

ENFIELD LEARNING TRUST
(A Company Limited by Guarantee)

TRUSTEES REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2018

ENFIELD LEARNING TRUST
(A Company Limited by Guarantee)

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ENFIELD LEARNING TRUST
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REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2018

Members	Paul Morrall Andrew Nicholas Tom Sheldon
Trustees	John West, Chair of Trustees Sarah Turner, Chief Executive Androulla Nicou (resigned 16 October 2018) Ann Ball, Vice Chair of Trustees (resigned 18 July 2018) Margaret McAlpine Stephen Way (appointed 20 March 2018) Julie Rayson (appointed 16 October 2018) Matthew Newstead (resigned 30 January 2018) Anthony Wilde Karen Mautner Alex Monk
Company registered number	10309116
Company name	Enfield Learning Trust
Principal and registered office	Hazelbury Road Edmonton London N9 9TT
Accounting Officer	Sarah Turner
Executive Leadership Team	Sarah Turner, Accounting Officer/CEO Androulla Nicou, CFO Estelle Tierney, COO Paul Barraclough, CSO
Independent Auditors	Price Bailey LLP Chartered Accountants Causeway House 1 Dane Street Bishop's Stortford Hertfordshire CM23 3BT
Bankers	Lloyds Bank plc PO Box 1000 BX1 1LT

ENFIELD LEARNING TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2018

The Trustees present their Annual Report together with the financial statements and Auditor's Report of the Enfield Learning Trust (the Trust or the Charitable Company) for the year ended 31 August 2018.

The Annual Report serves the purposes of both a Trustees' Report, and a Directors' Report under company law.

During 2017/18 the Trust operated five Primary Academies and one all through Special Academy (the Academies or the Schools). The Schools had a combined roll of 3,951 (including nursery) in the 2018 census and a total of 530 staff. On 1 September 2018 Delta Primary School joined the Trust.

Introduction

The Trust is a family of Schools based in vibrant and diverse communities. Our motto is 'be included' and through this we strive to meet the needs of every pupil in our Schools. Our pupils are at the centre of everything we do and we aim to develop a love of learning through our innovative curriculum, which builds confidence and independence. All our Schools share a common understanding and ways of working, which are agreed collectively. We offer high quality support and training to ensure career progression and professional development of all staff. We are growing strong and effective staff teams who work in exciting, well-organised and vibrant learning environments. We welcomed three new Schools into the Trust over the past year, which enhanced and strengthened the partnership.

Structure, Governance and Management

The Trust is a company (number 10309116) limited by guarantee and an exempt charity. The Charitable Company's Memorandum and Articles of Association are its primary governing documents. The Trustees of The Charitable Company are also the Directors for the purposes of company law. The terms Trustee and Director are interchangeable. The Charitable Company includes the following Schools:

- Bowes Primary School converted on 1st September 2016
- Chesterfield Primary School converted on 1st September 2016
- Hazelbury Primary School converted on 1st September 2016
- Grange Park Primary School converted on 1st November 2017
- Fern House School sponsored on 1st November 2017
- Carterhatch Junior School converted on 1st January 2018

The operation of the Schools and employment of staff are the responsibility of the Trustees. The Trust retains control of School budgets and finances, and monitors these through its Board of Trustees.

Details of the Trustees who served throughout the period are included in the Reference and Administrative Details section. Within this Report the term Trustee or Director refers to a member of the Board of Trustees and the term Governor to a member of a Local Governing Board (LGB).

Members' Liability

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

Trustees and Officers' Indemnities

In accordance with normal commercial practice the Trust has purchased insurance to protect Trustees, Governors and Officers from claims arising from negligent acts, errors or omissions occurring whilst on Trust business. The insurance provides unlimited cover on any one claim and details of the costs are disclosed in Note 12 to the accounts.

Method of Recruitment and Appointment or Election of Trustees

Trustees are appointed for a fixed term, normally four years. The Chief Executive Officer (CEO) is an ex officio member of the Board of Trustees. Other Trustees are appointed by the Founder Members or by the Board of Trustees. The Articles of Association make provision for ten Trustees plus the CEO.

At the start of the year there were nine Trustees appointed by the Members on 1st September 2016. Midway through 2017/18 one Trustee resigned and a new Trustee was appointed in his place to lead on finance across the Trust. At the end of 2017/18 a second Trustee resigned, which created a vacancy. Following a governance review the Trust has identified an additional vacancy to meet the skills required to enhance the Board.

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

Organisational Structure

The governance of the Trust is defined in the Memorandum and Articles of Association together with the Funding Agreement with the Department of Education.

The Board of Trustees, met on three occasions during the year with lead Trustees for specific areas of responsibility meeting senior leaders between meetings and reporting back to the full Board. A shadow Audit and Risk Board (ARC) was created during the year in preparation for the growth of the Trust. As from September 2018, there will be two additional Trustee committees for Education and Audit and Risk.

The Trustees are responsible for setting strategic policy and monitoring the Trust budget. Through monitoring the budget, they make major decisions about the direction of the Trust, capital expenditure and senior appointments. The Governors monitor standards, performance and pupil outcomes, ensuring each School retains or improves their Ofsted judgement and is working to achieve best possible outcomes for all pupils.

The Enfield Learning Trust CEO is the Accounting Officer.

The Executive Leadership Team comprises four Chief Officers who work together to provide strategic leadership across the Trust. They work with Headteachers to ensure each School is compliant with the strategic aims of the Trust.

The Headteachers along with their Senior Leadership Team (SLT) are responsible for the day-to-day operation of their School, in particular organising staff, resources and pupils. The Headteachers are responsible for the authorisation of spending within agreed budgets and for the appointment of staff following vetting and safeguarding recruitment processes.

Key management personnel include Trustees and those staff to whom the Trustees have delegated significant authority and responsibility in the day-to-day running of the Trust. The Trust has adopted the national pay and conditions for teaching and local agreements for support staff.

Pay and remuneration of senior leaders are decided by a variety of contributory factors, such as the school group size, performance management and the level of experience of each staff member. In addition, pay levels may be affected by nationally agreed pay awards, the ability to recruit and retain in post, all of which are in accordance with the Enfield Learning Trust's appointment and pay policies.

The remuneration for the Chief Executive Officer is considered and approved by the delegated panel of the Board of Trustees.

Related Parties and other Connected Charities and Organisations

Owing to the nature of the Trust's operations and the composition of the Board of Trustees being drawn from local public and private sector organisations, it is inevitable that from time to time transactions will take place with organisations in which Trustees may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Trust's financial regulations and normal procedures. Any transaction where the Trustee may have a pecuniary interest is only undertaken in accordance with the 'at cost' principle described in the Academies Financial Handbook. All Trustees, Local Governors and staff complete a register of business interest to declare their interests annually.

The Trust does not have a formal sponsor.

Objectives and Activities

Objects and Aims

The principal object and aim of the Charitable Company is the operation of a number of Academy Schools to provide free education and care for pupils of different abilities within its local community between the ages of 2 and 16.

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

Objectives, Strategies and Activities

During the year the Trust has worked towards these aims by:

- Ensuring that during this period of growth all schools have maintained the highest quality of provision for all pupils.
- Continuing to develop outstanding governance and leadership.
- Continuing to achieved financial stability and maximising the best use of staff and resources.
- Ensuring that each School retains or improves their existing Ofsted judgement and that they are working to achieve best possible outcomes for all pupils.
- Continuing to ensure that our sponsor Academy improves rapidly and is judged as good within three years.

Our success in fulfilling our aims can be measured by:

- Achievement in the Early Years Foundation Stage (EYFS), Key Stage 1 (KS1) and Key Stage 2 (KS2)
- The retention and recruitment of high quality staff.
- External School Improvement Reports.
- The provision of high quality training (CPD) for all staff, Trustees and Governors.
- Monitoring pupil numbers to ensure that School budgets are healthy and resources are used effectively.
- Effective succession planning in key roles.

Public Benefit

The Trustees believe that by working towards the objects and aims of the Trust as detailed above, they have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission.

Strategic Report

Achievements and Performance

The Enfield Learning Trust continues to ensure that students achieve their potential in public examinations; to encourage a wide range of extra-curricular activities; to develop and to retain suitable staff and guide pupils in suitable progression when they leave their School.

Specific achievements were as follows:

- Five out of six of our mainstream Schools had improved outcomes in 2018 and all were above the Government floor standard.
- Bowes improved from 65% to 81% in Reading Writing and Maths combined (RWM).
- Carterhatch (formerly coasting) improved from 49% to 58% (RWM).
- Hazelbury and Grange Park maintained with a slight improvement.
- Chesterfield dropped slightly due to cohort specific reasons.
- Fern House (formerly Aylands) is improving rapidly with leadership and personal development and welfare, now judged as good.
- The improved outcomes are due to the impact of our teaching and learning strategy and support from the Executive Team; all schools following the Trust systematic approach to monitoring standards; and training for middle and senior leaders which is focusses on improving teaching.
- All testing is standardised across the Trust in order to monitor progress and quickly address any concerns or inconsistencies. We moderate across the Schools at all key stages and across the Local Authority. Many of our senior staff are local authority moderators.
- We have shared teaching and learning pedagogy and all the Schools have a cross curricular approach known as the Learning Quest. We have agreed that there is a core curriculum offer for all our Schools which is proven to raise standards. E.g. Read Write Inc. and Literacy and Language.
- All Schools have reduced marking in response the teacher workload agenda and we have successfully implemented Feedback for Learning. This is now imbedded in all our Schools.

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

Key Performance Indicators

Pupil Outcomes

- End of year statutory tests for Key Stage 1 and 2, Phonics check in Year 1 and Early Years Foundation Stage outcomes.
- Reports from Ofsted
- Reports from the School Improvement Advisor

Financial Performance

- As funding is based on pupil numbers this is a key performance indicator. Total pupil numbers were 3,705 against a forecast of 3,853 (excluding Nursey).
- Another key financial performance indicator is staffing costs as a percentage of total income. For 2017/18 this was 65%. The Trustees are confident that staffing levels are closely monitored to agreed Full Time Equivalents and staffing structures all approved by the Board.
- The Trust Board also monitor premises costs against the General Annual Grant (GAG) income, capitation spend for curriculum departments to GAG income, total income less grants and cash flow on a regular basis to ensure that the budget is set and managed appropriately. All of the above KPI's were within the parameters set by the Board of Trustees.

The Trust made a non-contractual settlement payment of £50,000 to an employee. Approval was not sought from the ESFA as the Trustees were of the opinion that only when the payment is greater than £50,000 does approval need to be sought. The Trust have since revised their procedures to mitigate against this reoccurring in the future.

Going Concern

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

Financial Review

The principal source of funding for the Trust is the General Annual Grant (GAG) and other grants that it receives from the Education and Skills Funding Agency (ESFA). For the year ended 31 August 2018 the Trust received £20,113,393 of GAG and other Government funding (excluding capital). Total income for the year was £87,049,240 of which £64,665,757 was received as a donation of assets on conversion. A high percentage of this non-conversion income is spent on wages and salaries and support costs to deliver the Trust's primary objective of the provision of education. During the year the Trust spent £23,676,345 on general running expenses. The carry forward for 2017/18 is £185,537 restricted funding and £3,521,380 unrestricted funding. The surplus for the year was £1,894,961.

Due to the accounting rules for the Local Government Pension Scheme under FRS102, the Trust is recognising a significant pension fund deficit of £5,057,000. This does not mean that an immediate liability for this amount crystallises and such a deficit generally results in a cash flow effect in the form of increased employer contributions over a number of years.

During 2017/18 £866,179 was paid in contributions which decreased the deficit significantly.

When the Trust was formed in 2016, the three Schools paid an employer's contribution rate of 18.9%. Those Schools continue to pay at that rate but the new Schools who have since joined the Trust make an employer's contribution of 24.8%.

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

Reserves Policy

The Trustees are aware of the requirement to balance current and future needs and always aim to set a balanced budget with annual income balancing annual expenditure. The Trustees monitor estimated year-end carry forward figures via the regular reports from the Chief Financial Officer and Finance Business Manager. The budget plan identifies how any carry forward will be allocated in the plan for the following academic year, including the identification of any funds earmarked for a specific project or purpose.

The Trust's current level of free reserves (total funds less the amount held in fixed assets and restricted funds) is £3,706,917. This has been built up from a mixture of locally raised income and balances transferred from the predecessor schools.

The Trustees have made a decision to hold unrestricted funds of £1,585,761 to cover future increases in costs and expenditure that may arise from uninsurable losses. The Trust holds £663,395 for in year contingencies and always plans to have a carry forward of between 4% and 5% to assist in making strategic decisions to keep in line with national funding changes and curriculum needs.

Trustees have discussed the appropriate level of reserves for the Trust, and in March discussed working towards a reserve equivalent to approximately 3 months salary. Subsequently the Trustees are working towards a reserve of £3.5m. This level of reserves will be considered again in 2018-19.

The Trust's balance on restricted general funds (excluding pension reserve) plus the balance on unrestricted funds at 31 August 2018 was £3,706,917.

The cash balance of the Trust has been very healthy all year, ending the year with a balance of £3,799,258. A significant proportion of this cash is held against specific projects and is not available to meet normal recurring expenditure. The Trustees monitor cash flow as part of the committee financial reports and attempt to hold a minimum of £60,000 to cover short term cash flow variances.

Investment Policy

Then Investment Policy was reviewed and approved by the Board of Trustees on 10th October 2017.

The aim of the policy is to ensure funds that the Trust does not immediately need to cover anticipated expenditure are invested to maximise its income but with minimal risk. The aim is to research where funds may be deposited applying prudence in ensuring there is minimum risk. The Trustees do not consider the investment of surplus funds as a primary activity, rather as good stewardship and as and when circumstances allow.

Principal Risks and Uncertainties

The Board of Trustees works with the LGB's in maintaining a central risk register identifying the major risks, to which each School is exposed, and identifying actions and procedures to mitigate those risks. This register is approved and monitored by the Board of Trustees. The internal control systems and the exposure to identified risks are monitored on behalf of the Trustees at Committee meetings.

The principal risks facing the Trust are outlined below; those facing the Schools at an operational level are addressed by its systems and by internal financial and other controls.

The Trustees report that the Trust's financial and internal controls conform to guidelines issued by the ESFA, and that improvements to the wider framework of systems dealing with business risk and risk management strategy continue to be made and formally documented.

It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

As a group of schools, the level of financial risk is low. Cash flows can be reliably forecast, monitored and reported. Staff costs make up the majority of expenditure and are relatively stable with contingencies in place to cover such items as staff sickness and maternity leave.

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The Trustees assess the other principal risks and uncertainties facing the Enfield Learning Trust as follows:

- each School within the Trust has considerable reliance on continued Government funding through the ESFA and there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms;
- failures in governance and/or management - the risk in this area arises from potential failure to manage effectively the Trust's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Trustees continue to review and ensure that appropriate measures are in place to mitigate these risks;
- reputational - the continuing success of the individual Schools is dependent on continuing to attract pupils in sufficient numbers by maintaining the highest educational standards. To mitigate this risk Trustees ensure that student progress and outcomes are closely monitored and reviewed;
- safeguarding and child protection - the Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health & safety and discipline;
- staffing - the success of the Schools is reliant on the quality of its staff and the Trustees monitor and review policies and procedures and recruitment to ensure continued development and training of staff as well as ensuring there is clear succession planning;
- fraud and mismanagement of funds - The Trustees have appointed Price Bailey to carry out independent and external checks on financial systems and records as required by the Academy Financial Handbook. All finance staff receive training to keep up to date with financial practice requirements and develop their skills in this area;
- financial instruments – the Trust only deals with bank balances, cash and trade creditors, with limited trade (and other) debtors. The risk in this area is considered to be low;
- defined benefit pension liability – as the Government has agreed to meet the defined benefit pension liability of any school ceasing to exist the main risk to the Trust is an annual cash flow funding of part of the deficit. Trustees take these payments into account when setting the annual budget plan; and
- data protection/cyber security risks are increasing.

The Trust and each School have continued to strengthen its risk management process throughout the year by improving the process and ensuring staff awareness. Updates and training for the implementation of the General Data Protection Regulation (GDPR) were carried out during 2017/18. The Trust has appointed an internal Data Protection Officer (DPO).

Plans for Future Periods

The Board of Trustees have agreed five key strategic business objectives for the Trust that will steer our growth and development over the next three years:

- excellence in leadership;
- talent building; building staff capacity to enable sustainable growth;
- ensuring a financially viable and sustainable MAT during a period of growth;
- increasing the quality of standards and achievement; and
- developing social responsibility

It is essential that our strategic planning is realised through effective operational delivery. There are a collection of strategies and associated delivery plans which, guide the work of the Trust and that of our Schools. Our approach to managing change is founded on a systematic approach, where each area of work has its own plan. As the Trust develops and with the changing educational landscape, as a provider, it is critical that we remain flexible and are able to quickly adapt and change to deliver the most effective services for our children and young people.

Fundraising

The Trust only held small fundraising events during the year including Summer Fayres, Christmas fetes and non uniform days. The Trust does not work with professional fundraisers or companies who carry out fundraising on its behalf. During the year no complaints or issues have arisen as a result of the fundraising events.

Trade Unions

During the year seven employees of the Trust on a 93% full time equivalent contract acted as union officials. The employees spent twenty five hours equating to less than 1% of their time on union facility. The total cost of facility time is £1,452 for the year.

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Employee involvement

Where appropriate the Trust consults on matters such as policy, pay, health, safety and welfare with the relevant support staff and teaching trade unions. The Trust provides information to employees generally by way of email, memoranda and staff meetings. Central conferences and workshops are provided to Trustees, Headteachers and School Leaders.

At each of the Schools, information is channelled via the Leadership meetings. Employees are encouraged to familiarise themselves with Ofsted reports, available from the Trust website and pupil progress and attainment statistics when they are made available.

Equal Opportunities Policy

It is the Trust's policy to ensure equality of opportunities is afforded to staff, students and other stakeholders. Training, career development and promotion opportunities are available to all employees.

Disabled Persons

Applications for employment by disabled persons are given full and fair consideration for all vacancies in accordance with their particular aptitude and abilities. In the event of employees becoming disabled then every effort is made to retrain them in order that their employment within the Trust may continue.

Funds Held as Custodian Trustee on Behalf of Others

No funds were held as Custodian Trustee on behalf of others.

Auditor

Insofar as the Trustees are aware:

- There is no relevant audit information of which the Charitable Company's Auditor is unaware, and
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the Auditor is aware of that information.

The Trustees' Report, incorporating a Strategic Report, was approved by the Board of Trustees on 17 December 2018 and signed on the Board's behalf by:

John West
Chair of Trustees

Sarah Turner
Chief Executive

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GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

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

The Board of Trustees has delegated the day-to-day responsibility to the CEO, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Enfield Learning Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

GOVERNANCE

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 8 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
John West, Chair of Trustees	7	8
Sarah Turner, Chief Executive	8	8
Androulla Nicou	6	8
Ann Ball, Vice Chair of Trustees	7	8
Margaret McAlpine	8	8
Stephen Way	3	3
Matthew Newstead	3	5
Anthony Wilde	7	8
Karen Mautner	5	8
Alex Monk	7	8

Enfield Learning Trust (ELT) was established on 1st September 2016 by three Founder Members. At the start of 2017/2018 The Board of Trustees contained nine Trustees. Two Trustees resigned throughout the year and a new trustee was appointed to lead on finance across the Trust. At the end of 2017/18 there were two Trustee vacancies.

Scheme of Delegation & Terms of Reference involved regular Trustee Board meetings who met on eight occasions throughout the year. (As a result of changes to the Scheme of Delegation and Terms of Reference the full Trustee Board met on three occasions during the year.)

The Trust has carried out a strategic self-evaluation of governance across the Trust at the end of the 2017/2018 academic year as the second year of the Trust's existence had witnessed rapid growth making it necessary to review governance arrangements.

This examined the principles of governance accountability at every level and whether there was clarity of roles and responsibilities at every layer and whether communication was effective between Members, Trustees, and Local Governors across the seven constituent schools of ELT. Crucially, the review focussed on how governance could be improved to sustain future growth of the organisation and whether there were any risks or limiting factors (internal or external) which would challenge educational and financial performance at both individual school level and the Trust as a whole.

The Trust Board did not have separate General-Purpose Committee during 2017/2018 and they met as a full Board at each meeting. This was to enhance the knowledge of all Trustees and leaders whilst the Trust was going through a rapid period of growth to ensure that each School was fully integrated within the Trust.

Two new Trust Board committees will commence in September 2018, the Education Committee and the Audit and Risk Committee.

The Education Committees' remit is to review, monitor and evaluate the curriculum offer and in doing so ensure a broad and balanced curriculum that is relevant to the needs of all pupils. They will ensure that the Trust promotes the highest standards of pupil achievement and improves academic standards.

The remit of the Audit and Risk Committee to support the Trust Board in their responsibilities for issues of risk, control and governance by reviewing the comprehensiveness of assurances in meeting the Board and Accounting Officer's assurance needs and reviewing the reliability and integrity of these assurances.

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GOVERNANCE STATEMENT (continued)

The Audit and Risk committee consists of three non-executive Trustees with the Trust's Executive Team and Financial Controller as advisers. It will be chaired by the Trustee leading on finance and will be fully operational in 2018/19.

Attendance at meetings in the Year for the Finance and Audit Committee was as follows:

Trustee	Meetings attended	Out of a possible
Ann Ball	1	1
Margaret McAlpine	1	1
Matthew Newstead	1	1
Androulla Nicou	1	1

REVIEW OF VALUE FOR MONEY

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

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

- Prior to academisation each School was purchasing a range of service level agreements from the Local Authority. From 1st September, the Trust was able to negotiate agreements that served the whole Trust, and has resulted in considerable savings. An example of the service where savings have been made is the Health & Safety service, where the new Schools joining the trust have been added into the existing Trust SLA without additional costs.
- The Trust has continued with its role of centralisation of the Finance and HR departments and so when the three new Schools joined the Trust, they were able to assimilate some of the roles centrally through staff turnover. This generated a saving on support staff expenditure.
- As a Multi-Academy Trust we procured a Management Information System for all our Schools which lead to a 5% saving for each School, and improved productivity as all Schools are on the same system.

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Enfield Learning Trust for the Year 1 September 2017 to 31 August 2018 and up to the date of approval of the Annual Report and financial statements.

CAPACITY TO HANDLE RISK

The Board of Trustees has reviewed the key risks to which the Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Trust's significant risks, that has been in place for the Year 1 September 2017 to 31 August 2018 and up to the date of approval of the Annual Report and financial statements. This process is regularly reviewed by the Board of Trustees.

THE RISK AND CONTROL FRAMEWORK

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

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

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GOVERNANCE STATEMENT (continued)

The Board of Trustees has considered the need for a specific internal audit function and has decided to appoint Price Bailey LLP as Internal Auditor.

The Internal Auditor's role includes giving advice on financial matters and performing a range of checks on the Trust's financial systems.

The Trust have also appointed a Trustee with specific responsibilities for Finance. He has visited the Trust and set out a programme of internal checks to be carried out on a monthly basis.

An Internal Audit carried out by Price Bailey during 2017/2018 and undertook a review of key financial controls.

The ESFA's Financial Handbook requires Multi Academy Trusts to ensure that they have in place sound internal control, risk management and assurance processes and that these are appropriately managed and appropriate for the Trust's structure.

The audit carried out by Price Bailey LLP to review the strength of controls surrounding the key financial controls at the Trust. This included cash and bank handling and recording, income and expenditure processing, lettings and hirings, systems access controls and account reconciliations.

On an annual basis, the auditor reports to the Board of Trustees through the Audit Committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

REVIEW OF EFFECTIVENESS

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

- the work of the Internal Auditor and the Trustee review;
- the work of the external Auditors;
- the financial management and governance self-assessment process;
- the work of the executive managers within the Trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by the Board of Trustees on 17 December 2018 and signed on their behalf, by:

John West
Chair of Trustees

Sarah Turner
Accounting Officer

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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Enfield Learning Trust I have considered my responsibility to notify the 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 Trust, under the funding agreement in place between the Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2017.

I confirm that I and the Trust Board of Trustees are able to identify any material irregular or improper use of funds by the Trust, or material non-compliance with the terms and conditions of funding under the Trust's funding agreement and the Academies Financial Handbook 2017.

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

A non-statutory severance payment was agreed during the year without seeking prior approval from the Education and Skills Funding Agency in accordance with the requirements of the Academies Financial Handbook.

Sarah Turner
Accounting Officer

Date: 17 December 2018

ENFIELD LEARNING TRUST
(A Company Limited by Guarantee)

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

The Trustees (who are also the Directors of the Charitable Company for the purposes of company law) are responsible for preparing the Strategic Report, the Trustees' Report and the financial statements in accordance with the Annual Accounts Direction issued by the Education & Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations .

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 the Board of Trustees and signed on its behalf by:

John West
Chair of Trustees

Date: 17 December 2018

ENFIELD LEARNING TRUST
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
ENFIELD LEARNING TRUST**

OPINION

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

In our opinion the financial statements:

- give a true and fair view of the state of the Trust's affairs as at 31 August 2018 and of its incoming resources and application of resources, including its income and expenditure for the Year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018 issued by the Education & Skills Funding Agency.

BASIS FOR OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

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

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

OTHER INFORMATION

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' Report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our Report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

ENFIELD LEARNING TRUST
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
ENFIELD LEARNING TRUST**

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

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

RESPONSIBILITIES OF TRUSTEES

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

In preparing the financial statements, the Trustees are responsible for assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Trust or to cease operations, or have no realistic alternative but to do so.

AUDITORS' 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 Auditors' Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

ENFIELD LEARNING TRUST
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
ENFIELD LEARNING TRUST**

USE OF OUR REPORT

This Report is made solely to the 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 Trust's Members those matters we are required to state to them in an Auditors' 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 Trust and its Members, as a body, for our audit work, for this Report, or for the opinions we have formed.

Gary Miller (Senior Statutory Auditor)

for and on behalf of

Price Bailey LLP

Chartered Accountants
Statutory Auditors

Causeway House
1 Dane Street
Bishop's Stortford
Hertfordshire
CM23 3BT
19 December 2018

ENFIELD LEARNING TRUST

(A Company Limited by Guarantee)

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO ENFIELD LEARNING TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 1 November 2018 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2017 to 2018, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Enfield Learning Trust during the Year 1 September 2017 to 31 August 2018 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

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

The Accounting Officer is responsible, under the requirements of Enfield Learning Trust's funding agreement with the Secretary of State for Education dated 31 August 2016, and the Academies Financial Handbook extant from 1 September 2017, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2017 to 2018. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the Year 1 September 2017 to 31 August 2018 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

APPROACH

We conducted our engagement in accordance with the Academies Accounts Direction 2017 to 2018 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw our conclusion includes:

- Consideration and corroboration of the evidence supporting the Accounting Officers statement on regularity, propriety and compliance.
- Evaluation of the general control environment of the Trust, extending the procedures required for financial statements to include regularity.
- Discussions with and representations from the Accounting Officer and other key management personnel.
- An extension of substantive testing from our audit of the financial statements to cover matters pertaining to regularity, propriety and compliance in particular checking that selected items were appropriately authorised, and appropriate.

ENFIELD LEARNING TRUST
(A Company Limited by Guarantee)

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO ENFIELD
LEARNING TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY (continued)**

CONCLUSION

In the course of our work, except for the matters listed below, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the Year 1 September 2017 to 31 August 2018 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

It was noted that a non-statutory severance payment was agreed during the year without seeking prior approval from the Education and Skills Funding Agency in accordance with the requirements of the Academies Financial Handbook.

Reporting Accountant

Price Bailey LLP

Chartered Accountants

Date: 19 December 2018

ENFIELD LEARNING TRUST
(A Company Limited by Guarantee)

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

	Note	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £	Total funds 2017 £
INCOME FROM:						
Donations & capital grants:						
Transferred on conversion	2	869,286	(1,205,000)	66,495,471	66,159,757	65,905,335
Other donations and capital grants	2	10,093	120,559	92,446	223,098	145,056
Charitable activities	3	386,532	20,113,393	-	20,499,925	16,130,234
Teaching schools	25	-	184,345	-	184,345	247,040
Other trading activities	4	1,473,401	-	-	1,473,401	1,280,613
Investments	5	2,714	-	-	2,714	1,064
TOTAL INCOME		2,742,026	19,213,297	66,587,917	88,543,240	83,709,342
EXPENDITURE ON:						
Charitable activities		1,144,618	20,777,399	1,569,983	23,492,000	17,888,271
Teaching schools	25	-	184,345	-	184,345	247,040
TOTAL EXPENDITURE	6	1,144,618	20,961,744	1,569,983	23,676,345	18,135,311
NET INCOME / (EXPENDITURE) BEFORE TRANSFERS		1,597,408	(1,748,447)	65,017,934	64,866,895	65,574,031
Transfers between funds	16	-	(221,565)	221,565	-	-
NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES		1,597,408	(1,970,012)	65,239,499	64,866,895	65,574,031
Actuarial gains on defined benefit pension schemes	21	(1,494,000)	2,703,000	-	1,209,000	1,918,000
NET MOVEMENT IN FUNDS		103,408	732,988	65,239,499	66,075,895	67,492,031
RECONCILIATION OF FUNDS:						
Total funds brought forward		1,923,972	(4,110,451)	69,678,510	67,492,031	-
TOTAL FUNDS CARRIED FORWARD		2,027,380	(3,377,463)	134,918,009	133,567,926	67,492,031

ENFIELD LEARNING TRUST

**(A Company Limited by Guarantee)
REGISTERED NUMBER: 10309116**

**BALANCE SHEET
AS AT 31 AUGUST 2018**

	Note	£	2018 £	£	2017 £
FIXED ASSETS					
Tangible assets	13		134,918,009		69,678,510
CURRENT ASSETS					
Debtors	14	1,143,092		975,050	
Cash at bank and in hand		3,799,258		2,303,988	
		<u>4,942,350</u>		<u>3,279,038</u>	
CREDITORS: amounts falling due within one year	15	(1,235,433)		(1,245,517)	
NET CURRENT ASSETS			<u>3,706,917</u>		<u>2,033,521</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>138,624,926</u>		<u>71,712,031</u>
Defined benefit pension scheme liability	21	(5,057,000)		(4,220,000)	
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES			<u><u>133,567,926</u></u>		<u><u>67,492,031</u></u>
FUNDS OF THE TRUST					
Restricted income funds:					
Restricted income funds	16	185,537		109,549	
Restricted fixed asset funds	16	134,918,009		69,678,510	
Restricted income funds excluding pension liability		135,103,546		69,788,059	
Pension reserve		<u>(5,057,000)</u>		<u>(4,220,000)</u>	
Total restricted income funds			130,046,546		65,568,059
Unrestricted income funds	16		<u>3,521,380</u>		<u>1,923,972</u>
TOTAL FUNDS			<u><u>133,567,926</u></u>		<u><u>67,492,031</u></u>

The financial statements on pages 19 to 45 were approved by the Trustees, and authorised for issue, on 17 December 2018 and are signed on their behalf, by:

John West
Chair of Trustees

ENFIELD LEARNING TRUST
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2018

	Note	2018 £	2017 £
Cash flows from operating activities			
Net cash provided by operating activities	18	1,714,121	2,476,855
		<u> </u>	<u> </u>
Cash flows from investing activities:			
Interest from investments		2,714	1,064
Purchase of tangible fixed assets		(221,565)	(173,931)
		<u> </u>	<u> </u>
Net cash used in investing activities		(218,851)	(172,867)
		<u> </u>	<u> </u>
Change in cash and cash equivalents in the Year		1,495,270	2,303,988
Cash and cash equivalents brought forward		2,303,988	-
		<u> </u>	<u> </u>
Cash and cash equivalents carried forward	19	3,799,258	2,303,988
		<u> </u>	<u> </u>

ENFIELD LEARNING TRUST
(A Company Limited by Guarantee)

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

1. ACCOUNTING POLICIES

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

1.1 Basis of preparation of financial statements

The financial statements of the Trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2017 to 2018 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Enfield Learning Trust constitutes a public benefit entity as defined by FRS 102.

The Trust's functional and presentational currency is Pounds Sterling.

1.2 Company status

The Trust is a company limited by guarantee. The Members of the Company are the Trustees named on page 1. In the event of the Trust being wound up, the liability in respect of the guarantee is limited to £10 per Member.

1.3 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 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 Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements .

1.4 Income

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

Grants are included in the Statement of Financial Activities incorporating Income and Expenditure Account on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the Statement of Financial Activities incorporating Income and Expenditure Account in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability.

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

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

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

ENFIELD LEARNING TRUST
(A Company Limited by Guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.5 Expenditure

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

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

All expenditure is inclusive of irrecoverable VAT.

1.6 Tangible fixed assets and depreciation

All assets costing more than £1,000 are capitalised and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the Government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. 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 incorporating Income and Expenditure Account 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 incorporating Income and Expenditure Account. 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 these assets, less their estimated residual value, over their expected useful lives on the following bases:

Long term Leasehold Land	-	125 years straight line
Long term Leasehold Buildings	-	50 years straight line
Furniture and fixtures	-	5 years straight line
Motor vehicles	-	4-7 years straight line
Computer equipment	-	4 years straight line

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

1.7 Operating leases

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

1.8 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.

1.9 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.

ENFIELD LEARNING TRUST
(A Company Limited by Guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.10 Liabilities and provisions

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

1.11 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 14. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised costs as detailed in note 15. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.12 Taxation

The Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1.13 Pensions

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 21, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

ENFIELD LEARNING TRUST
(A Company Limited by Guarantee)

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

1. ACCOUNTING POLICIES (continued)

The LGPS is a funded scheme and the assets are held separately from those of the Trust in separate Trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit 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 incorporating Income and Expenditure Account and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

1.14 Fund accounting

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

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

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

1.15 Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 21, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2018. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

ENFIELD LEARNING TRUST
(A Company Limited by Guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.16 Conversion to an academy trust

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

The assets and liabilities transferred on conversion of Grange Park Primary School, Fern House Primary School and Carterhatch Primary School to academy status have been valued at their fair value. The fair value has been derived based on that of equivalent items. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in Donations - transfer from local authority on conversion in the Statement of Financial Activities incorporating Income and Expenditure Account and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds.

Further details of the transaction are set out in note 21.

2. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £	Total funds 2017 £
Transferred on conversion	869,286	(1,205,000)	66,495,471	66,159,757	65,905,335
Donations	10,093	120,559	-	130,652	75,683
Capital grants	-	-	92,446	92,446	69,373
Subtotal	10,093	120,559	92,446	223,098	145,056
	879,379	(1,084,441)	66,587,917	66,382,855	66,050,391
Total 2017	782,293	(5,260,510)	70,528,608	66,050,391	

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

3. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
DfE/ESFA grants				
General Annual Grant (GAG)	-	14,500,769	14,500,769	11,477,683
Other DfE / EFA grants	-	2,375,637	2,375,637	1,742,224
	-	16,876,406	16,876,406	13,219,907
Other government grants				
Local Authority grants	-	3,236,987	3,236,987	2,715,000
	-	3,236,987	3,236,987	2,715,000
Other funding				
Catering Income	386,532	-	386,532	195,327
	386,532	-	386,532	195,327
	386,532	20,113,393	20,499,925	16,130,234
Total 2017	195,327	15,934,907	16,130,234	

4. OTHER TRADING ACTIVITIES

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Lettings income	50,338	-	50,338	23,777
Other activities	1,423,063	-	1,423,063	1,256,836
	1,473,401	-	1,473,401	1,280,613
Total 2017	1,280,613	-	1,280,613	

5. INVESTMENT INCOME

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Investment income	2,714	-	2,714	1,064
Total 2017	1,064	-	1,064	

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6. EXPENDITURE

	Staff costs 2018 £	Premises 2018 £	Other costs 2018 £	Total 2018 £	Total 2017 £
Provision of education:					
Direct costs	14,526,235	-	750,057	15,276,292	12,376,369
Support costs	3,452,021	1,156,181	3,607,506	8,215,708	5,764,662
Teaching schools	23,140	-	161,205	184,345	247,040
	<u>18,001,396</u>	<u>1,156,181</u>	<u>4,518,768</u>	<u>23,676,345</u>	<u>18,388,071</u>
Total 2017	<u>14,329,221</u>	<u>1,702,048</u>	<u>3,067,954</u>	<u>19,099,223</u>	

In 2017, of total expenditure, £389,085 was to unrestricted funds, £16,727,917 was to restricted funds and £1,024,029 was to restricted fixed asset fund.

7. CHARITABLE ACTIVITIES

	2018 £	2017 £
Direct costs	15,276,292	12,376,369
Support costs	8,215,708	5,764,662
Teaching schools	184,345	247,040
Total	<u>23,676,345</u>	<u>18,388,071</u>

	2018 £	2017 £
Analysis of support costs		
Support staff costs and educational support	3,452,021	2,137,663
Depreciation	1,477,537	954,656
Technology costs	231,203	178,218
Premises costs	1,053,181	673,978
Other Support costs	1,956,604	1,814,614
Governance costs	45,162	5,533
Total	<u>8,215,708</u>	<u>5,764,662</u>

8. NET INCOME/(EXPENDITURE)

This is stated after charging:

	2018 £	2017 £
Depreciation of tangible fixed assets:		
- owned or leased by the Trust	1,477,537	954,656
Auditors' remuneration - audit	11,210	7,000
Auditors' remuneration - other services	10,265	7,150
Operating lease rentals	60,809	31,831
	<u>1,559,821</u>	<u>1,030,637</u>

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

9. STAFF COSTS

a. Staff costs

Staff costs were as follows:

	2018 £	2017 £
Wages and salaries	12,497,812	10,133,107
Social security costs	1,224,584	970,918
Operating costs of defined benefit pension schemes	2,693,393	2,267,005
	16,415,789	13,371,030
Agency staff costs	1,508,307	958,191
Staff restructuring costs	77,300	-
	18,001,396	14,329,221

Staff restructuring costs comprise:

	2018 £	2017 £
Severance payments	77,300	-
	77,300	-

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

Included in staff restructuring costs are non-statutory severance payments to four employees totalling £77,300 (2017 - £NIL). Individually, the payments were: £15,000 made in December 2017, £2,300 made in April 2018, £10,000 made in May 2018 and £50,000 made in September 2018. The severance payment of £50,000 is included within accruals.

c. Staff numbers

The average number of persons employed by the Trust during the Year was as follows:

	2018 No.	2017 No.
Management	4	3
Teaching	206	170
Educational support	305	249
	515	422

d. Higher paid staff

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

	2018 No.	2017 No.
In the band £ 60,001 - £ 70,000	12	6
In the band £ 70,001 - £ 80,000	7	3
In the band £ 80,001 - £ 90,000	2	0
In the band £100,000 - £110,000	0	1
In the band £110,001 - £120,000	1	0
In the band £150,001 - £160,000	1	1

ENFIELD LEARNING TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

9. STAFF COSTS (continued)

e. Key management personnel

The key management personnel of the Trust comprise the Trustees and the senior management team as listed on page 1, the total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the Trust was £514,356 (2017 - £581,535).

Included in the above are employer pension contributions of £67,101 (2017 - £110,274) and employer national insurance contributions of £50,382 (2017 - £69,031).

10. CENTRAL SERVICES

The Trust has provided the following central services to its Academies during the year:

- Strategic Management, including School Improvement Support.
- Human Resources.
- Finance.
- Asset Management.
- IT and Communications.

To fund these costs, the Trust will retain The Education Services Grant (ESG) for each School and 5.5% of each Academy's GAG funding, excluding Pupil Premium Funding and Local Authority Grants. Other income generated by individual Schools will not be top-sliced.

The actual amounts charged during the year were as follows:

	2018	2017
	£	£
Hazelbury Primary School	478,384	120,254
Bowes Primary School	309,266	72,504
Chesterfield Primary School	374,886	87,826
Grange Park Primary School	242,232	-
Fern House Primary School	67,116	-
Carterhatch Primary School	119,352	-
	1,591,236	280,584
Total	1,591,236	280,584

11. TRUSTEES' REMUNERATION AND EXPENSES

One or more Trustees has been paid remuneration or has received other benefits from an employment with the Trust. The Principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Principal and other staff members under their contracts of employment, and not in respect of their role as Trustees. The value of Trustees' remuneration and other benefits was as follows:

		2018	2017
		£	£
Sarah Turner	Remuneration	155,000-160,000	155,000-160,000
	Pension contributions paid	25,000-30,000	25,000-30,000
Androulla Nicou	Remuneration	110,000-115,000	105,000-110,000
	Pension contributions paid	15,000-20,000	15,000-20,000

During the Year ended 31 August 2018 and the year ended 31 August 2017, no Trustees received any reimbursement of expenses (2017 - £NIL to 0 Trustees).

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

12. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the Trust has purchased insurance to protect Trustees, Governors and Officers from claims arising from negligent acts, errors or omissions occurring whilst on Trust business. The insurance provides cover up to £10,000,000 on any one claim and the cost for the period ended 31 August 2018 was included in the total insurance cost.

13. TANGIBLE FIXED ASSETS

	Longterm leasehold property £	Furniture and fixtures £	Motor vehicles £	Computer equipment £	Total £
Cost					
At 1 September 2017	69,912,539	329,671	15,429	375,527	70,633,166
Additions	78,406	1,080	-	142,079	221,565
Assets on conversion	66,422,676	44,944	-	27,851	66,495,471
At 31 August 2018	<u>136,413,621</u>	<u>375,695</u>	<u>15,429</u>	<u>545,457</u>	<u>137,350,202</u>
Depreciation					
At 1 September 2017	677,161	97,974	2,204	177,317	954,656
Charge for the year	1,183,795	121,553	2,204	169,985	1,477,537
At 31 August 2018	<u>1,860,956</u>	<u>219,527</u>	<u>4,408</u>	<u>347,302</u>	<u>2,432,193</u>
Net book value					
At 31 August 2018	<u>134,552,665</u>	<u>156,168</u>	<u>11,021</u>	<u>198,155</u>	<u>134,918,009</u>
At 31 August 2017	<u>69,235,378</u>	<u>231,697</u>	<u>13,225</u>	<u>198,210</u>	<u>69,678,510</u>

14. DEBTORS

	2018 £	2017 £
Trade debtors	52,809	158,227
VAT recoverable	519,951	315,512
Other debtors	23,798	487
Prepayments and accrued income	546,534	500,824
	<u>1,143,092</u>	<u>975,050</u>

15. CREDITORS: Amounts falling due within one year

	2018 £	2017 £
Trade creditors	335,839	387,470
Other taxation and social security	298,051	419,270
Other creditors	14,136	2,228
Accruals and deferred income	587,407	436,549
	<u>1,235,433</u>	<u>1,245,517</u>

ENFIELD LEARNING TRUST
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FOR THE YEAR ENDED 31 AUGUST 2018**

15. CREDITORS: Amounts falling due within one year (continued)

	2018 £	2017 £
Deferred income		
Deferred income at 1 September 2017	396,061	-
Resources deferred during the year	368,791	396,061
Amounts released from previous years	(396,061)	-
	368,791	396,061
Deferred income at 31 August 2018	368,791	396,061

Resources deferred at the year end relate to contributions towards future educational visits and free school meal income received in advance for the academic year 2018/19.

16. STATEMENT OF FUNDS

	Balance at 1 September 2017 £	Income £	Expenditure £	Transfers in/out £	Gains/ (losses) £	Balance at 31 August 2018 £
Unrestricted funds						
Unrestricted funds	1,923,972	2,742,026	(1,144,618)	-	-	3,521,380
	1,923,972	2,742,026	(1,144,618)	-	-	3,521,380
Restricted funds						
General Annual Grant (GAG)	109,549	14,500,769	(14,388,753)	(221,565)	-	-
Other DfE/ESFA grants	-	745,202	(745,202)	-	-	-
Other Government grants	-	3,000,006	(3,000,006)	-	-	-
Pupil Premium funding	-	1,829,666	(1,644,129)	-	-	185,537
SEN	-	37,750	(37,750)	-	-	-
National College Grant	-	184,345	(184,345)	-	-	-
Restricted trip donations	-	120,559	(120,559)	-	-	-
Pension reserve	(4,220,000)	(1,205,000)	(841,000)	-	1,209,000	(5,057,000)
	(4,110,451)	19,213,297	(20,961,744)	(221,565)	1,209,000	(4,871,463)
	(4,110,451)	19,213,297	(20,961,744)	(221,565)	1,209,000	(4,871,463)
Restricted fixed asset funds						
Restricted fixed asset fund	69,678,510	66,495,471	(1,477,537)	221,565	-	134,918,009
Devolved formula capital	-	92,446	(92,446)	-	-	-
	69,678,510	66,587,917	(1,569,983)	221,565	-	134,918,009
Total restricted funds	65,568,059	85,801,214	(22,531,727)	-	1,209,000	130,046,546
Total of funds	67,492,031	88,543,240	(23,676,345)	-	1,209,000	133,567,926

ENFIELD LEARNING TRUST
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NOTES TO THE FINANCIAL STATEMENTS
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16. STATEMENT OF FUNDS (continued)

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

General Annual Grant (GAG)

This represents funding from the ESFA to cover the costs of recurrent expenditure.

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

Other DfE and ESFA funding

This represents funding received from the DfE/ESFA which is restricted in nature.

Other Government grants

This represents funding received from other Government bodies, local and national, which are restricted in nature.

Pupil Premium

This represents funding to be used to help raise achievement and improve outcomes for pupils from low income families who are eligible for free school meals.

Special Educational Needs (SEN)

This represents allocated funding for special educational needs pupils.

Restricted trip donations

This represents contributions made by parents towards the running costs of trips for the pupils of the Schools and the associated costs.

Pension reserve

This reserve represents the Trust's share of the deficit on the Local Government Pension Scheme (LGPS).

Restricted fixed asset fund

Restricted fixed asset fund represents the value of fixed assets held in line with the charitable objectives of the Trust. The transfer between funds represents additions purchased through GAG funding.

Devolved Formula Capital (DFC)

This represents funding received from the ESFA specifically for the maintenance and improvements of the Trust's building facilities.

National College Grant

This fund is received from the National College of Teaching and Leadership (NCTL) and relates to income to be used to train Teachers.

ENFIELD LEARNING TRUST
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NOTES TO THE FINANCIAL STATEMENTS
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16. STATEMENT OF FUNDS (continued)

ANALYSIS OF ACADEMIES BY FUND BALANCE

Fund balances at 31 August 2018 were allocated as follows:

	Total 2018 £	Total 2017 £
Hazelbury Primary School	714,856	261,869
Bowes Primary School	368,791	497,707
Chesterfield Primary School	305,767	229,015
Grange Park Primary School	58,454	-
Fern House Primary School	8,292	-
Carterhatch Junior School	432,700	-
Central Services	1,818,057	1,044,930
	<hr/>	<hr/>
Total before fixed asset fund and pension reserve	3,706,917	2,033,521
Restricted fixed asset fund	134,918,009	69,678,510
Pension reserve	(5,057,000)	(4,220,000)
	<hr/>	<hr/>
Total	<u>133,567,926</u>	<u>67,492,031</u>

ENFIELD LEARNING TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

16. STATEMENT OF FUNDS (continued)

ANALYSIS OF ACADEMIES BY COST

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2018 £	Total 2017 £
Hazelbury Primary School	4,048,203	579,986	138,418	790,509	5,557,116	5,907,885
Bowes Primary School	2,372,447	1,109,483	136,920	643,525	4,262,375	5,113,945
Chesterfield Primary School	3,215,527	516,987	128,678	750,073	4,611,265	4,798,510
Grange Park Primary School	1,796,424	345,165	128,223	693,218	2,963,030	-
Fern House Primary School	622,319	263,426	20,075	98,802	1,004,622	-
Carterhatch Junior School	859,084	181,110	43,720	295,672	1,379,586	-
Trust - Central Services	79,989	1,554,977	437,388	348,460	2,420,814	1,366,035
	<u>12,993,993</u>	<u>4,551,134</u>	<u>1,033,422</u>	<u>3,620,259</u>	<u>22,198,808</u>	<u>17,186,375</u>

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

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 3 August 2016 £	Income £	Expenditure £	Transfers in/out £	Gains/ (losses) £	Balance at 31 August 2017 £
Unrestricted funds	-	2,313,057	(389,085)	-	-	1,923,972
Restricted funds						
General Annual Grant (GAG)	-	11,477,683	(11,194,203)	(173,931)	-	109,549
Other DfE/ESFA grants	-	512,737	(512,737)	-	-	-
Other Government grants	-	2,700,039	(2,700,039)	-	-	-
Pupil premium funding	-	1,435,867	(1,435,867)	-	-	-
SEN	-	7,581	(7,581)	-	-	-
Restricted trip donations	-	63,490	(63,490)	-	-	-
Pension reserve	-	(5,324,000)	(814,000)	-	1,918,000	(4,220,000)
	-	10,873,397	(16,727,917)	(173,931)	1,918,000	(4,110,451)
Restricted fixed asset funds						
Restricted fixed asset funds	-	70,459,235	(954,656)	173,931	-	69,678,510
Devolved formula capital	-	69,373	(69,373)	-	-	-
Total restricted funds	-	81,402,005	(17,751,946)	-	1,918,000	65,568,059
Total of funds	-	83,715,062	(18,141,031)	-	1,918,000	67,492,031

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £
Tangible fixed assets	-	-	134,918,009	134,918,009
Current assets	3,521,380	1,420,970	-	4,942,350
Creditors due within one year	-	(1,235,433)	-	(1,235,433)
Provisions for liabilities and charges	-	(5,057,000)	-	(5,057,000)
	3,521,380	(4,871,463)	134,918,009	133,567,926

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

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS (continued)

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds	Restricted funds	Restricted fixed asset funds	Total funds
	2017 £	2017 £	2017 £	2017 £
Tangible fixed assets	-	-	69,678,510	69,678,510
Current assets	1,923,972	1,355,066	-	3,279,038
Creditors due within one year	-	(1,245,517)	-	(1,245,517)
Provisions for liabilities and charges	-	(4,220,000)	-	(4,220,000)
	<u>1,923,972</u>	<u>(4,110,451)</u>	<u>69,678,510</u>	<u>67,492,031</u>

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

	2018 £	2017 £
Net income for the year (as per Statement of Financial Activities)	64,866,895	65,574,031
Adjustment for:		
Depreciation charges	1,477,537	954,656
Interest received	(2,714)	(1,064)
Increase in debtors	(170,842)	(973,879)
(Decrease)/increase in creditors	(7,284)	1,244,346
Fixed assets inherited from Local Authority on conversion	(66,495,471)	(70,459,235)
Pension liability movements	841,000	814,000
Defined benefit pension scheme obligation inherited	1,205,000	5,324,000
Net cash provided by operating activities	<u>1,714,121</u>	<u>2,476,855</u>

19. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2018 £	2017 £
Cash in hand	3,799,258	2,303,988
Total	<u>3,799,258</u>	<u>2,303,988</u>

20. CONVERSION TO AN ACADEMY TRUST

On 1 November 2017 Grange Park Primary School converted to academy status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Enfield Learning Trust from the London Borough of Enfield for £NIL consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the Balance Sheet under the appropriate headings with a corresponding net amount recognised as a net gain in the Statement of Financial Activities incorporating Income and Expenditure Account as Donations - transfer from local authority on conversion.

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

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 incorporating Income and Expenditure Account .

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
- Leasehold land and buildings	-	-	40,982,629	40,982,629
- Other tangible fixed assets	-	-	29,395	29,395
Other assets	454,342	-	-	454,342
Net assets/(liabilities)	<u>454,342</u>	<u>-</u>	<u>41,012,024</u>	<u>41,466,366</u>

CONVERSION TO AN ACADEMY TRUST

On 1 November 2017 Fern House Primary School converted to academy status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Enfield Learning Trust from the London Borough of Enfield for £NIL consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the Balance Sheet under the appropriate headings with a corresponding net amount recognised as a net gain in the Statement of Financial Activities incorporating Income and Expenditure Account as Donations - transfer from local authority on conversion.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the Statement of Financial Activities incorporating Income and Expenditure Account.

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
- Leasehold land and buildings	-	-	12,083,724	12,083,724
- Other tangible fixed assets	-	-	5,300	5,300
- Other assets	33,352	-	-	33,352
Total	<u>33,352</u>	<u>-</u>	<u>12,089,024</u>	<u>12,122,376</u>

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CONVERSION TO AN ACADEMY TRUST

On 1 January 2018 Carterhatch Junior School converted to academy status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Enfield Learning Trust from the London Borough of Enfield for £NIL consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the Balance Sheet under the appropriate headings with a corresponding net amount recognised as a net gain in the Statement of Financial Activities incorporating Income and Expenditure Account as Donations - transfer from local authority on conversion.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the Statement of Financial Activities incorporating Income and Expenditure Account.

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
- Leasehold land and buildings	-	-	13,375,989	13,375,989
- Other tangible fixed assets	-	-	18,100	18,100
- Other assets	381,592	-	-	381,592
	<u>381,592</u>	<u>-</u>	<u>13,394,089</u>	<u>13,775,681</u>
Total	<u>381,592</u>	<u>-</u>	<u>13,394,089</u>	<u>13,775,681</u>

In addition, the Trust inherited a pension deficit upon conversion of £2,699,000 as a result of the three new Academies joining the Trust in the year. The deficit is not allocated against the schools.

21. PENSION COMMITMENTS

The Trust's employees belong to two principal pension schemes: the Teacher's Pension Scheme for England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by the London Borough of Enfield. Both are Multi-Employer Defined Benefit Pension Schemes.

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

Contributions amounting to £70,867 were payable to the schemes at 31 August 2018 (2017 - 179,602) and are included within creditors.

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations (2010) and, from 1 April 2014, by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

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

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NOTES TO THE FINANCIAL STATEMENTS
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21. PENSION COMMITMENTS (continued)

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the period amounted to £ 1,049,893 (2017 - £828,876).

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

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

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21. PENSION COMMITMENTS (continued)

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the Year ended 31 August 2018 was £1,092,000 (2017 - £949,000), of which employer's contributions totalled £844,000 (2017 - £750,000) and employees' contributions totalled £248,000 (2017 - £199,000). The agreed contribution rates for future years are 19.5% for employers and 5.5-12.5% for employees.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.

Principal actuarial assumptions:

	2018	2017
Discount rate for scheme liabilities	2.80 %	2.50 %
Rate of increase in salaries	3.50 %	3.50 %
Rate of increase for pensions in payment / inflation	2.10 %	2.00 %
Rate of increase for pension accounts revaluation rate	2.00 %	2.00 %
Inflation assumption (CPI)	2.10 %	2.00 %
Inflation assumption (RPI)	3.20 %	3.10 %

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

	2018	2017
Retiring today		
Males	24.5	24.4
Females	27.2	27
Retiring in 20 years		
Males	26.6	26.5
Females	29.4	29.3

As at the 31 August 2018 the Trust had a pension liability of £5,057,000 (2017 - £4,220,000). The sensitivity analysis detailed below would increase/ (decrease) the closing defined benefit obligation in the following way;

Sensitivity Movement	At 31 August 2018 £	At 31 August 2017 £
Discount rate +0.1%	(346,000)	(257,000)
Discount rate -0.1%	355,000	263,000
Mortality assumption - 1 year increase	392,000	304,000
Mortality assumption - 1 year decrease	(391,000)	(303,000)
CPI rate +0.1%	213,000	158,000
CPI rate -0.1%	(209,000)	(156,000)

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21. PENSION COMMITMENTS (continued)

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

	Fair value at 31 August 2018 £	Fair value at 31 August 2017 £
Equities	4,614,000	3,087,300
Gilts	1,051,000	934,800
Other bonds	588,000	448,950
Property	588,000	424,350
Cash and other liquid assets	775,000	276,750
Other managed funds	1,292,000	977,850
	<u>8,908,000</u>	<u>6,150,000</u>

The actual return on scheme assets was £269,000 (2017 - £606,000).

The amounts recognised in the Statement of Financial Activities incorporating Income and Expenditure Account are as follows:

	2018 £	2017 £
Current service cost	(1,567,000)	(1,465,000)
Interest income	195,000	101,000
Interest cost	(313,000)	(200,000)
	<u>(1,685,000)</u>	<u>(1,564,000)</u>
Actual return on scheme assets	<u>269,000</u>	<u>606,000</u>

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

	2018 £	2017 £
Opening defined benefit obligation	10,370,000	-
Upon conversion	2,699,000	9,943,000
Current service cost	1,567,000	1,465,000
Interest cost	313,000	200,000
Employee contributions	248,000	199,000
Actuarial gains	(1,135,000)	(1,413,000)
Benefits paid	(97,000)	(24,000)
	<u>13,965,000</u>	<u>10,370,000</u>

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NOTES TO THE FINANCIAL STATEMENTS
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21. PENSION COMMITMENTS (continued)

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

	2018 £	2017 £
Opening fair value of scheme assets	6,150,000	-
Upon conversion	1,494,000	4,619,000
Interest income	195,000	101,000
Actuarial losses	74,000	505,000
Employer contributions	844,000	750,000
Employee contributions	248,000	199,000
Benefits paid	(97,000)	(24,000)
	<u>8,908,000</u>	<u>6,150,000</u>
Closing fair value of scheme assets	<u>8,908,000</u>	<u>6,150,000</u>

22. OPERATING LEASE COMMITMENTS

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

	2018 £	2017 £
Amounts payable:		
Within 1 year	40,880	31,831
Between 1 and 5 years	18,340	41,336
	<u>59,220</u>	<u>73,167</u>
Total	<u>59,220</u>	<u>73,167</u>

23. 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.

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24. RELATED PARTY TRANSACTIONS

Owing to the nature of the Trust's operations and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which a Trustee may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Trust's financial regulations and normal procurement procedures.

During the year the Trust invoiced Ivy Learning Trust £12,280 for teaching school staffing. Anthony Wilde is a Member of the Ivy Learning Trust. At the year end £Nil was carried forward as a debtor.

The daughter of Sarah Turner, the Accounting Officer is employed by the Trust. Her appointment was made in open competition and Sarah Turner was not involved in the decision making process regarding appointment. She is paid within the normal pay scale for her role and receives no special treatment as a result of her relationship to the AO.

The daughter of Androulla Nicou, the Chief Financial Officer is employed by the Trust. Her appointment was made in open competition and Androulla Nicou was not involved in the decision making process regarding appointment. She is paid within the normal pay scale for her role and receives no special treatment as a result of her relationship to the CFO.

The daughter of Paul Morall, a Member is employed by the Trust. Her appointment was made in open competition and Paul Morall was not involved in the decision making process regarding appointment. She is paid within the normal pay scale for her role and receives no special treatment as a result of her relationship to a Trustee.

There were no other related party transactions during the year ended 31 August 2018.

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25. TEACHING SCHOOL TRADING ACCOUNT

	2018 £	2018 £	2017 £	2017 £
INCOME				
DIRECT INCOME				
Fee income	39,491		-	
Grants	110,109		199,000	
Other income	17,550		37,550	
Income from unrestricted	17,195		10,490	
	184,345		247,040	
TOTAL DIRECT INCOME				
TOTAL INCOME		184,345		247,040
EXPENDITURE				
DIRECT EXPENDITURE				
Direct staff costs	23,140		22,920	
Other direct costs	130,823		196,500	
Staff development	29,422		26,970	
	183,385		246,390	
TOTAL DIRECT EXPENDITURE				
OTHER EXPENDITURE				
Other support costs	661		500	
Technology costs	299		150	
	960		650	
TOTAL OTHER EXPENDITURE				
TOTAL EXPENDITURE		184,345		247,040
SURPLUS FROM ALL SOURCES		-		-