Restricted funds	Restricted fixed asset funds	Total funds	Total funds
Note	2021 £000	2021 £000	2021 £000	2021 £000	2020 £000
Income from:					
Donations and capital grants:	4				
Transfer from local authority on conversion	192	(88)	6,618	6,722	(322)
Other donations and capital grants	107	-	2,263	2,370	1,817
Charitable activities:	5				
Funding for the multi academy trust's educational operations	56	48,755	-	48,811	44,168
Teaching schools	34	1,736	-	1,736	1,564
Other trading activities	6	171	-	171	407
Investments	7	1	-	1	6
Total income	527	50,403	8,881	59,811	47,640
Expenditure on:					
Charitable activities:	8				
Multi academy trust's educational operations	128	48,716	2,440	51,284	48,336
Childrens centre	-	-	-	-	2
Teaching schools	-	1,573	-	1,573	1,598
Total expenditure	128	50,289	2,440	52,857	49,936
Net income/(expenditure)	399	114	6,441	6,954	(2,296)
Transfers between funds	20	-	(1,549)	1,549	-
Net movement in funds before other recognised gains/(losses)	399	(1,435)	7,990	6,954	(2,296)
Other recognised gains/(losses):					
Actuarial losses on defined benefit pension schemes	28	-	(4,064)	-	(4,064)
Net movement in funds	399	(5,499)	7,990	2,890	(6,743)
Reconciliation of funds:					
Total funds brought forward	3,062	(24,648)	82,544	60,958	67,701
Net movement in funds	399	(5,499)	7,990	2,890	(6,743)
Total funds carried forward	3,461	(30,147)	90,534	63,848	60,958

The Arthur Terry Learning Partnership
(A company limited by guarantee)
Registered number: 07730920

Balance sheet
As at 31 August 2021

	Note	2021 £000	2020 £000
Fixed assets			
Tangible assets	16	88,180	82,034
Current assets			
Debtors	17	1,420	1,795
Cash at bank and in hand		13,213	9,156
		<u>14,633</u>	<u>10,951</u>
Creditors: amounts falling due within one year	18	(4,457)	(3,847)
Net current assets		<u>10,176</u>	<u>7,104</u>
Total assets less current liabilities		<u>98,356</u>	<u>89,138</u>
Creditors: amounts falling due after more than one year	19	(64)	(114)
Net assets excluding pension liability		<u>98,292</u>	<u>89,024</u>
Defined benefit pension scheme liability	28	(34,445)	(28,066)
Total net assets		<u><u>63,847</u></u>	<u><u>60,958</u></u>
Funds of the multi academy trust			
Restricted funds:			
Restricted fixed asset funds	20	90,534	82,544
Restricted income funds	20	4,297	3,418
		<u>94,831</u>	<u>85,962</u>
Restricted funds excluding pension liability	20	94,831	85,962
Pension reserve	20	(34,445)	(28,066)
Total restricted funds	20	<u>60,386</u>	<u>57,896</u>
Unrestricted income funds	20	<u>3,461</u>	<u>3,062</u>
Total funds		<u><u>63,847</u></u>	<u><u>60,958</u></u>

The financial statements on pages 30 to 71 were approved by the Trustees, and authorised for issue on 06 December 2021 and are signed on their behalf, by:



Mr John Vickers
 Chair of Trustees

The notes on pages 33 to 71 form part of these financial statements.

The Arthur Terry Learning Partnership
(A company limited by guarantee)

Statement of cash flows
for the year ended 31 August 2021

	Note	2021	2020
		£000	£000
Cash flows from operating activities			
Net cash provided by operating activities	22	3,562	1,573
Cash flows from investing activities	24	558	658
Cash flows from financing activities	23	(63)	(70)
Change in cash and cash equivalents in the year		4,057	2,161
Cash and cash equivalents at the beginning of the year		9,156	6,995
Cash and cash equivalents at the end of the year	25, 26	<u>13,213</u>	<u>9,156</u>

The notes on pages 33 to 71 form part of these financial statements

The Arthur Terry Learning Partnership
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 August 2021

1. General information

The Arthur Terry Learning Partnership is a company limited by guarantee incorporated in England and Wales. The registered number of the company is 07730920 and its registered office is Kittoe Road, Sutton Coldfield, West Midlands, B74 4RZ. The principal activity of the trust is given in the Trustees Report.

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

2. 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.

2.1 Basis of preparation of financial statements

The financial statements of the multi academy trust, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2020 to 2021 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

The Arthur Terry Learning Partnership meets the definition of a public benefit entity under FRS 102.

2.2 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 multi academy trust to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the multi academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the multi academy trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

2. Accounting policies (continued)

2.3 Income

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

- **Grants**

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

General Annual Grant is recognised in full in the statement of Financial Activities in the year for which it is receivable and any abatement in respect of the year 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 multi academy trust which amounts to a donation is recognised in the statement of Financial Activities in the year in which it is receivable (where there are no performance-related conditions) where 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 year it is receivable and to the extent the multi 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 'Stocks' 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 financial statements until they are sold. This income is recognised within 'Income from Other Trading Activities'.

- **Transfer on conversion**

Where assets and liabilities are received by the multi academy trust on conversion to an academy, the transferred assets are measured at fair value and recognised in the balance sheet at the point when the risks and rewards of ownership pass to the multi academy trust. An equal amount of income is recognised as a transfer on conversion within 'Income from Donations and Capital Grants' to the net assets received.

2. Accounting policies (continued)

2.3 Income (continued)

- **Donated fixed assets (excluding transfers on conversion or into the multi academy trust)**

Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as 'Income from Donations and Capital Grants' and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the multi academy trust's accounting policies.

2.4 Expenditure

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

2.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the multi academy trust; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.6 Taxation

The multi 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 multi academy trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by Part 11, chapter 3 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.

2. Accounting policies (continued)

2.7 Tangible fixed assets

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 requiring 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 and assets under construction, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

Depreciation is provided on the following bases:

Longterm leasehold land	- over the life of the lease
Longterm leasehold property	- 2% Straight line
Fixture and fittings	- 10% Straight line
Computer equipment	- 30% Straight line
Motor vehicles	- 25% Straight line

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use and reclassified to freehold or leasehold land and buildings.

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.

2.8 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.9 Cash at bank and in hand

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

2.10 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 multi 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.

2. Accounting policies (continued)

2.11 Provisions

Provisions are recognised when the multi 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.

2.12 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 17. 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 as detailed in notes 18 and 19. 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.

2.13 Leased assets

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

2.14 Conversion to an academy trust

The conversion from a state maintained school to a multi 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 Greybrookes Primary School and Osborne Primary School to the multi 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 Income from Donations and Capital Grants in the Statement of Financial Activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds.

Further details of the transactions are set out in note 27.

2. Accounting policies (continued)

2.15 Pensions

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the multi 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. 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 recognised in the period to which they relate.

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the multi 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.

2.16 Agency arrangements

The academy trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the academy trust does not have control over the charitable application of the funds. The funds received and paid and any balances held are disclosed in note 32.

2.17 Fund accounting

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

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

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

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

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

Notes to the financial statements
for the year ended 31 August 2021

3. Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 28, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement:

The preparation of the financial statements in conformity with generally accepted accounting principals requires the Trustees to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results in the future could differ from those estimates. In this regard, the Trustees believe that the critical accounting policies where judgements or estimating are necessarily applied are summarised below.

Depreciation and residual values

The Trustees have reviewed the asset lives and associated residual values of all fixed asset classes and have concluded that asset lives and residual values are appropriate.

4. Donations and capital grants

	Unrestricted funds 2021 £000	Restricted funds 2021 £000	Restricted fixed asset funds 2021 £000	Total funds 2021 £000
Donations	107	-	276	383
Capital Grants	-	-	1,988	1,988
Transfer from local authority on conversion	192	(88)	6,617	6,721
	<u>299</u>	<u>(88)</u>	<u>8,881</u>	<u>9,092</u>

The Arthur Terry Learning Partnership
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 August 2021

4. Donations and capital grants (continued)

	Unrestricted funds 2020 £000	Restricted funds 2020 £000	Restricted fixed asset funds 2020 £000	Total funds 2020 £000
Donations	212	-	-	212
Capital Grants	-	-	1,605	1,605
Transfer from local authority on conversion	198	(544)	24	(322)
	<u>410</u>	<u>(544)</u>	<u>1,629</u>	<u>1,495</u>

5. Funding for the multi academy trust's educational operations

	Unrestricted funds 2021 £000	Restricted funds 2021 £000	Total funds 2021 £000
DfE/ESFA grants			
General Annual Grant (GAG)	-	41,012	41,012
Other DfE/ESFA grants			
Pupil Premium	-	2,265	2,265
UNIFSM	-	444	444
Start up grant	-	24	24
Rates relief	-	169	169
Teachers' pay and Teachers' pension grants	-	1,892	1,892
Others DfE /ESFA grants	-	211	211
	<u>-</u>	<u>46,017</u>	<u>46,017</u>
Other Government grants			
Local authority grants	-	1,371	1,371
	<u>-</u>	<u>1,371</u>	<u>1,371</u>
Other income from the multi academy trust's educational operations	56	585	641
COVID-19 additional funding (DfE/ESFA)			
Catch-up premium	-	601	601
Other DfE/ESFA COVID-19 funding	-	181	181
	<u>-</u>	<u>782</u>	<u>782</u>
	<u><u>56</u></u>	<u><u>48,755</u></u>	<u><u>48,811</u></u>

The Arthur Terry Learning Partnership
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 August 2021

5. Funding for the multi academy trust's educational operations (continued)

	Unrestricted funds 2020 £000	Restricted funds 2020 £000	Total funds 2020 £000
DfE/ESFA grants			
General Annual Grant (GAG)	-	37,574	37,574
Other DfE/ESFA grants			
Pupil Premium	-	2,009	2,009
Teaching schools	-	325	325
Start up grant	-	144	144
Rates relief	-	174	174
Teachers' pay and Teachers' pension grants	-	1,935	1,935
	-	42,161	42,161
Other Government grants			
Local authority grants	-	840	840
	-	840	840
Other income from the multi academy trust's educational operations	559	608	1,167
	<u>559</u>	<u>43,609</u>	<u>44,168</u>

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

- The multi academy trust received £601,000 of funding for catch-up premium and costs incurred in respect of this funding totalling £369,000, with the remaining £232,000 to be spent in 2021/22.

Other income from the multi academy trust's educational operations include school trips income, school meals income and other income.

The Arthur Terry Learning Partnership
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 August 2021

6. Other trading activities

	Unrestricted funds 2021 £000	Total funds 2021 £000
Letting income	55	55
Salary and expenditure recharges	56	56
Other income	60	60
	<hr/> 171	<hr/> 171
	<hr/> <hr/>	<hr/> <hr/>

	Unrestricted funds 2020 £000	Total funds 2020 £000
Letting income	107	107
Salary and expenditure recharges	122	122
Academy consultancy income	46	46
Other income	132	132
	<hr/> 407	<hr/> 407
	<hr/> <hr/>	<hr/> <hr/>

7. Investment income

	Unrestricted funds 2021 £000	Total funds 2021 £000
Bank interest	1	1
	<hr/> 1	<hr/> 1
	<hr/> <hr/>	<hr/> <hr/>

	Unrestricted funds 2020 £000	Total funds 2020 £000
Bank interest	6	6
	<hr/> 6	<hr/> 6
	<hr/> <hr/>	<hr/> <hr/>

The Arthur Terry Learning Partnership
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 August 2021

8. Expenditure

	Staff Costs 2021 £000	Premises 2021 £000	Other 2021 £000	Total 2021 £000
Educational operations:				
Direct costs	34,883	198	3,417	38,498
Allocated support costs	5,497	4,561	2,728	12,786
Childrens' centre:				
Direct costs	-	-	-	-
Teaching school	469	-	1,104	1,573
	<u>40,849</u>	<u>4,759</u>	<u>7,249</u>	<u>52,857</u>

	Staff Costs 2020 £000	Premises 2020 £000	Other 2020 £000	Total 2020 £000
Educational operations:				
Direct costs	32,114	190	4,364	36,668
Allocated support costs	4,901	4,420	2,347	11,668
Childrens' centre:				
Direct costs	2	-	-	2
Teaching school	301	-	1,297	1,598
	<u>37,619</u>	<u>4,610</u>	<u>7,707</u>	<u>49,936</u>

9. Analysis of expenditure by activities

	Activities undertaken directly 2021 £000	Support costs 2021 £000	Total funds 2021 £000
Educational operations	<u>38,498</u>	<u>12,786</u>	<u>51,284</u>

The Arthur Terry Learning Partnership
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 August 2021

9. Analysis of expenditure by activities (continued)

	Activities undertaken directly 2020 £000	Support costs 2020 £000	Total funds 2020 £000
Educational operations	36,668	11,668	48,336
Childrens' centre	2	-	2
	<hr/>	<hr/>	<hr/>
	36,670	11,668	48,338
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Notes to the financial statements
for the year ended 31 August 2021

9. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Educational operations 2021 £000	Childrens' centre 2021 £000	Total funds 2021 £000
Pension finance costs	452	-	452
Staff costs	33,923	-	33,923
Educational supplies	2,296	-	2,296
Examination fees	388	-	388
Staff development and recruitment	89	-	89
Educational consultancy	202	-	202
Insurance	198	-	198
Agency staff	950	-	950
	38,498	-	38,498
	38,498	-	38,498

	Educational operations 2020 £000	Childrens' centre 2020 £000	Total funds 2020 £000
Pension finance costs	397	-	397
Staff costs	31,344	2	31,346
Educational supplies	2,531	-	2,531
Examination fees	474	-	474
Staff development and recruitment	156	-	156
Educational consultancy	546	-	546
Insurance	190	-	190
Agency staff	1,030	-	1,030
	36,668	2	36,670
	36,668	2	36,670

Notes to the financial statements
for the year ended 31 August 2021

9. Analysis of expenditure by activities (continued)

Analysis of support costs

	Educational operations 2021 £000	Total funds 2021 £000
Staff costs	5,497	5,497
Depreciation	2,162	2,162
Maintenance of premises and equipment	2,356	2,356
Rent and rates	295	295
Heat and light	784	784
Travel	50	50
Catering	852	852
Technology costs	344	344
Office expenses	391	391
Governance	55	55
	12,786	12,786
	12,786	12,786
	Educational operations 2020 £000	Total funds 2020 £000
Staff costs	4,901	4,901
Depreciation	2,046	2,046
Maintenance of premises and equipment	2,260	2,260
Rent and rates	337	337
Heat and light	669	669
Travel	54	54
Catering	596	596
Technology costs	375	375
Office expenses	386	386
Governance	44	44
	11,668	11,668
	11,668	11,668

The Arthur Terry Learning Partnership
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 August 2021

10. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2021	2020
	£000	£000
Operating lease rentals	75	49
Depreciation of tangible fixed assets	2,024	1,989
	<u>2,100</u>	<u>2,038</u>

11. Auditor's remuneration

	2021	2020
	£000	£000
Fees payable to the multi academy trust's Auditor for the audit of the multi academy trust's annual financial statements	41	36
Fees payable to the multi academy trust's auditor in respect of:		
Taxation compliance services	1	-
Other services	22	4
	<u>64</u>	<u>40</u>

12. Staff

a. Staff costs

Staff costs during the year were as follows:

	2021	2020
	£000	£000
Wages and salaries	28,185	26,270
Social security costs	2,890	2,622
Pension costs	8,814	7,656
	<u>39,889</u>	<u>36,548</u>
Agency staff costs	960	1,030
Staff restructuring costs	-	41
	<u>40,849</u>	<u>37,619</u>

The Arthur Terry Learning Partnership
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 August 2021

12. Staff (continued)

a. Staff costs (continued)

Staff restructuring costs comprise:

	2021	2020
	£000	£000
Redundancy payments	-	16
Severance payments	-	25
	<u>-</u>	<u>41</u>
	<u><u>-</u></u>	<u><u>41</u></u>

b. Staff numbers

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

	2021	2020
	No.	No.
Teachers	560	560
Support staff	587	613
Management	11	11
	<u>1,158</u>	<u>1,184</u>
	<u><u>1,158</u></u>	<u><u>1,184</u></u>

The Arthur Terry Learning Partnership
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 August 2021

12. Staff (continued)

c. Higher paid staff

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

	2021	2020
	No.	No.
In the band £60,001 - £70,000	19	17
In the band £70,001 - £80,000	11	11
In the band £80,001 - £90,000	2	5
In the band £90,001 - £100,000	3	-
In the band £110,001 - £120,000	2	3
In the band £120,001 - £130,000	3	-
In the band £130,001 - £140,000	1	1
	=====	=====

d. Key management personnel

The key management personnel of the multi 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 multi academy trust was £724,000 (2020 - £804,000).

The Arthur Terry Learning Partnership
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 August 2021

13. Central services

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

- Human resources
- Educational services
- Financial services
- Operations
- Legal and Governance
- Others as arising

The multi academy trust charges for these services on the following basis:

Flat percentage of General Annual Grant (4.5%).

The actual amounts charged during the year were as follows:

	2021	2020
	£000	£000
Arthur Terry School	386	366
Stockland Green School	208	205
Slade Primary School	88	86
Brookvale Primary School	42	43
Hill West Primary School	74	72
Mere Green Primary School	103	94
The Coleshill School	273	256
Scotch Orchard Primary School	33	33
Two Gates Primary School	55	54
Curdworth Primary School	22	22
William MacGregor Primary School	38	37
Nether Stowe School	156	153
John Wilmott School	247	238
Coton Green Primary School	53	22
Greysbrookes Primary School	16	-
Osborne Primary School	34	-
Total	1,828	1,681

The Arthur Terry Learning Partnership
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 August 2021

14. Related party transaction - Trustees' remuneration and expenses

One or more Trustees has been paid remuneration or has received other benefits from an employment with the multi 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. The value of Trustees' remuneration and other benefits was as follows:

		2021	2020
		£000	£000
Mr Richard Gill, CEO & Accounting Officer	Remuneration	135 - 140	135 - 140
	Pension contributions paid	30 - 35	30 - 35

During the year ended 31 August 2021, travel and subsistence expenses totalling £NIL were reimbursed or paid directly to no Trustees (2020 - £NIL).

15. Trustees' and Officers' insurance

In accordance with normal commercial practice, the multi academy trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2021 was £424 (2020 - £1,505). The cost of this insurance is included in the total insurance cost.

The Arthur Terry Learning Partnership
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 August 2021

16. Tangible fixed assets

	Land and buildings £000	Fixture and fittings £000	Computer equipment £000	Motor vehicles £000	Total £000
Cost or valuation					
At 1 September 2020	88,464	2,261	1,725	36	92,486
Additions	16	887	803	-	1,706
Acquired on conversion	6,603	-	-	-	6,603
Disposals	-	-	(1)	-	(1)
At 31 August 2021	<u>95,083</u>	<u>3,148</u>	<u>2,527</u>	<u>36</u>	<u>100,794</u>
Depreciation					
At 1 September 2020	8,535	667	1,220	30	10,452
Charge for the year	1,608	234	319	2	2,163
On disposals	-	-	(1)	-	(1)
At 31 August 2021	<u>10,143</u>	<u>901</u>	<u>1,538</u>	<u>32</u>	<u>12,614</u>
Net book value					
At 31 August 2021	<u><u>84,940</u></u>	<u><u>2,247</u></u>	<u><u>989</u></u>	<u><u>4</u></u>	<u><u>88,180</u></u>
At 31 August 2020	<u><u>79,929</u></u>	<u><u>1,594</u></u>	<u><u>505</u></u>	<u><u>6</u></u>	<u><u>82,034</u></u>

Included in land and buildings are £5,136,000 of freehold land and buildings. The remaining of £79,805,000 are leasehold land and buildings.

17. Debtors

	2021 £000	2020 £000
Due within one year		
Trade debtors	137	115
VAT recoverable	239	187
Prepayments and accrued income	1,044	1,493
	<u>1,420</u>	<u>1,795</u>

The Arthur Terry Learning Partnership
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 August 2021

18. Creditors: Amounts falling due within one year

	2021	2020
	£000	£000
Other loans	50	63
Trade creditors	1,643	989
Other taxation and social security	729	619
Other creditors	767	704
Accruals and deferred income	1,268	1,472
	<u>4,457</u>	<u>3,847</u>
	<u><u>4,457</u></u>	<u><u>3,847</u></u>
	2021	2020
	£000	£000
Deferred income at 1 September 2020	499	851
Resources deferred during the year	364	499
Amounts released from previous periods	(499)	(851)
	<u>364</u>	<u>499</u>
	<u><u>364</u></u>	<u><u>499</u></u>

At the balance sheet date the multi-academy trust was holding funds received in advance for educational grants, rates relief grants and trips booked for the year ending 31 August 2022.

Other loans is made up of interest free "Salix" loans from the ESFA and loans with local authorities which were inherited with schools converting into the trust. These loans are repayable in either quarterly or half yearly installments until 2024.

The Arthur Terry Learning Partnership
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 August 2021

19. Creditors: Amounts falling due after more than one year

	2021	2020
	£000	£000
Other loans	64	114

Other loans is made up of interest free "Salix" loans from the ESFA and loans with local authorities which were inherited with schools converting into the trust. These loans are repayable in either quarterly or half yearly installments until 2024.

The Arthur Terry Learning Partnership
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 August 2021

20. Statement of funds

	Balance at 1 September 2020 £000	Income £000	Expenditure £000	Transfer s in/out £000	Gains/ (Losses) £000	Balance at 31 August 2021 £000
Unrestricted funds						
Designated funds						
Designated Fund	1,263	-	-	380	-	1,643
General funds						
General Funds	1,799	527	(128)	(380)	-	1,818
Total Unrestricted funds	3,062	527	(128)	-	-	3,461
Restricted general funds						
General Annual Grant (GAG)	2,865	41,012	(38,979)	(1,549)	-	3,349
UIFSM	-	444	(444)	-	-	-
Pupil Premium	-	2,265	(2,265)	-	-	-
Catch-up Premium	-	601	(369)	-	-	232
Other DfE/ESFA COVID-19	-	181	(181)	-	-	-
Teachers Pay & Pension grant	-	1,892	(1,892)	-	-	-
Other DfE / EFSA grants	-	403	(403)	-	-	-
Other government grants	-	1,957	(1,957)	-	-	-
Teaching schools	553	1,736	(1,573)	-	-	716
Pension reserve	(28,066)	(88)	(2,227)	-	(4,064)	(34,445)
	(24,648)	50,403	(50,290)	(1,549)	(4,064)	(30,148)
Restricted fixed asset funds						
School Condition Allocation	935	1,654	(92)	(241)	-	2,256
Other Fixed Asset funds	81,609	7,227	(2,348)	1,790	-	88,278
	82,544	8,881	(2,440)	1,549	-	90,534
Total Restricted funds	57,896	59,284	(52,730)	-	(4,064)	60,386
Total funds	60,958	59,811	(52,858)	-	(4,064)	63,847

20. Statement of funds (continued)

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

Designated funds

This fund represents funds which the Trustees have earmarked for future projects.

Restricted general funds

This fund represents grants and other income received for the multi academy trust's operational activities and development.

Pension reserve

The pension reserve included within restricted general funds represents the multi academy trust's share of the pension liability arising on the LGPS pension fund.

Restricted fixed asset funds

This fund represents grants and other income received to carry out works of a capital nature.

Transfers between funds

Transfers between funds relate to purchases of a capital nature expenditure being funded by GAG, other DfE/ESFA grants and other funding.

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

The Arthur Terry Learning Partnership
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 August 2021

20. Statement of funds (continued)

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

	Balance at 1 September 2019 £000	Income £000	Expenditure £000	Transfer s in/out £000	Gains/ (Losses) £000	Balance at 31 August 2020 £000
Unrestricted funds						
Designated funds						
Designated Fund	1,778	-	-	(515)	-	1,263
General funds						
General Funds	866	1,382	(964)	515	-	1,799
Total Unrestricted funds	2,644	1,382	(964)	-	-	3,062
Restricted general funds						
General Annual Grant (GAG)	2,065	37,808	(36,975)	(33)	-	2,865
Children's Centre	15	-	(2)	(13)	-	-
Other DfE/EFSA grants	-	4,352	(4,352)	-	-	-
Other government grants	-	840	(840)	-	-	-
Teaching schools	587	1,564	(1,598)	-	-	553
Other income	44	608	(652)	-	-	-
Pension reserve	(20,979)	(544)	(2,096)	-	(4,447)	(28,066)
	(18,268)	44,628	(46,515)	(46)	(4,447)	(24,648)
Restricted fixed asset funds						
School Condition Allocation	413	1,384	(265)	(597)	-	935
Other Fixed Asset funds	82,913	245	(2,192)	643	-	81,609
	83,326	1,629	(2,457)	46	-	82,544
Total Restricted funds	65,058	46,257	(48,972)	-	(4,447)	57,896
Total funds	67,702	47,639	(49,936)	-	(4,447)	60,958

The Arthur Terry Learning Partnership
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 August 2021

20. Statement of funds (continued)

Total funds analysis by academy

Fund balances at 31 August 2021 were allocated as follows:

	2021	2020
	£000	£000
Arthur Terry Learning Partnership	2,363	2,389
Arthur Terry School	111	63
Stockland Green School	1,445	1,119
Slade Primary School	690	508
Brookvale Primary School	211	176
Hill West Primary School	151	57
Mere Green School	870	711
The Coleshill School	(2)	70
Scotch Orchard School	132	72
Nether Stowe School	115	214
Curdworth Primary School	66	35
Two Gates Primary School	317	259
William MacGregor Primary School	83	70
John Willmott School	532	465
Coton Green Primary School	334	272
Osborne Primary School	107	-
Greysbrooke Primary School	233	-
	<hr/>	<hr/>
Total before fixed asset funds and pension reserve	7,758	6,480
Restricted fixed asset fund	90,534	82,544
Pension reserve	(34,445)	(28,066)
	<hr/>	<hr/>
Total	63,847	60,958
	<hr/> <hr/>	<hr/> <hr/>

The following academy is carrying a net deficit on its portion of the funds as follows:

	Deficit
	£000
The Coleshill School	(2)
	<hr/> <hr/>

The Coleshill School entered into a small cumulative deficit during 2020/21

The multi academy trust is taking the following action to return the academy to surplus:

The Arthur Terry Learning Partnership
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 August 2021

20. Statement of funds (continued)

The Coleshill School have taken action which will bring the school back into surplus in 2021/22 through increasing income.

Total cost analysis by academy

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

	Teaching and educational support staff costs £000	Other support staff costs £000	Educational supplies £000	Other costs excluding depreciation £000	Total 2021 £000
Arthur Terry Learning Partnership	(284)	2,157	124	461	2,458
Arthur Terry School	7,165	674	403	2,220	10,462
Stockland Green School	3,567	312	258	881	5,018
Slade Primary School	1,564	133	144	350	2,191
Brookvale Primary School	714	100	50	198	1,062
Hill West Primary School	1,439	90	64	303	1,896
Mere Green School	1,808	184	77	385	2,454
The Coleshill School	4,876	581	702	317	6,476
Scotch Orchard School	654	52	10	142	858
Nether Stowe School	2,903	400	187	519	4,009
Curdworth Primary School	430	32	28	92	582
Two Gates Primary School	1,079	98	86	202	1,465
William MacGregor Primary School	709	82	69	183	1,043
John Willmott School	4,143	409	376	1,078	6,006
Coton Green Primary School	982	125	39	215	1,361
Osborne Primary School	599	47	37	72	755
Greysbrooke Primary School	268	22	32	50	372
Multi academy trust	32,616	5,498	2,686	7,668	48,468

The Arthur Terry Learning Partnership
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 August 2021

20. Statement of funds (continued)

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

	Teaching and educational support staff costs £000	Other support staff costs £000	Educational supplies £000	Other costs excluding depreciation £000	Total 2020 £000
Arthur Terry Learning Partnership	736	712	541	58	2,047
Arthur Terry School	7,098	600	553	2,483	10,734
Stockland Green School	3,415	314	297	862	4,888
Slade Primary School	1,542	137	132	339	2,150
Brookvale Primary School	786	91	55	124	1,056
Hill West Primary School	1,407	85	78	299	1,869
Mere Green School	1,739	159	144	412	2,454
The Coleshill School	4,559	509	558	753	6,379
Scotch Orchard School	645	49	79	161	934
Nether Stowe School	2,850	365	218	497	3,930
Curdworth Primary School	409	27	36	83	555
Two Gates Primary School	1,150	97	88	208	1,543
William MacGregor Primary School	690	76	84	161	1,011
John Willmott School	3,611	552	500	1,071	5,734
Coton Green Primary School	391	49	18	52	510
Multi academy trust	<u>31,028</u>	<u>3,822</u>	<u>3,381</u>	<u>7,563</u>	<u>45,794</u>

The Arthur Terry Learning Partnership
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 August 2021

21. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2021 £000	Restricted funds 2021 £000	Restricted fixed asset funds 2021 £000	Total funds 2021 £000
Tangible fixed assets	-	-	88,180	88,180
Current assets	3,461	8,704	2,468	14,633
Creditors due within one year	-	(4,407)	(50)	(4,457)
Creditors due in more than one year	-	-	(64)	(64)
Provisions for liabilities and charges	-	(34,445)	-	(34,445)
Total	3,461	(30,148)	90,534	63,847

Analysis of net assets between funds - prior year

	Unrestricted funds 2020 £000	Restricted funds 2020 £000	Restricted fixed asset funds 2020 £000	Total funds 2020 £000
Tangible fixed assets	-	-	82,034	82,034
Current assets	3,062	7,095	794	10,951
Creditors due within one year	-	(3,677)	(170)	(3,847)
Creditors due in more than one year	-	-	(114)	(114)
Provisions for liabilities and charges	-	(28,066)	-	(28,066)
Total	3,062	(24,648)	82,544	60,958

The Arthur Terry Learning Partnership
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 August 2021

22. Reconciliation of net income/(expenditure) to net cash flow from operating activities

	2021	2020
	£000	£000
Net income/(expenditure) for the year (as per statement of Financial Activities)	6,954	(2,296)
Adjustments for:		
Depreciation	2,163	2,046
Interest receivable	(1)	(6)
Decrease/(increase) in debtors	375	(694)
Increase in creditors	622	1,488
Capital grants from DfE and other capital income	(2,263)	(1,605)
Defined benefit pension scheme cost less contributions payable	2,227	2,096
Gift of property on conversion	(6,603)	-
Defined benefit pension scheme on conversion	88	544
Net cash provided by operating activities	3,562	1,573

23. Cash flows from financing activities

	2021	2020
	£000	£000
Repayments of borrowing	(63)	(70)
Net cash used in financing activities	(63)	(70)

24. Cash flows from investing activities

	2021	2020
	£000	£000
Dividends, interest and rents from investments	1	6
Purchase of tangible fixed assets	(1,706)	(953)
Capital grants from DfE Group	2,263	1,605
Net cash provided by investing activities	558	658

The Arthur Terry Learning Partnership
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 August 2021

25. Analysis of cash and cash equivalents

	2021	2020
	£000	£000
Cash in hand and at bank	13,213	9,156
Total cash and cash equivalents	13,213	9,156

26. Analysis of changes in net debt

	At 1		Other non-	At 31
	September	Cash flows	cash	August 2021
	2020	£000	changes	£000
	£000	£000	£000	£000
Cash at bank and in hand	9,156	4,057	-	13,213
Debt due within 1 year	(63)	-	13	(50)
Debt due after 1 year	(114)	-	50	(64)
	8,979	4,057	63	13,099

The Arthur Terry Learning Partnership
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 August 2021

27. Conversion to an academy trust

On 1 April 2021 Greysbrooke Primary School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to The Arthur Terry Learning Partnership from Staffordshire County Council for £NIL consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the balance sheet under the appropriate heading with a corresponding net amount recognised as a net gain in the statement of Financial Activities as Income from Donations and Capital Grants - 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.

	Unrestricted funds £000	Restricted funds £000	Restricted fixed asset funds £000	Total funds £000
Tangible fixed assets				
Freehold land and buildings	-	2,394	-	2,394
Current assets				
Budget surplus on LA funds	192	-	15	207
LGPS Pension deficit	-	(88)	-	(88)
Net assets	<u>192</u>	<u>2,306</u>	<u>15</u>	<u>2,513</u>

The Arthur Terry Learning Partnership
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 August 2021

27. Conversion to an academy trust (continued)

On 1 April 2021 Osborne Primary School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to The Arthur Terry Learning Partnership from Birmingham City Council for £NIL consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the balance sheet under the appropriate heading with a corresponding net amount recognised as a net gain in the statement of Financial Activities as Income from Donations and Capital Grants - 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.

	Restricted funds £000	Total funds £000
Tangible fixed assets		
Leasehold land and buildings	4,209	4,209
Current assets		
Budget surplus on LA funds	-	-
Net assets	<u>4,209</u>	<u>4,209</u>

At the balance sheet date, the LGPS pension deficit had not been formally transferred across to the multi academy trust. This is expected to occur during the year ending 31 August 2022.

28. Pension commitments

The multi 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 West Midlands Pension Fund, Staffordshire County Council and Warwickshire County Council. Both are multi-employer defined benefit schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2016 and of the LGPS 31 March 2019.

Contributions amounting to £766,000 were payable to the schemes at 31 August 2021 (2020 - £698,000) and are included within creditors.

Teachers' Pension Scheme

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. All teachers have the option to opt-out of the TPS following enrolment.

The TPS is an unfunded scheme to which both the member and employer makes contributions, as a percentage of salary - these contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The Teachers' Pension Budgeting and Valuation Account

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% administration levy)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million, giving a notional past service deficit of £22,000 million
- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI, assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

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

The employer's pension costs paid to TPS in the year amounted to £4,597,000 (2020 - £4,220,000).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (<https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx>).

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

28. Pension commitments (continued)

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £2,713,000 (2020 - £2,094,000), of which employer's contributions totalled £2,223,000 (2020 - £1,699,000) and employees' contributions totalled £ 490,000 (2020 - £395,000). The agreed contribution rates for future years are 18.3 per cent for employers and 5.5 to 11.4 per cent for employees.

As described in note 27 the LGPS obligation relates to the employees of the multi academy trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the multi 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.

Principal actuarial assumptions

	2021	2020
	%	%
Rate of increase in salaries	3.65	2.96
Rate of increase for pensions in payment/inflation	2.9	2.21
Discount rate for scheme liabilities	1.65	1.68
Inflation assumption (CPI)	2.9	2.21

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

	2021	2020
	Years	Years
Retiring today		
Males	21.7	21.6
Females	24.1	23.8
Retiring in 20 years		
Males	23.0	22.7
Females	25.9	25.5

The Arthur Terry Learning Partnership
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 August 2021

28. Pension commitments (continued)

Sensitivity analysis

	2021	2020
	£000	£000
Discount rate +0.1%	(1,535)	(1,223)
Discount rate -0.1%	1,563	1,246
Mortality assumption - 1 year increase	192	164
Mortality assumption - 1 year decrease	(191)	(163)
CPI rate +0.1%	1,741	1,645
CPI rate -0.1%	(1,325)	(1,594)

Share of scheme assets

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

	2021	2020
	£000	£000
Equities	17,233	12,131
Gilts	3,579	3,082
Corporate bonds	1,057	510
Property	2,113	1,760
Cash and other liquid assets	935	1,098
Derivatives	2,417	1,962
Total market value of assets	27,334	20,543

The actual return on scheme assets was £3,993,000 (2020 - £1,263,000).

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

	2021	2020
	£000	£000
Current service cost	(3,998)	(2,897)
Past service cost	-	(501)
Interest income	356	359
Interest cost	(806)	(748)
Administrative expenses	(2)	(8)
Total amount recognised in the Statement of financial activities	(4,450)	(3,795)

The Arthur Terry Learning Partnership
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 August 2021

28. Pension commitments (continued)

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

	2021	2020
	£000	£000
At 1 September	48,609	39,178
Conversion of academy trusts	272	948
Current service costs	3,998	2,897
Interest cost	806	748
Employee contributions	490	395
Actuarial losses	7,939	4,320
Benefits paid	(335)	(378)
Past service costs	-	501
	<hr/>	<hr/>
At 31 August	61,779	48,609
	<hr/> <hr/>	<hr/> <hr/>

Changes in the fair value of the multi academy trust's share of scheme assets were as follows:

	2021	2020
	£000	£000
At 1 September	20,543	18,198
Conversion of academy trusts	184	404
Interest income	356	359
Actuarial gains/(losses)	3,875	(127)
Employer contributions	2,223	1,699
Employee contributions	490	395
Benefits paid	(335)	(378)
Administrative expenses	(2)	(7)
	<hr/>	<hr/>
At 31 August	27,334	20,543
	<hr/> <hr/>	<hr/> <hr/>

The Arthur Terry Learning Partnership
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 August 2021

29. Operating lease commitments

At 31 August 2021 the multi academy trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2021	2020
	£000	£000
Land and buildings		
Not later than 1 year	1,039	1,004
Later than 1 year and not later than 5 years	4,498	4,268
Later than 5 years	15,518	14,915
	21,055	20,187

The commitment under land and buildings represents the total amount payable under the BSF / PFI contracts that the multi-academy trust is subject to.

	2021	2020
	£000	£000
Other		
Not later than 1 year	52	75
Later than 1 year and not later than 5 years	44	47
	96	122

30. Members' liability

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

31. Related party transactions

No related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 14.

32. Agency arrangements

The trust distributes 16-19 bursary funds from the ESFA to students as an agent. In the accounting year ended 31 August 2020, the trust received £74,000 (2020 - £62,000) and distributed £31,000 (2020 - £62,000).

At the balance sheet date there was £43,000 (2020 - £Nil) owing to specific pupils.

The Arthur Terry Learning Partnership
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 August 2021

33. Controlling party

The multi academy trust is controlled by the Board of Members.

34. Teaching school trading account

	2021	2021	2020	2020
	£000	£000	£000	£000
Income				
Direct income				
Grant and other income	1,202		1,047	
Other income				
Fundraising and other income	534		517	
Total income		1,736		1,564
Expenditure				
Direct expenditure				
Direct staff costs	483		301	
Other direct costs	1,068		1,267	
Total direct expenditure	1,551		1,568	
Recruitment and support	-		4	
Technology costs	4		-	
Other support costs	19		26	
Total other expenditure	23		30	
Total expenditure		1,574		1,598
Surplus/(deficit) from all sources		162		(34)
Teaching school balances at 1 September 2020		553		587
Teaching school balances at 31 August 2021		715		553