

**LANDAU FORTE CHARITABLE TRUST
(A COMPANY LIMITED BY GUARANTEE)**

ANNUAL REPORT AND FINANCIAL STATEMENTS

**YEAR ENDED
31 AUGUST 2021**

LANDAU FORTE CHARITABLE TRUST

Year Ended 31 August 2021

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Landau Forte Charitable Trust
Reference and Administrative Information
Year Ended 31 August 2021

Members / Directors

| | |
|--|-----|
| M R Landau (President) | (M) |
| O Polizzi, CBE | (M) |
| The Honourable Sir Rocco Forte | (M) |
| A Polizzi | (M) |
| S Shooter | (M) |
| T M Bell | (D) |
| D Shore | (D) |
| S Caplan | (D) |
| B Turnbull | (D) |
| P Cox (Chair of Directors) | (D) |
| S Findlay-Cobb | (D) |
| L Williamson (appointed 14 June 2021) | (D) |
| L Monk (appointed 14 June 2021) | (D) |
| J Ward (appointed 20 July 2021) | (D) |
| E Cowcill (appointed 15 December 2021) | (D) |

K Doble (resigned as Director 1 April 2021)
T R Ousley (resigned as Director 1 April 2021)
J Kirkland, OBE (deceased 10 November 2021)

Key

(M) Member of the company
(D) Director / Trustee of the Company

The Trust has non- Executive and Executive Directors. The Executive Directors are part of the Trust executive leadership and for clarity are: CEO, Deputy CEO and Academy Principals.

| | |
|---|--|
| Chief Executive Officer and Accounting Officer | S Findlay-Cobb |
| Deputy CEO, CFO and Company Secretary | A C M Eggleston |
| Principal: Landau Forte College Derby Landau Forte Teaching School Landau Forte SCITT | A Brannick |
| Principal: Landau Forte Academy Amington | A Deen |
| Principal: Landau Forte Academy Tamworth Sixth Form Landau Forte Academy QEMS | K Adams (appointed 7 June 2021) |
| Principal: Landau Forte Academy Moorhead | R McNeil |
| Principal: Landau Forte Academy Greenacres | L Bridge |
| Key Management Personnel | Chief Executive, Deputy CEO / CFO, Academy Principals, |
| Company number | 02387916 |
| Auditor | Cooper Parry Group Limited, Sky View, Argosy Road, East Midlands Airport, Castle Donington, Derby DE74 2SA |
| Registered and Principal Office | Landau Forte College Fox Street, Derby, DE1 2LF |

Landau Forte Charitable Trust
Trustees' Report
Year Ended 31 August 2021

The Directors are pleased to present their Annual Report together with the audited financial statements for the year ended 31 August 2021.

Structure, Governance and Management

Constitution

The Academy Trust (hereafter referred to as the "Academy Trust" or the "Trust" or the "Company") is a company limited by guarantee and an exempt charity. The charitable company's Memorandum and Articles of Association are the primary governing documents of the Trust.

The Trustees are also the Directors of the charitable company for the purposes of company law. The charitable company operates as the Landau Forte Charitable Trust.

Details of the Trustees (hereafter referred to as the "Trustees" or the "Directors") who served throughout the year and to the date the approval of this report and the financial statements are included in the Reference and Administrative Details on page 2.

In September 2019, one of the founding members of the Trust was appointed as Chairman for an interim period to ensure that appropriate oversight was maintained whilst the Trust identified a suitable replacement. Mr P Cox was subsequently appointed as the Chairman in April 2021.

Trustee Indemnities

Subject to the provisions of the Companies Act 2006 every Director or other officer of the Company shall be indemnified out of the assets of the Company against any liability incurred by him in that capacity in defending any proceedings, whether civil or criminal, in which judgement is given in favour or in which he is acquitted or in connection with any application in which relief is granted to him by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the company.

The Academy Trust has opted into the Department of Education's Risk Protection Arrangement ('RPA'), an alternative to insurance where UK government funds cover losses that arise. The scheme protects Members, Trustees and the Local Governing Body members from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust business. The scheme provides cover up to £10,000,000.

Method of Recruitment and Appointment of Trustees

The Trust shall have the following Trustees, as set out in its Articles of Association and funding agreement:

- Up to 10 Sponsor Directors
- Any staff Directors
- Academy Directors
- The Chief Executive Officer
- A minimum of 2 parents Directors
- Any Additional Directors
- Any Further Directors
- Up to 2 Directors if appointed by the Secretary of state

Trustees are appointed for a 4 year period, except that this time limit does not apply to the CEO where they have agreed to be appointed as a Trustee or where they are automatically appointed as a Trustee under the Articles of Association. Subject to remaining eligible to be a particular type of Trustee, any Trustee can be re-appointed or re-elected.

When appointing new Trustees, the Board of Trustees will give consideration to the skills and experience mix of existing Trustees in order to ensure the Board of Trustees has the necessary skills to contribute fully to the Academy Trust's ongoing development. In line with the Trust's scheme of delegation, Articles and Memorandum, the Trust may appoint new Trustees with approval from the Members.

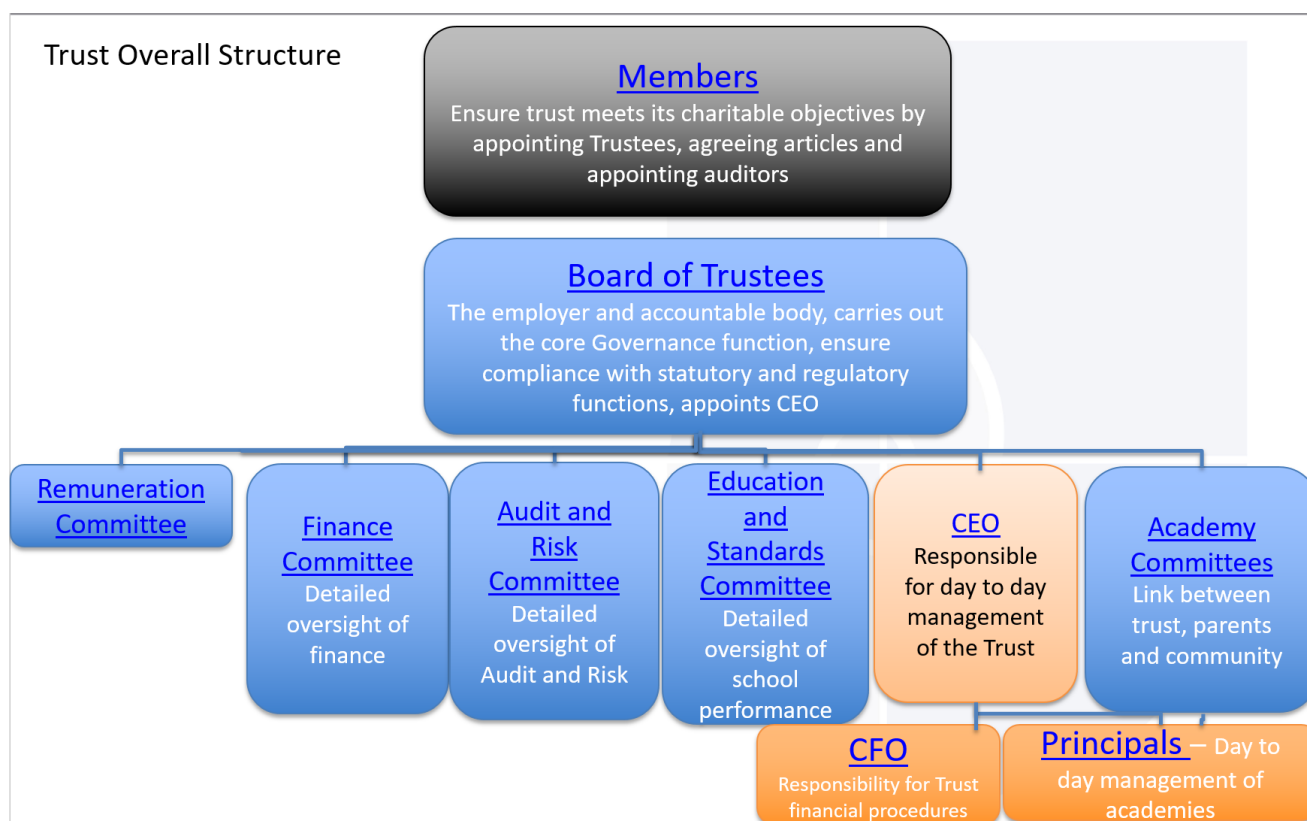
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Policies and Procedures for the Induction and Training of Trustees

As part of the recruitment process, new Trustees have the ability to meet with Members, Trustees and committee members. They are invited to attend a meeting/meetings as an observer and are provided with a Trustee induction pack which includes the Governance arrangements for the Trust, scheme of delegation and key handbooks and policies.

When prospective Trustees are first identified, they meet with the CEO and other members of the Executive team to gain a good understanding of the operation of the business and for executive members to consider whether their skills and knowledge would provide the necessary challenge at Trust level. It is only after this initial meeting that prospective Trustees are then met by the Chair of the Trust followed by Members.

Organisational Structure



The members receive information in a timely manner concerning the Trust's and the underlying Academies activities and their approval will be required on a range of matters concerning general direction of the Trust in accordance with specific delegated powers. If they have concerns that the Trust is not fully complying with its objectives, they do have the ultimate powers to remove Trustees. The Members have the overall power over the Trust and its Governance including the ability to wind it up.

The responsibility to conduct the academy trust's business sits with the Academy Trustees. If, however Trustees are unable, or unwilling to act in the best interests of the academy trust the Members are able to and should consider using the powers available to them. The Board of Trustees establish terms of reference and procedures of sub Committees of the Board and other groups. It receives reports including policies from its Committees for ratification. It monitors the activities of the Committees through the minutes of their meetings and through direct reporting from the elected Chair of each Committee. The Board of Trustees may from time to time establish working groups to perform specific tasks over a limited timescale.

With full oversight of the Members the Trustees are also responsible for adopting an annual development plan and budget, approving the annual statutory accounts, monitoring the Academy Trust by the use of budgets and other data, approving capital expenditure and staff appointments.

**Landau Forte Charitable Trust
Trustees' Report
Year Ended 31 August 2021**

There are 5 Committees of the Board of Trustees as shown in the above diagram.

Each Committee has its own terms of reference detailing the responsibilities discharged to it.

The following decisions are reserved to the full Board of Trustees:

- to consider any proposals for changes to the status or constitution of the Academy Trust and its committee structure;
- to appoint or remove the Chair and / or Vice Chair; and
- to appoint and / or consider the performance management of the Principals and CEO.

The Trustees have devolved the day-to-day management of the Academy Trust to the Executive Leadership Team, which is led by the CEO. The Executive Leadership Team comprises the CEO and the Academy Principals. The Chief Executive is the Academy Trust's Accounting Officer and has overall responsibility for the day-to-day financial management of the Trust. The Executive Leadership implements the policies laid down by the Trustees and reports back to them on these and the Trust's overall performance.

Members Liability

Each member of the Trust undertakes to contribute to the assets of the Trust 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.

Subsidiary Trading Companies

The Trust owns 100% of the issued share capital of LF Enterprises Limited, Landau Forte Enterprises Tamworth Limited, Landau Forte Enterprises Tamworth Sixth Form Limited, and Landau Forte Enterprises QEMS Limited, all companies incorporated in England.

All profits from these subsidiaries are transferred by gift aid to the Trust. Further details of the profit for the year and the assets and liabilities of each subsidiary are given in note 31 of the financial statements.

Arrangements for Setting Pay and Remuneration of Key Management Personnel

FRS102 identifies key management personnel as those persons having authority and responsibility for planning, directing and controlling the activities of a reporting entity, directly or indirectly, including any Director. Landau Forte Charitable Trust considers this to be the Trustees, Chief Executive, Deputy CEO, Academy Principals, Academy Heads of School, and Academy Vice Principals.

Trustees of Landau Forte Charitable Trust receive no remuneration for their role as a Trustee.

Key Management Personnel have their pay and remuneration set by the Trust's Remuneration Committee that meets as a minimum once a year and consists of the Chairman of the Trust and three other Trustees. Pay and remuneration are set considering individual performance during the previous year against individual performance criteria and considers market rates along with affordability for the Trust. Pay and remuneration is set in line with the Trust's pay policy.

Related Parties and Other Connected Charities and Organisations

The Trust owns 100% of the issued share capital of LF Enterprises Limited, Landau Forte Enterprises Tamworth Limited, Landau Forte Enterprises Tamworth Sixth Form Limited, and Landau Forte Enterprises QEMS Limited, all companies incorporated in England. All profits from these subsidiaries are transferred by gift aid to the Trust and the total income received via gift aid donations to the Trust for the year ended 31 August 2021 was £84,000. Further details of the profit for the year and the assets and liabilities of each subsidiary are set out in note 31 of the financial statements.

There are no other related parties, other than the Trust's Members and Directors as listed on page 2 and the details of any transactions with these related parties are detailed in note 29 of the financial statements.

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Year Ended 31 August 2021

Engagement with Employees (including Disabled Persons)

The Academy Trust's policy is to consult and discuss with employees, through unions, staff councils and at meetings, matters likely to affect employees' interests. Information about matters of concern to employees is given through information bulletins, reports and meetings which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the Academy Trust's performance. During employment, the Trust seeks to work with employees, taking into account their personal circumstances, to ensure appropriate training, development and advanced employment opportunities are available to them to reach their full potential.

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment within the Academy Trust continues and that the appropriate training is arranged. It is the Academy Trust's policy that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

Trade Union Facility Time

Under the provisions of the Trade Union (Facility Time Publication Requirements) Regulations 2017, the Trust must include information included in Schedule 2 of the Regulations, which are as follows:

Relevant Union Officials:

| Number of employees who were relevant union officials during the relevant period | Full-time equivalent employee number |
|---|---|
| 2 | 2 |

Percentage of Time Spent on Facility Time:

| Percentage of time | Number of employees |
|---------------------------|----------------------------|
| 0% | 0 |
| 1% - 50% | 2 |
| 51% - 99% | - |
| 100% | - |

Percentage of Pay Bill Spent on Facility Time:

| | |
|---|-------------|
| Provide the cost of facility time | £678 |
| Provide the total pay bill | £17,675,000 |
| Provide the percentage of the total pay bill spend on facility time | 0.004% |

Paid Trade Union Activities:

| | |
|---|------|
| Time spent on paid trade union activities as a percentage of total paid facility time hours | 100% |
|---|------|

Objectives and Activities

The Company's object as stated in its Articles, is specifically restricted to the following: to advance for the public benefit, education in the united Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying or, managing and developing schools (The Academies) offering a broad and balanced curriculum.

Landau Forte Charitable Trust was founded upon delivering a consistent and exceptional quality of learning experience for all pupils with the intention that they would progress to become responsible citizens able to contribute positively to society. Our vision remains always to put young people first in the hope of raising their performance, aspirations and ambition thereby strengthening local communities, generating self-belief, self-esteem and self-confidence through practical steps:

- Providing an exciting learning environment where young people feel safe, happy and valued. We will meet the educational and social needs of all our young people, regardless of ability, ethnic background or disability.

Landau Forte Charitable Trust
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- Assisting our young people to become confident, creative and questioning individuals who are strong leaders and equally effective team players.
- Ensuring our staff are an inspirational, dedicated and well supported team who provide an exceptional teaching experience for our young people.
- Investing in the high quality professional development of all our staff.
- Promoting high standards of achievement and attainment – our young people will be academically well qualified with a breadth of experience that has maximised all their talents and aptitudes.
- Giving our young people access to a challenging, broad and balanced curriculum, including regular and frequent opportunities to participate in high quality extracurricular enrichment experiences.
- Managing resources effectively and efficiently, ensuring value for money.
- Building trusting and informed relationship with parents/ carers and the local community through working in a true partnership.

During 2020/21 in the context of an extremely challenging educational landscape the Trust has pursued its strategic vision despite the pandemic. Building on the operational changes made in the previous year and strengthening Governance and leadership, the Trust has supported the Trust's Academies to improve whilst also developing and providing high quality remote learning provision and access to devices. The strong and focussed leadership and governance structure implemented during 2020/21 has increased the Trust's capacity for support and school improvement ready for the next phase in the Trust's development.

There are four components of the School improvement strategy going forward and these are:

- Increasing the capacity for School Improvement
- Encouraging excellent teaching
- Providing First class support
- Delivering Strong and focussed Governance

Principal Activity

The principal activity is to operate the Trust's Academies consisting of:

| Name | | Date Opened | Age Range | Pupil Admission Number (PAN) |
|--|----------|--------------------|------------------|-------------------------------------|
| Landau Forte College Derby | (LFCD) | Sept 1992 | 11-18 | 1,125 |
| Landau Forte Academy Amington | (LFATA) | Sept 2010 | 11-16 | 960 |
| Landau Forte Academy Tamworth Sixth Form | (LFATSF) | Sept 2011 | 16-18 | 840 |
| Landau Forte Academy QEMS | (LFATQ) | Sept 2011 | 11-16 | 860 |
| Landau Forte Academy Moorhead | (LFADM) | Sept 2012 | 4-11 | 280 |
| Landau Forte Academy Greenacres | (LFATG) | Sept 2013 | 4-11 | 420 |

Landau Forte College Derby (LFCD) was formerly the 14th City Technology College established in the UK and became an Academy for up to 1,125 students in September 2006. Within the period covered by the financial statements all Academies were operational in line with the DfE guidance. LFCD and LFATSF provide a strong A Level curriculum enabling progression for students attending LFCD and LFATSF. At 11-16 level, all of our Academies have a clear focus on core subjects. The curriculum is enriched through inclusion of Arts, Humanities, Physical Education and Sport with a strong emphasis on preparing students for higher education and future employment.

In developing our primary children and preparing them for the challenges and progression into secondary education our primary curriculum has a strong foundation in Mathematics & Numeracy, Literacy, Reading, Writing, Speaking & Listening. Curriculum balance is achieved through Science, the Creative and Performing Arts, Design & Make, Humanities, and Physical Education. All our children are from the very outset encouraged and taught how to develop effective learning habits, develop their skills of leadership, problem solving, team working and how to accept personal responsibility.

**Landau Forte Charitable Trust
Trustees' Report
Year Ended 31 August 2021**

Aims and Objectives

Performance of the Trust against the plans set last year shows that many of the objectives have been achieved. Updates against these areas are provided below:

1. A clear strategic plan is in place and progress has been monitored throughout the year.
2. Whilst LFADM has not yet been removed from Special Measures, the Academy has had three section 8 monitoring visits which were all positive and identify that effective action towards the removal of special measures is being taken.
3. Significant progress has been made across the Trust towards higher standards of education. This can be seen across all academies, but in particular at LFATSF/Q and LFATA where new Principals have addressed the needs of students both through remote learning and classroom practise. At LFATA a successful section 8 inspection confirmed this.
4. Academies have operated effectively during this year, with procedures fully in place and any expenditure outside of budget has been agreed. The budget performance of academies this year has been positive despite the challenging circumstances, which has been achieved as a result of very careful management and rapid action where required.
5. Although the Trust has not secured any additional Academies during the period 2020/21 we will continue seek suitable opportunities, while our present focus remains on rapid improvement within the existing Trust academies.
6. Capital expenditure during this year has been maintained in accordance with strict budgets in line with approved plans which have been fully discussed and approved with Trustees to ensure best value and adherence to our strategic approach. These plans have continued despite the COVID-19 pandemic although some of the works have been delayed due to market pressures and COVID restrictions.

Public Benefit

The Directors confirm that they have given due regard to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Trust's aims and objectives and in planning future activities.

The Trust provides public benefit through the education of children between the ages of 4 and 19 in the Derby and Tamworth areas. The Trust is substantially Government funded and does not charge fees. The Academies are part of the national network of Academies and operate as part of the Landau Forte Charitable Trust the MAT (Multi Academy Trust). The provision of high quality of education improves social mobility through increased knowledge, skills and aspirations. The skills and knowledge learned will prepare students for their future employment which will in turn generate wider public benefit. In addition to government funding any surplus funds are reinvested in the development of the Academy estates and facilities to improve further the educational experience of all students.

As well as the students of our academies, the Trust also provides direct benefit to the wider community through the provision of high quality facilities for use by community groups including, theatre, sports pitches, all weather pitches, fitness equipment, sports halls, and a swimming pool. The Academies also run various community events throughout the year.

Strategic Report

Achievements and Performance

Strategic activities and achievements:

Strategic activities and achievements of the Trust during the year included:

LFCD

LFCD has achieved outstanding results across all subject areas. With the progress 8 results (internal data due to COVID) increasing from +0.71 to +0.89.

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Year Ended 31 August 2021**

The Academic value-added results were lower than the previous year however the applied general value-added score increased from +0.15 to +0.48 and therefore a focus for 2021/22 will be to increase the number of students achieving A* and grades 7-9 at A level.

LFATG

At LFATG despite SATs not taking place, data analysis shows that 60% of children achieved expected results at KS2, although due to the pandemic there are no National comparison tables.

LFATA

From 2019/20 to 2020/21 LFATA have achieved an improved P8 result moving from -0.3 to positive +0.02. In addition to this, following two recent positive Section 8 Ofsted inspections (March 2021 and Sept 2021), the Academy Improvement Plan for 2021-22 is focussed and specifically developed to achieve a Good grading from Ofsted in this academic year. The below targets therefore represent a 'laser sharp' plan and a systematic approach to sustainable academy improvement.

LFATSF and LFATQ

A key area of focus for the Trust during this academic year has been to appoint leadership to drive improvement for both LFATQ and LFATSF.

There has been an increase in attainment and progress measures based on similar ability cohorts across the previous 4 years in the awarded TAG grades. This has improved the gap between the National picture and PP gap.

The results for 2020/21 show a slight dip in P8 with overall going from -0.1 to -0.16, however the percentage of pupils achieving a grade 4+ in English and Maths has improved from 56.2% to 63.8%. In addition to this, at KS5 There has been a general increase in attainment and progress at A Level. This is a similar gap from previous year against national APS (national APS estimated in line with previous year) with a general increase in attainment and progress for Applied General (vocational courses (BTEC's)). All but two subjects achieved a 100% pass rate with the gap between national narrowing.

LFADM

Following a successful Section 8 monitoring visit in May LFADM has been judged to be taking effective action towards the removal of special measures.

LFADM continue to sustain and embed rapid progress in the areas identified for immediate improvement: Early Years, Reading, Maths and Behaviour.

Results for 2020/21 show an improvement in the number of children reaching expected from 49% to 51% at KS2.

Maintaining the drive for continuous improvement:

Across the Trust key areas of focus have been identified for this year and extensive training has taken place during the August 2021 INSET period. Whilst all schools saw improvement in attainment despite continued challenges throughout the pandemic, gaps have been analysed and planning has taken place to ensure that all academy targets are supporting students to achieve improved outcomes during 2021/22.

In addition the Trust has worked extensively on remote learning and supporting students who are learning at home so that blended learning is becoming an essential part of the core delivery.

Increase numbers of roll within the Trust's existing Academies:

LFATA, LFCD and LFATG have seen improved student numbers during 2020/21, although numbers at LFATSF and LFADM have dipped. At LFATSF this is already improving and is likely to improve further during 2021/22 following changes in leadership. At LFADM improved relationships with parents and improved quality of teaching has led to an increase in numbers and this should continue to improve during the current year.

Ensuring all Academies operate within agreed delegated budgets:

The Trust achieved a financial surplus during the 2020/21 academic year that was in line with agreed figures as presented to Trustees. Any deviation from the budget set was due to challenges faced throughout the pandemic.

**Landau Forte Charitable Trust
Trustees' Report
Year Ended 31 August 2021**

Investment in Academy Facilities:

Funding from the Government's Capital Improvement Fund (CIF) has been allocated to the Trust and projects identified for 2020/21 have been organised and confirmed within the grant funding amount.

Academy Performance 2020/21:

Primary Results

The combined results at Key Stage 2 are:

| | National | | Derby City/ Staffordshire | | LFADM | | LFATG | |
|----------------|----------|---------------|------------------------------|---------------|----------|---------------|----------|---------------|
| | Expected | Greater Depth | Expected | Greater Depth | Expected | Greater Depth | Expected | Greater Depth |
| 2020/21 | | | | | 51 | 0 | 60 | 0 |
| 2019/20 | | | | | 49 | 8 | 70 | 10 |
| 2018/19 | 64 | 10 | 60/65 | 8/9 | 27 | 0 | 66 | 12 |

GCSE Results

Summer 2021 saw continued improvement in the results for LFCD. The Progress 8 results across the Trust are:

| | LFCD | LFATA | LFATQ |
|----------------|-------|-------|-------|
| 2020/21 | +0.89 | 0.02 | -0.16 |
| 2019/20 | +0.71 | -0.3 | -0.1 |
| 2018/19 | +0.63 | -0.39 | -0.46 |

National progress is always 0.00. A school's Progress 8 score is usually between -1 and +1. A score of +1 means that pupils in that school achieve one grade higher in each qualification than other similar pupils nationally. A score of -1 means they achieve one grade lower. The average Progress 8 score of all secondary schools nationally is 0.

The percentage of students achieving grade 5 or above in English and Maths are:

| % | National | Derby City | Staffordshire | LFCD | LFATA | LFATQ |
|----------------|----------|------------|---------------|------|-------|-------|
| 2020/21 | | | | 64 | 43 | 39 |
| 2019/20 | | | | 64 | 29 | 32 |
| 2018/19 | 43 | 38 | 36.6 | 59 | 23 | 22 |

2020/21 results are provisional these would normally be finalised in January 2022.

A Level Results

| | LFCD Academic VA | LFATSF Academic VA | National |
|----------------|---------------------|-----------------------|----------|
| 2020/21 | +0.34 | 0.01 | |
| 2019/20 | +0.41 | 0.06 | 0 |
| 2018/19 | +0.23 | -0.4 | 0 |

2020/21 results are provisional, final results will be available in January 2022.

Risks and Challenges faced due to COVID-19

During 2020/21 the Trust has faced numerous challenges as part of the COVID-19 pandemic as many other MATs have. One of the key issues faced during this year has been the continued pressure of both staff and student absence due to isolation or COVID cases. This has meant in some cases that year groups have had to move to remote learning to ensure that consistent and high standard education can be maintained.

Landau Forte Charitable Trust Trustees' Report Year Ended 31 August 2021

As a Trust LFCT Trustees, Members and the Executive Team have met frequently to review risks identified and adapt plans and strategies to ensure that these are in line with the evolving situation. In 2020/21 the Trust put in place robust home learning strategies and developed the long term ICT strategy to support these. The progress against these strategies has been positive and regularly reported on. For 2021/22 the Trust will build on the positive feedback and learning from the current year and develop the ICT strategy further in support of more innovative classroom environments.

Going Concern

The financial statements have been prepared on a going concern basis which the Trustees consider to be appropriate for the following reasons.

The Trust receives funding from the Secretary of State for Education under the Academies Act 2010 in the form of a grant towards the normal running costs and capital expenditure of each of its Academies, based on projected student numbers. The amount of grant funding is determined annually by the Secretary of State. The Trustees have prepared cash flow forecasts for a period of 36 months from the date of approval of these financial statements. After reviewing these forecasts, including the level of grant funding for 2021-22 changes arising from the Covid-19 pandemic and projected student numbers for 2022-23, the trustees are of the opinion that, taking account of severe but plausible downsides, the trust has adequate resources to continue to meet its liabilities over the period of 12 months from the date of approval of the financial statements (the going concern assessment period).

Consequently, the trustees are confident that the trust will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

Fundraising

The Trust raises funds through its trading subsidiaries identified on page 5. Fundraising takes the form of the hiring of Trust premises during the year including sports facilities, theatre spaces, and classroom areas, on occasion these facilities will be supplemented with incidental services such as bar or catering services. All lets are covered by a Hire Agreement; the performance of these fundraising activities are overseen by the Trusts management personal with financial information provided to Trustees.

The Trust has previously been successful in holding additional fundraising events such as discos, balls and fairs. These activities were halted during the pandemic and the Trust is taking a cautious approach to reinstating some of these activities during 2021/22.

All costs of these activities are contained within the subsidiary company's financial statements.

The level of fundraising during the course of the year under review was subject to a negative impact as a result of the COVID-19 pandemic. The variances to this were reported regularly to Trustees and all activity resumed in line with guidance and COVID-secure practise.

The Trustees have acted in the way which they consider, in good faith, promotes the success of the Academy Trust for the benefit of its pupils and their parents, the Department for Education and the Education and Skills Funding Agency as principal funders and regulators, its suppliers and local wider school community as a whole, and in doing so have given regard to (amongst other matters):

Promoting the Success of the Academy Trust and Our Educational Business Relationships and Community

With a highly committed and dedicated workforce, the LFCT takes great pride in listening to what our pupils, parents and local community want and continues to provide the level of education outcomes and results that they have come to expect. The Trust continues to evolve and to adapt to the ever-changing educational environment, leading to the continued increase in the awareness of the Academy Trust's overall activities and educational performance.

As an educational focused charitable organisation, public benefit is also at the heart of all we do. The details in the "Objectives and Activities" and "Achievements and Performance" section of the Trustees' report above provide full details of the impact of our activities and our achievements for the year.

Landau Forte Charitable Trust
Trustees' Report
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With respect to suppliers, the Academy Trust's policy for the payment of suppliers is to agree to terms of payment in advance in line with normal commercial practices and, provided a supplier performs in accordance with the agreement, to abide by such terms.

The Trust is also committed to contributing towards combating the threat of global warming by using energy efficient measures to reduce CO2 emissions throughout its buildings, facilities and operations.

Our stakeholders

In addition to our pupils, parents, suppliers and wider local community, the Trustees also recognise the importance of their relationship with the Department for Education (DfE) and the Education and Skills Funding Agency (ESFA), as principal funders, regulators and stakeholders.

The Trustees are committed to the effective engagement with the DfE and the ESFA (and their representatives) and recognise that its success depends on the Trustees and senior management's ability to engage with them effectively and to work with them constructively, taking into account their guidance and best practice initiatives, whilst also working in line with the specific requirements of the Academy Trust's funding agreement and the Academies Financial Handbook.

Our people

The Academy Trust's key asset is its people. It employs over 600 staff, including agency workers, and it is only through the combined effort of this workforce, together with our supporters and volunteers, that we can change the lives of the children under our care. The Academy Trust encourages the involvement of all employees in decision making processes that impact on them directly and further details on our engagement with our people is detailed in the "Engagement with Employees (including Disabled Persons)" section of the Trustees' report above.

Our Members

The Trustees are committed and openly engage with our Members through active involvement and regular and effective dialogue with them, including an Annual General Meeting. The Members are actively engaged in understanding our strategy and vision for the future, our culture and ethos, our people and our educational performance and standards.

Maintaining a reputation for high standards

The Academy Trust has been in existence for 31 years, and is committed to continual improvement, which it achieves in a number of ways, including improvement planning, review meetings, continual professional development, lesson observations, performance management, self-evaluation, data analysis and action planning. The Academy Trust also continually develops strategies to maintain and grow its pupil base, including looking for new schools and academies to join the Trust, and further improve relationships with our suppliers.

The information in the "Achievements and Performance" section of the Trustees' report above provide full details of our achievements during the year and the standards of educational performance we have achieved for all our stakeholders.

Financial Review

Financial Report for the Year

Most of the Trust's annual income is obtained from the ESFA in the form of recurrent grants, the use of which is restricted for particular purposes. The grants received during the year ended 31 August 2021 and the associated expenditure are shown as restricted general funds in the Statement of Financial Activities. The Trust also receives grants for fixed assets from the ESFA. In accordance with the Charities statement of recommended practice (SORP 2019) such grants are shown in the Statement of Financial Activities as restricted income in a restricted capital fund. The restricted fixed asset fund balance is reduced by annual amortisation charges over the expected useful life of the assets concerned.

Landau Forte Charitable Trust
Trustees' Report
Year Ended 31 August 2021

Of the net reduction in funds of £6,554,000, movements in fixed assets accounted for £2,024,000 whilst the pension reserve showed an increase of £5,659,000. The remaining movement takes into account capital grant funding and the movement in the Trust's revenue reserves.

In 2021, the Directors have been advised by the actuaries of both Local Government Pension Schemes that the provision to fund the non-academic employees' pensions is £18,428,000. Full information regarding this scheme is detailed at note 28. 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.

Investment Policy

The Directors seek to invest surplus funds in a manner designed to obtain the safest possible return and these are invested with reputable investors. Investments are made in line with the investment policy and the Trusts articles.

Reserves Policy

The Trust held fund balances at 31 August 2020 of £36,318,000 consisting of £35,457,000 of restricted funds and £861,000 of unrestricted funds.

The policy of the Directors is to transfer recognised surpluses to reserves for investment in tangible fixed assets in ways designed to assist our tutorial staff to achieve increasing academic standards. The Trust has a number of designated and restricted funds, details of which can be found in note 18 and 19 of the financial statements. The Trust has accumulated restricted capital cash and has detailed plans to spend these monies on future capital projects as part of an outline five-year programme for each Academy that is produced in line with Academy objectives. The five-year programmes form part of an overall Trust strategic plan to ensure capital spend is directed appropriately and in line with ESFA guidance.

Principal Risks and Uncertainties

The principal area of uncertainty for the Trust remains the level of future funding, particularly relating to its pre-16 students. Announcements regarding increased funding for 2021/22 have been made, however the final impact on the funds received remains to be seen.

The Trust's risk management framework specifically identifies and monitors the risks associated with funding levels. Short, medium and long-term financial models are in place with detailed budgeting beginning in January each year. The risks identified by the Trust also include those associated with the uncertainties relating to COVID-19.

Funds held as Custodian Trustee on Behalf of Others

The Academy Trust and its Trustees do not act as Custodian Trustees of any other charity. The Academy does however hold Post 16 Bursary Funds on behalf of the ESFA, which are distributed to students as required and in line with the terms and conditions of the funds.

Landau Forte Charitable Trust
Trustees' Report
Year Ended 31 August 2021

Streamlined Energy and Carbon Reporting

| STREAMLINED ENERGY AND CARBON REPORTING REPORT FOR INCLUSION IN TRUSTEES REPORT | | |
|---|----------------|----------------|
| UK Greenhouse gas emissions and energy use data for the period 1 September 2020 to 31 August 2021 | 2019/20 | 2020/21 |
| Energy consumption used to calculate emissions (kWh) | 6,568,003 | 7,406,539 |
| Energy consumption break down (kWh) (optional): | | |
| • gas | 3,109,283 | 3,894,863 |
| • electricity | 3,420,738 | 3,500,884 |
| • transport fuel | 37,982 | 10,792 |
| Scope 1 emissions in metric tonnes CO ₂ e | | |
| Gas consumption | 571.70 | 718.13 |
| Owned transport – mini-buses | 4.64 | 2.40 |
| Total Scope 1 | 576.34 | 720.53 |
| Scope 2 emissions in metric tonnes CO ₂ e | | |
| Purchased electricity | 797.51 | 743.34 |
| Scope 3 emissions in metric tonnes CO ₂ e | | |
| Business travel in employee owned vehicles | 4.40 | 0.18 |
| Total gross emissions in metric tonnes CO ₂ e | 1378.25 | 1464.05 |
| Intensity ratio Tonnes CO ₂ e per pupil | 0.36 | 0.39 |
| Quantification and reporting methodology | | |
| We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2021 UK Government's Conversion Factors for Company Reporting. | | |
| Intensity measurement | | |
| The chosen intensity measurement ratio is total gross emissions in metric tonnes CO ₂ e per pupil, the recommended ratio for the sector. | | |
| Measures taken to improve energy efficiency | | |
| No specific measures have been taken this year to improve energy efficiency. Energy usage was reduced due to closure of the schools from March 2020 due to COVID-19. More staff have been working at home, which has reduced mileage costs as more remote meetings have taken place. As an organisation we will look to continue to reduce mileage in this way by holding meetings virtually where appropriate. | | |

**Landau Forte Charitable Trust
Trustees' Report
Year Ended 31 August 2021**

Plans for Future Periods

The Trust's strategic activities for the year 2021/22 will be directly linked to the following areas of Trust Strategy:

1. Every pupil makes accelerated progress.
2. Develop our STEAM (Science, Technology, Engineering, the Arts and Mathematics) curriculum to raise aspiration through relevant learning pathways.
3. Strengthen the capacity of the Trust to provide effective intervention for Trust academies facing challenge.
4. Establish Trust growth through the expansion of Trust academies.
5. Continue to develop all centrally provided services in support of all Trust activities.
6. Build on the culture within the organisation and finalise a people strategy to ensure that the Trust reputation as an employer is strengthened and therefore the Trust is able to recruit and retain the highest quality of staff.
7. Build on the capital strategy to inspire learning through investment in classroom environments and technology to support learning.

These are detailed within the Trust strategy and are reported on regularly. The Executive leaders within the Trust are involved in all elements of these activities to ensure strategic alignment.

Auditor

In so far as the trustees are aware:

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

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the Company Directors, on 24 January 2022 and signed on their behalf by:



.....
P Cox
Chair of Trustees

Landau Forte Charitable Trust
Governance Statement
Year Ended 31 August 2021

Scope of Responsibility

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

As Directors, we have reviewed and taken account of the guidance in DfE's Governance Handbook and Competency Framework for Governance.

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

Governance and Management

In the year ending 31 August 2021, all the Trustees were the Directors of the charitable company (hereafter referred to as Trust) for the purpose of the Companies Act 2006 (as well as other Directors elected to the Board) and Trustees for the purposes of the charity legislation. The Trustees and Directors who served during the year and who were in office at the date of the annual report are shown on page 2.

The Board of Directors are responsible for setting general policy with specific powers in accordance with the Scheme of Governance delegated to the Chief Executive Officer / Accounting Officer, Deputy CEO, Local Boards of Governors and the Academy Principals or Heads. The executive of the Trust and of each Academy is held to account through the following framework:

1. The Board of Directors meets formally at least four times per year and receives reports from the Chief Executive and Director of Operations, the LF Executive group established in 2019/20 also meets at least three times a year with reports from all Executive leaders.
2. The Trust's Financial and General Purposes (F&GP) Committee receives monthly management accounts for all Academies, meets formally four times per year to monitor financial and general management performance, and inform decision making about the future direction of the organisation and capital expenditure.
3. The Trust's Audit Committee meets formally four times per year to monitor the Trust's risk management and control environment. As with the F&GP Committee, the Audit Committee reports directly to the Board of Directors.
4. Each of the Trust's Academies has its own Local Governing Body (LGB) with the Chair of these bodies appointed by the Board of Directors. These LGBs meet formally at least four times a year. Each LGB is responsible for adopting an annual development plan and annual budget, in line with the Trust's Scheme of Delegation, the latter also being agreed with the Board of Directors. The LGBs monitor the performance of their respective Academy by the use of monthly financial information along with four reports throughout the year from the Chief Executive, Academy Principal/Head and the Deputy CEO
5. The Landau Forte College Derby Governing Body also operates an Education Sub Committee which meets formally four times per year. This Committee is specifically focussed on the educational outcomes and the quality of teaching at the College.

As a result of COVID-19 Trust meetings were held virtually, which has had a positive impact and enabled Trustees and Governors to continue to provide challenge, monitor and stay informed.

The Charitable Trust Executive consists of the Chief Executive and the Deputy CEO. Each Academy also has a Principal / Head who, together with the Trust Executive team, is responsible for the overall executive leadership and management of the Trust's Academies and the implementation of policy as laid down by the Board of Directors. Each Academy has an internal Executive team and a broader Senior Leadership Team which are responsible for all operational matters relating to curriculum, teaching, learning, student attainment, achievement, broader development and welfare.

Landau Forte Charitable Trust
Governance Statement
Year Ended 31 August 2021

During the year the Board of Directors met formally 4 times. Attendance during the year at meetings of the Board of Directors was as follows:

| Trustee | Meetings Attended | Out of a Possible |
|------------------------|--------------------------|--------------------------|
| M R Landau (President) | 4 | 4 |
| T M Bell | 3 | 4 |
| S Caplan | 4 | 4 |
| P Cox (Chairman) | 4 | 4 |
| K Doble | 2 | 2 |
| T Ousley | 2 | 2 |
| B Turnbull | 2 | 4 |
| R Forte | 1 | 4 |
| J Kirkland | 0 | 4 |
| A Polizzi | 1 | 4 |
| O Polizzi | 3 | 4 |
| S Shooter | 2 | 4 |
| D Shore | 4 | 4 |
| L Monk | 0 | 1 |
| L Williamson | 1 | 1 |
| J Ward | 1 | 1 |

In addition to these the Trust Finance and General Purposes, and the Audit sub-Committees held a minimum of 4 meetings each. Although the Board of Directors met less than six times during the year, they have maintained effective financial oversight and governance of the Trust through the formal work undertaken by the Finance and General Purposes and the Audit sub-Committees. Attendance during the year at these meetings was as follows:

| F&GP Committee Member | Meetings Attended | Out of a Possible |
|----------------------------------|--------------------------|--------------------------|
| S Caplan (Chairman) | 1 | 1 |
| P Cox | 2 | 2 |
| J Ward | 4 | 4 |
| M Landau | 3 | 4 |
| T Ousley | 3 | 3 |
| K Doble | 3 | 3 |
| T M Bell | 1 | 3 |

| Audit Committee Member | Meetings Attended | Out of a Possible |
|-------------------------------|--------------------------|--------------------------|
| J Ward (Chairman) | 4 | 4 |
| S Caplan | 1 | 1 |
| P Cox | 2 | 2 |
| T Ousley | 3 | 3 |
| K Double | 3 | 3 |
| T M Bell | 0 | 3 |

The Local Governing Bodies for the Academies each held 4 formal meetings. On an individual basis, a number of the Directors attended the Academies. Details of the attendance to these meetings can be found on the Academy websites.

The induction provided for new Directors and Local Governors depends on their existing experience, but may include meetings with the Chairman, Chief Executive, Academy Principals other Trustees, Directors or Governors and a tour of the Academies to meet staff and students supported by a documented induction pack of information and guidance.

On the 12 July 2021 the Trust held an Annual General Meeting for all Directors, Members, members of the LGBs and the Academy Executive Leadership Teams.

Landau Forte Charitable Trust
Governance Statement
Year Ended 31 August 2021

Review of Value for Money

As Accounting Officer the Chief Executive Officer 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 Directors where value for money can be improved, including the use of benchmarking data where appropriate. The Accounting Officer for the Academy Trust has delivered improved value for money during the year by:

- (i) Progressing with the re shaping of central services to ensure effective and efficient provision that has also delivered cost savings.
- (ii) Implemented supportive coaching across the academies to achieve highest expectations in the classroom
- (iii) Improving academic results across the Trust whilst reducing expenditure in key areas.
- (iv) Reduced use of supply staff across the Trust.

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of the Trust's 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 Landau Forte Charitable Trust for the year ended 31 August 2021 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The Board of Directors have 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 Directors are of the view that there is a formal on-going process for identifying, evaluating and managing the Trust's significant risks that has been in place for the year ended 31 August 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Directors.

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 Directors;
- regular reviews by the Finance and General Purpose Committees 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.

Landau Forte Charitable Trust
Governance Statement
Year Ended 31 August 2021

The Directors have appointed an Audit Committee to provide oversight of the Trust's financial control systems. The Audit Committee's role includes giving advice on financial matters and ensuring a range of checks on the Academy's financial systems and controls are undertaken. The Audit Committee reports to the Board of Directors on a quarterly basis.

During the year ended 31 August 2021, the Board of Directors, through the Audit Committee, appointed Academy Advisory Limited as internal auditor. The internal auditor's role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial and other systems. In particular, the checks carried out in the current year covered a review of the implementation of the external auditors internal control recommendations from the prior year.

On an annual basis, the internal 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 and annually prepares an annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

The internal auditor has delivered their program of work during the year ended 31 August 2021 as planned and no significant internal control weaknesses were identified from the work completed, although the executive team continue to implement the recommendations set out by the external auditors in the prior year.

As a result of the COVID-19 pandemic the Trust has identified risks due to changing guidance, support for families and additional provision. These risks have been discussed both at Trust meetings and at additional emergency meetings to ensure that the risks are fully understood and steps to mitigate have been taken.

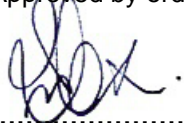
Review of effectiveness

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

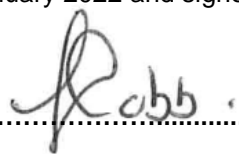
- the work of the Audit Committee;
- the work of the external auditor;
- the financial management and governance self-assessment process; and
- the work of the executive managers within the Trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the Board of Trustees on 24 January 2022 and signed on its behalf by:



P Cox
Chair of Trustees



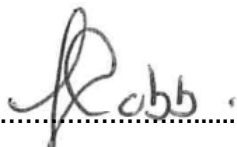
S Findlay-Cobb
Accounting Officer

Landau Forte Charitable Trust
Statement on Regularity, Propriety and Compliance
Year Ended 31 August 2021

As Accounting Officer of the Landau Forte Charitable Trust I have considered my responsibility to notify the Academy Trust's Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA terms and conditions of all funding received by the Academy Trust, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration, I have had due regard to the requirements of the Academies Financial Handbook 2020.

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

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

A handwritten signature in dark ink, appearing to read 'S Findlay-Cobb', is positioned above a horizontal dotted line.

S Findlay-Cobb
Accounting Officer

24 January 2022

Landau Forte Charitable Trust
Statement of Trustees' Responsibilities
Year Ended 31 August 2021

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

Company law requires the trustees to prepare financial statements for each financial 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 in the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the Board of Trustees on 24 January 2022 and signed on its behalf by:



.....
P Cox
Chair of Trustees

Landau Forte Charitable Trust
Independent Auditor's Report to the Members of Landau Forte Charitable Trust
Year Ended 31 August 2021

Opinion

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

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

Landau Forte Charitable Trust
Independent Auditor's Report to the Members of Landau Forte Charitable Trust
Year Ended 31 August 2021

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, incorporating the Strategic Report and the Directors' Report, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- 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 Group and the parent Academy Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report incorporating the Strategic Report and the Directors' Report.

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

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

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement set out on page 21, the Trustees (who are also the directors of the parent Academy Trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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.

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

Our assessment focussed on key laws and regulations the Group and the parent Academy Trust has to comply with and areas of the financial statements we assessed as being more susceptible to misstatement. These key laws and regulations included but were not limited to compliance with the Companies Act 2006, Charities Act 2011, the Academies Financial Handbook 2020, the Academies Accounts Direction 2020 to 2021, taxation legislation, data protection, anti-bribery and employment legislation.

We are not responsible for preventing irregularities, including fraud. Our approach to detecting irregularities, including fraud, included, but was not limited to, the following:

Landau Forte Charitable Trust
Independent Auditor's Report to the Members of Landau Forte Charitable Trust
Year Ended 31 August 2021

- obtaining an understanding of the legal and regulatory framework applicable to the Group and the parent Academy Trust and how the Group and the parent Academy Trust is complying with that framework, including agreement of financial statement disclosures to underlying documentation and other evidence;
- obtaining an understanding of the Group and the parent Academy Trust's control environment and how the Group and parent the Academy Trust has applied relevant control procedures, through discussions with Trustees and other management and by reviewing the reports on the internal scrutiny work commissioned by the trust in relation to the year and by performing walkthrough testing over key areas;
- obtaining an understanding of the Group and the parent Academy Trust's risk assessment process, including the risk of fraud;
- reviewing meeting minutes of those charged with governance throughout the year; and
- performing audit testing to address the risk of management override of controls, including testing journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

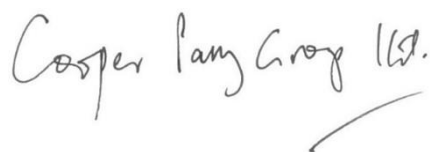
Whilst considering how our audit work addressed the detection of irregularities, we also considered the likelihood of detection of fraud based on our approach. Irregularities arising from fraud are inherently more difficult to detect than those arising from error.

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

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.

Use of our report

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



Simon Atkins FCA (Senior statutory auditor)

for and on behalf of

Cooper Parry Group Limited
Chartered Accountants
Statutory Auditor
Sky View
Argosy Road
East Midlands Airport
Castle Donington
Derby
DE74 2SA

24 January 2022

Landau Forte Charitable Trust
Independent Reporting Accountant's Assurance Report on Regularity to Landau Forte Charitable Trust and the Education & Skills Funding Agency
Year Ended 31 August 2021

In accordance with the terms of our engagement letter dated 2 August 2021 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by the Landau Forte Charitable Trust during the year 1 September 2020 to 31 August 2021 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of the Landau Forte Charitable Trust's Accounting Officer and the Reporting Accountant

The Accounting Officer is responsible, under the requirements of the Landau Forte Charitable Trust's funding agreement with the Secretary of State for Education dated 16 August 2013 and the Academies Financial Handbook, extant from 1 September 2020, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

We conducted our engagement in accordance with the Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter. The objective of a limited assurance engagement is to perform such procedures as to obtain information and explanations in order to provide us with sufficient appropriate evidence to express a negative conclusion on regularity. A limited assurance engagement is more limited in scope than a reasonable assurance engagement and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express a positive opinion.

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

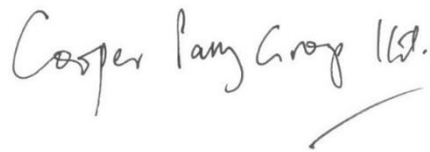
The work undertaken to draw our conclusions included:

- Reviewing the internal control policies and procedures implemented by the Academy Trust and evaluating their design and effectiveness to understand how the Academy Trust has complied with the framework of authorities, including reviewing the reports on the internal scrutiny work commissioned by the trust in relation to the year.
- Reviewing the minutes of meetings of the Trustees, relevant sub-committees and other evidence made available to us, relevant to our consideration of regularity;
- Enquiries of the Accounting Officer, including reviewing the work undertaken by the Accounting Officer in relation to their Statement on Regularity, Propriety and Compliance; and
- Detailed testing of the income and expenditure of the Academy Trust based on our assessment of the risk of material irregularity, impropriety and non-compliance. This work was integrated with our audit of the financial statements where appropriate and included analytical review and detailed substantive testing of transactions.

Landau Forte Charitable Trust
Independent Reporting Accountant's Assurance Report on Regularity to Landau Forte Charitable
Trust and the Education & Skills Funding Agency
Year Ended 31 August 2021

Conclusion

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



Reporting Accountant

Cooper Parry Group Limited
Chartered Accountants
Statutory Auditor
Sky View
Argosy Road
East Midlands Airport
Castle Donington
Derby
DE74 2SA

24 January 2022

Landau Forte Charitable Trust
Consolidated Statement of Financial Activities (including Income and Expenditure Account)
Year Ended 31 August 2021

| | Note | Unrestricted Funds £000 | Restricted General Funds £000 | Restricted Fixed Asset Funds £000 | Total 2021 £000 | Total 2020 £000 |
|---|--------|-------------------------------|--|--|--------------------------------|--------------------------------|
| Income and endowments from: | | | | | | |
| Donations and capital grants | 3 | - | - | 1,568 | 1,568 | 186 |
| Charitable activities: | | | | | | |
| Funding for the academy trust's educational operations | 4 | 1,191 | 22,544 | - | 23,735 | 23,050 |
| Other trading activities | 5 | 500 | - | - | 500 | 472 |
| Investments | 6 | 36 | - | - | 36 | (7) |
| Total | | 1,727 | 22,544 | 1,568 | 25,839 | 23,701 |
| Expenditure on: | | | | | | |
| Raising funds | 7 | 416 | - | - | 416 | 300 |
| Charitable activities: | | | | | | |
| Academy trust's educational operations | 7, 9 | - | 25,135 | 2,627 | 27,762 | 26,762 |
| Total | | 416 | 25,135 | 2,627 | 28,178 | 27,062 |
| Net income / (expenditure) | | 1,311 | (2,591) | (1,059) | (2,339) | (3,361) |
| Transfers between funds | 18 | (1,141) | 1,141 | - | - | - |
| Other recognised gains / (losses) | | | | | | |
| Actuarial (losses) / gains on defined benefit pension schemes | 18, 28 | - | (4,215) | - | (4,215) | (229) |
| Net movement in funds | | 170 | (5,665) | (1,059) | (6,554) | (3,590) |
| Reconciliation of funds: | | | | | | |
| Total funds brought forward | 18 | 691 | (12,723) | 54,904 | 42,872 | 46,462 |
| Total funds carried forward | 18 | 861 | (18,388) | 53,845 | 36,318 | 42,872 |

All income and expenditure derive from continuing activities.

The statement of financial activities includes all gains and losses recognised during the year.

The notes on pages 31 to 52 form part of these financial statements.

Landau Forte Charitable Trust
Consolidated Balance Sheet
Year Ended 31 August 2021

| | Notes | 2021 £000 | 2021 £000 | 2020 £000 | 2020 £000 |
|---|-------|-----------------|-----------------|-----------------|-----------------|
| Fixed assets | | | | | |
| Tangible assets | 13 | | 53,114 | | 55,138 |
| Current assets | | | | | |
| Stocks | 14 | 59 | | 57 | |
| Debtors | 15 | 1,165 | | 1,339 | |
| Cash at bank and in hand | | 2,913 | | 2,253 | |
| | | <u>4,137</u> | | <u>3,649</u> | |
| Liabilities | | | | | |
| Creditors: Amounts falling due within one year | 16 | <u>(2,242)</u> | | <u>(2,821)</u> | |
| Net current assets | | | <u>1,895</u> | | <u>828</u> |
| Total assets less current liabilities | | | 55,009 | | 55,966 |
| Creditors: Amounts falling due after more than one year | 17 | | (263) | | (325) |
| Net assets excluding pension liability | | | <u>54,746</u> | | <u>55,641</u> |
| Defined benefit pension scheme liability | 28 | | <u>(18,428)</u> | | <u>(12,769)</u> |
| Net assets including pension liability | | | <u>36,318</u> | | <u>42,872</u> |
| Funds of the academy trust: | | | | | |
| Restricted funds | | | | | |
| Fixed asset fund | 18 | 53,845 | | 54,904 | |
| Restricted income fund | 18 | 40 | | 46 | |
| Pension reserve | 18 | <u>(18,428)</u> | | <u>(12,769)</u> | |
| Total restricted funds | | | 35,457 | | 42,181 |
| Unrestricted income funds | 18 | | <u>861</u> | | <u>691</u> |
| Total funds | | | <u>36,318</u> | | <u>42,872</u> |

The financial statements on pages 27 to 52 were approved by the trustees, and authorised for issue on 24 January 2022 and are signed on their behalf by:



P Cox
Chair of Trustees

Registered Number: 02387916

The notes on pages 31 to 52 form part of these financial statements.

**Landau Forte Charitable Trust
Academy Trust Balance Sheet
Year Ended 31 August 2021**

| | Notes | 2021 £000 | 2021 £000 | 2020 £000 | 2020 £000 |
|---|-------|-----------------|---------------|-----------------|---------------|
| Fixed assets | | | | | |
| Tangible assets | 13 | | 53,114 | | 55,138 |
| Investments | 31 | | - | | - |
| | | | <u>53,114</u> | | <u>55,138</u> |
| Current assets | | | | | |
| Stocks | 14 | 58 | | 56 | |
| Debtors | 15 | 2,502 | | 1,592 | |
| Cash at bank and in hand | | <u>1,441</u> | | <u>1,763</u> | |
| | | 4,001 | | 3,411 | |
| Liabilities | | | | | |
| Creditors: Amounts falling due within one year | 16 | <u>(2,106)</u> | | <u>(2,583)</u> | |
| Net current assets | | | <u>1,895</u> | | <u>828</u> |
| Total assets less current liabilities | | | 55,009 | | 55,966 |
| Creditors: Amounts falling due after more than one year | 17 | | (263) | | (325) |
| Net assets excluding pension liability | | | <u>54,746</u> | | <u>55,641</u> |
| Defined benefit pension scheme liability | 28 | | (18,428) | | (12,769) |
| Net assets including pension liability | | | <u>36,318</u> | | <u>42,872</u> |
| Funds of the academy trust: | | | | | |
| Restricted funds | | | | | |
| Fixed asset fund | 18 | 53,845 | | 54,904 | |
| Restricted income fund | 18 | 40 | | 46 | |
| Pension reserve | 18 | <u>(18,428)</u> | | <u>(12,769)</u> | |
| Total restricted funds | | | 35,457 | | 42,181 |
| Unrestricted income funds | 18 | | <u>861</u> | | <u>691</u> |
| Total funds | | | <u>36,318</u> | | <u>42,872</u> |

The financial statements on pages 27 to 52 were approved by the trustees, and authorised for issue on 24 January 2022 and are signed on their behalf by:



P Cox
Chair of Trustees

Registered Number: 02387916

The notes on pages 31 to 52 form part of these financial statements.

Landau Forte Charitable Trust
Consolidated Statement of Cash Flows
Year Ended 31 August 2021

| | Notes | 2021 £000 | 2020 £000 |
|--|-------|----------------------------|--------------|
| Cash flows from operating activities | | | |
| Net cash provided by / (used in) operating activities | 22 | (273) | 906 |
| Cash flows from investing activities | 24 | 1,001 | 100 |
| Cash flows from financing activities | 23 | (68) | (75) |
| Change in cash and cash equivalents in the reporting period | | <hr/> 660 | <hr/> 931 |
| Cash and cash equivalents at 1 September 2020 | 25 | 2,253 | 1,322 |
| Cash and cash equivalents at 31 August 2021 | 25 | <hr/> 2,913 | <hr/> 2,253 |
| | | <hr/> | <hr/> |

The notes on pages 31 to 52 form part of these financial statements.

Landau Forte Charitable Trust
Notes to the Financial Statements
Year Ended 31 August 2021

1 Accounting policies

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

General information and basis of preparation of the financial statements

The Landau Forte Charitable Trust is a company limited by guarantee incorporated in England. The address of the registered office and principal place of business is given in the Reference and Administrative Details given on page 2 of these financial statements. The nature of the academy trusts operations and principal activities are set out in the Trustees' Report on page 2.

The financial statements of the group, 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) 2019), the Academies Accounts Direction 2020 to 2021 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

The consolidated statement of financial activities (SOFA) and consolidated balance sheet consolidate the financial statements of the academy trust and its subsidiary undertakings. The results of the subsidiary undertakings are consolidated on a line by line basis.

The academy trust has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own statement of financial activities in these financial statements.

Reclassification of comparative information

Certain comparative amounts of income, expenditure, debtors and creditors for the prior year have been reclassified for consistency with the current year's classification and presentation within the financial statements. These reclassifications had no effect on the reported results of activities nor the overall net funds position for the prior year.

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

Income

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

- **Grants receivable**

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

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

1 Accounting policies (continued)

Income (continued)

- **Sponsorship income**

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

- **Donations**

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

- **Other income**

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

- **Donated goods, facilities and services**

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

- **Donated fixed assets** (excluding Transfers on conversion/into the academy trust)

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

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 raising funds**

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

Landau Forte Charitable Trust
Notes to the Financial Statements
Year Ended 31 August 2021

1 Accounting policies (continued)

Tangible fixed assets

Assets costing £5,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

| | |
|-------------------------|---|
| Freehold land | Not depreciated |
| Freehold buildings | 2% straight line |
| Leasehold buildings | 2.4% to 50% straight line based on the useful economic life of the separate identifiable assets |
| Furniture and equipment | 25% straight line |
| Computer equipment | 100% in the year of acquisition |

Freehold and leasehold buildings are held at deemed cost. All such assets were given a full valuation on 31 August 2013 on the basis of depreciated replacement cost (DRC), by Ben Glover, a registered member of the Royal Institute of Chartered Surveyors for Pulse Associates, who are independent of the academy trust. As a first-time adopter of FRS102, the academy trust used these fair values as its deemed cost at 1 September 2014 in accordance with FRS102 paragraph 35.10(c) and has ceased to revalue its property on an ongoing basis thereafter.

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

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

Investments

The academy trust's shareholding in its wholly owned subsidiary companies, LF Enterprises Limited, Landau Forte Enterprises Tamworth Limited, Landau Forte Enterprises Tamworth Sixth Form Limited and Landau Forte Enterprises QEMS Limited, is included in the balance sheet at the cost of the share capital owned less any impairment. There is no readily available market value and the cost of valuation exceeds the benefit derived.

Stocks

Unsold uniforms and catering stocks are valued at the lower of cost or net realisable value.

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

Liabilities

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

Landau Forte Charitable Trust
Notes to the Financial Statements
Year Ended 31 August 2021

1 Accounting policies (continued)

Provisions

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

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

Financial instruments

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

Financial assets – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 15. Prepayments are not financial instruments. Amounts due to the charity's wholly owned subsidiary undertakings are held at face value less any impairment.

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

Financial liabilities – trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 16 and 17. 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. Amounts due to charity's wholly owned subsidiary undertakings are held at face value less any impairment.

Agency arrangements

The academy trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the trust does not have control over the charitable application of the funds. The trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the statement of financial activities. The funds received and paid and any balances held are disclosed in note 30.

Fund Accounting

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

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

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

Taxation

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

Accordingly, the academy trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by Part 11, Chapter 3 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1 Accounting policies (continued)

Pensions Benefits

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

The TPS is an unfunded scheme and contributions are calculated to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary based on quadrennial valuations using a prospective unit credit method. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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

2 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 28, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Tangible fixed assets are depreciated over their economic useful lives taking into account residual values where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors.

Critical areas of judgement

The classification of expenditure between restricted and unrestricted funds is considered as a critical area of judgement as certain expenditure can be applied to both funds. Where this is the case and the amounts in question are considered material the expenditure is apportioned to both funding streams on an appropriate basis

Landau Forte Charitable Trust
Notes to the Financial Statements
Year Ended 31 August 2021

3 Donations and capital grants

| | Unrestricted Funds £000 | Restricted Funds £000 | Total 2021 £000 | Total 2020 £000 |
|----------------|--|--------------------------------------|--------------------------------|--------------------------------|
| Capital grants | - | - | 1,568 | 186 |
| | <u>-</u> | <u>-</u> | <u>1,568</u> | <u>186</u> |
| Total 2020 | <u>-</u> | <u>186</u> | <u>186</u> | |

4 Funding for academy trust's educational operations

| | Unrestricted Funds £000 | Restricted Funds £000 | Total 2021 £000 | Total 2020* £000 |
|---|--|--------------------------------------|--------------------------------|---------------------------------|
| DfE/ESFA grants | | | | |
| General Annual Grant (GAG) | - | 19,316 | 19,316 | 19,000 |
| Other DfE / ESFA grants: | | | | |
| Pupil Premium | - | 1,027 | 1,027 | 955 |
| Teacher pay and pension grants | | 964 | 964 | 962 |
| Other DfE / ESFA grants | - | 509 | 509 | 489 |
| | <u>-</u> | <u>21,816</u> | <u>21,816</u> | <u>21,406</u> |
| Other Government grants | | | | |
| Local Authority grants | - | 358 | 358 | 333 |
| | <u>-</u> | <u>358</u> | <u>358</u> | <u>333</u> |
| COVID-19 additional funding (DfE / ESFA) | | | | |
| COVID catch-up premium | - | 256 | 256 | - |
| | <u>-</u> | <u>256</u> | <u>256</u> | <u>-</u> |
| Other COVID-19 additional funding | | | | |
| COVID Mass testing grants | - | 114 | 114 | - |
| | <u>-</u> | <u>114</u> | <u>114</u> | <u>-</u> |
| Other income | | | | |
| Catering | 833 | - | 833 | 894 |
| Other | 358 | - | 358 | 417 |
| | <u>1,191</u> | <u>-</u> | <u>1,191</u> | <u>1,311</u> |
| | <u>1,191</u> | <u>22,544</u> | <u>23,735</u> | <u>23,050</u> |
| Total 2020 | <u>1,311</u> | <u>21,739</u> | <u>23,050</u> | |

Following the reclassification in the Academies Accounts Direction 2020/21 of some grants received from the Department of Education and the ESFA, the academy trust's funding for various grants previously aggregated together as Other DfE/ESFA grants are now reported as separate grants under the heading of Other DfE/ESFA grants above. The prior year comparatives have been reclassified accordingly.

The academy trust received £256,000 of funding for COVID catch-up premium and costs incurred in respect of this funding totalled £256,000.

Landau Forte Charitable Trust
Notes to the Financial Statements
Year Ended 31 August 2021

5 Other trading activities

| | Unrestricted Funds £000 | Restricted Funds £000 | Total 2021 £000 | Total 2020 £000 |
|--------------------------------|--|--------------------------------------|--------------------------------|--------------------------------|
| Income from trading activities | 500 | - | 500 | 472 |
| | <u>500</u> | <u>-</u> | <u>500</u> | <u>472</u> |
| Total 2020 | <u>472</u> | <u>-</u> | <u>472</u> | |

The academy trust's subsidiary companies furloughed some of its staff under the government's Coronavirus Job Retention Scheme. The funding received of £18,000 relates to staff costs in respect of the staff furloughed which are included within direct costs from expenditure on raising funds in note 7 below.

6 Investment income

| | Unrestricted Funds £000 | Restricted Funds £000 | Total 2021 £000 | Total 2020 £000 |
|---------------|--|--------------------------------------|--------------------------------|--------------------------------|
| Bank interest | 36 | - | 36 | (7) |
| | <u>36</u> | <u>-</u> | <u>36</u> | <u>(7)</u> |
| Total 2020 | <u>(7)</u> | <u>-</u> | <u>(7)</u> | |

7 Expenditure

| | Staff Costs £000 | Non Pay Expenditure Premises £000 | Other Costs £000 | Total 2021 £000 | Total 2020 £000 |
|--|---------------------------------|--|---------------------------------|--------------------------------|--------------------------------|
| Expenditure on raising funds | | | | | |
| Direct costs | - | - | 303 | 303 | 189 |
| Allocated support costs | - | - | 113 | 113 | 111 |
| Academy trust's educational operations | | | | | |
| Direct costs | 15,231 | - | 1,399 | 16,630 | 15,628 |
| Allocated support costs | 5,199 | 1,312 | 4,621 | 11,132 | 11,134 |
| | <u>20,430</u> | <u>1,312</u> | <u>6,436</u> | <u>28,178</u> | <u>27,062</u> |
| Total 2020 | <u>19,475</u> | <u>1,398</u> | <u>6,189</u> | <u>27,062</u> | |

Net (income) / expenditure for the year includes:

| | 2021 £000 | 2020 £000 |
|---|----------------------|----------------------|
| Operating lease rentals | - | - |
| Depreciation | 2,627 | 2,321 |
| (Gain)/loss on disposal of fixed assets | - | 30 |
| Fees payable to the auditor for: | | |
| Audit services | 25 | 61 |
| Other non-audit services | <u>10</u> | <u>21</u> |

Landau Forte Charitable Trust
Notes to the Financial Statements
Year Ended 31 August 2021

8 Charitable activities

| | Total 2021 £000 | Total 2020 £000 |
|---|--------------------------------|--------------------------------|
| Direct costs – educational operations | 16,630 | 15,628 |
| Support costs – educational operations | 11,132 | 11,134 |
| | 27,762 | 26,762 |

| Analysis of direct costs | Educational operations £000 | Total 2021 £000 | Total 2020 £000 |
|--|--|--------------------------------|--------------------------------|
| Teaching and educational support staff costs | 15,231 | 15,231 | 14,291 |
| Educational resources | 781 | 781 | 631 |
| Exam fees | 257 | 257 | 339 |
| Other direct costs | 361 | 361 | 367 |
| Total direct costs | 16,630 | 16,630 | 15,628 |

| Analysis of support costs | Educational operations £000 | Total 2021 £000 | Total 2020 £000 |
|----------------------------------|--|--------------------------------|--------------------------------|
| Support staff costs | 5,195 | 5,195 | 5,181 |
| Depreciation | 2,627 | 2,627 | 2,321 |
| Technology costs | 347 | 347 | 383 |
| Premises costs | 1,312 | 1,312 | 1,398 |
| Legal costs – other | 35 | 35 | 83 |
| Catering | 913 | 913 | 905 |
| Other support costs | 654 | 654 | 689 |
| Governance costs | 49 | 49 | 174 |
| Total support costs | 11,132 | 11,132 | 11,134 |

9 Central services

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

- Educational support services;
- ICT services;
- Finance services;
- HR services;
- Marketing;
- Project management;
- Legal services; and
- Other services and support as required.

The academy trust charges for these services on the basis of a flat percentage of 6.61% (2020: 6.14%) of budgeted income.

Landau Forte Charitable Trust
Notes to the Financial Statements
Year Ended 31 August 2021

9 Central services (continued)

The actual amounts charged during the year were as follows:

| | 2021 £000 | 2020 £000 |
|--|----------------------|----------------------|
| Landau Forte College Derby | 400 | 370 |
| Landau Forte Academy Amington | 312 | 284 |
| Landau Forte Academy Tamworth Sixth Form | 136 | 159 |
| Landau Forte Academy QEMS | 263 | 224 |
| Landau Forte Academy Moorhead | 72 | 69 |
| Landau Forte Academy Greenacres | 94 | 86 |
| | 1,277 | 1,192 |

10 Staff

(a) Staff costs

Staff costs during the period were:

| | 2021 £000 | 2020 £000 |
|-------------------------------------|----------------------|----------------------|
| Wages and salaries | 14,392 | 13,684 |
| Social security costs | 1,310 | 1,226 |
| Pension costs | 4,471 | 4,326 |
| | 20,173 | 19,236 |
| Other staff costs | 115 | 119 |
| Staff restructuring costs | 142 | 120 |
| | 20,430 | 19,475 |
| Staff restructuring costs comprise: | | |
| Redundancy payments | 47 | 2 |
| Severance payments | 95 | 118 |
| | 142 | 120 |

(b) Non-statutory / non-contractual staff severance payments

Included in staff restructuring costs are non-statutory / non-contractual severance payments totalling £47,246 (2020: £42,855). Individually, the payments were £12,630, £10,791, £9,240, £9,198, £3,387 and £2,000 (2020: £15,500, £12,192, £10,425 and £4,738).

(c) Staff numbers

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

| | 2021 | 2020 |
|----------------------------|-------------|-------------|
| Teachers | 234 | 220 |
| Administration and support | 306 | 309 |
| Management | 17 | 22 |
| | 557 | 551 |

10 Staff (continued)

(d) Higher paid staff

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

| | 2021 No. | 2020 No. |
|---------------------|---------------------|---------------------|
| £60,001 - £70,000 | 4 | 5 |
| £70,001 - £80,000 | 5 | 1 |
| £80,001 - £90,000 | 1 | 1 |
| £90,001 - £100,000 | - | - |
| £100,001 - £110,000 | - | - |
| £110,001 - £120,000 | 1 | 1 |
| £140,001 - £150,000 | - | - |
| £170,001 - £180,000 | 1 | 1 |

(e) Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 2. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £928,000 (2020: £806,000).

11 Related party transactions - Trustees' remuneration and expenses

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

S Findlay-Cobb, Chief Executive Officer

| | |
|----------------------------------|---|
| Remuneration | £175,001 - £180,000 (2020: £170,001 - £175,000) |
| Employers' pension contributions | £40,001 - £45,000 (2020: £40,001 - £45,000) |

During the year ended 31 August 2021, travel and subsistence expenses totalling £337 were reimbursed or paid directly to trustees (2020: £3,722).

Other related party transactions involving the trustees are set out in note 29.

12 Trustees' and officers' insurance

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

Landau Forte Charitable Trust
Notes to the Financial Statements
Year Ended 31 August 2021

13 Tangible fixed assets

| Group and Trust | Freehold Land £000 | Freehold Buildings £000 | Leasehold Land and Buildings £000 | Assets Under Construct'n £000 | Furniture and Equipment £000 | Computer Equipment £000 | Total £000 |
|------------------------|-----------------------------------|--|--|--|---|--|-----------------------|
| Cost | | | | | | | |
| At 1 September 2020 | 1,165 | 23,458 | 46,621 | - | 7,630 | 5,373 | 84,247 |
| Additions | - | - | - | - | 269 | 334 | 603 |
| Disposals | - | - | - | - | - | - | - |
| At 31 August 2021 | 1,165 | 23,458 | 46,621 | - | 7,899 | 5,707 | 84,850 |
| Depreciation | | | | | | | |
| At 1 September 2020 | - | 5,377 | 10,927 | - | 7,408 | 5,397 | 29,109 |
| Charged in year | - | 656 | 1,466 | - | 197 | 308 | 2,627 |
| Disposals | - | - | - | - | - | - | - |
| At 31 August 2021 | - | 6,033 | 12,393 | - | 7,605 | 5,705 | 31,736 |
| Net book values | | | | | | | |
| At 31 August 2020 | 1,165 | 18,081 | 35,694 | - | 222 | (24) | 55,138 |
| At 31 August 2021 | 1,165 | 17,425 | 34,228 | - | 294 | 2 | 53,114 |

Freehold and leasehold buildings are held at deemed cost.

All such assets were given a full valuation on 31 August 2013 on the basis of depreciated replacement cost (DRC), by Ben Glover, a registered member of the Royal Institute of Chartered Surveyors for Pulse Associates, who are independent of the academy trust. As a first-time adopter of FRS102, the academy trust used these fair values as its deemed cost at 1 September 2014 in accordance with FRS102 paragraph 35.10(c) and has ceased to revalue its property on an ongoing basis thereafter.

14 Stocks

| | Group 2021 £000 | Group 2020 £000 | Trust 2021 £000 | Trust 2020 £000 |
|------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
| Catering | 23 | 20 | 23 | 20 |
| Stationary | 14 | 19 | 14 | 18 |
| Goods for resale | 22 | 18 | 21 | 18 |
| | <u>59</u> | <u>57</u> | <u>58</u> | <u>56</u> |

Landau Forte Charitable Trust
Notes to the Financial Statements
Year Ended 31 August 2021

15 Debtors

| | Group 2021 £000 | Group 2020 £000 | Trust 2021 £000 | Trust 2020 £000 |
|----------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
| Trade debtors | 13 | 88 | 5 | 48 |
| Amounts due from group companies | - | - | 1,426 | 599 |
| Other debtors | 665 | 763 | 584 | 457 |
| Prepayments and accrued income | 487 | 488 | 487 | 488 |
| | <u>1,165</u> | <u>1,339</u> | <u>2,502</u> | <u>1,592</u> |

16 Creditors: amounts falling due within one year

| | Group 2021 £000 | Group 2020 £000 | Trust 2021 £000 | Trust 2020 £000 |
|---------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
| Loans | 62 | 62 | 62 | 62 |
| Trade creditors | 789 | 431 | 789 | 431 |
| ESFA creditor: abatement of GAG | 206 | 206 | 206 | 206 |
| Other creditors | 333 | - | 333 | 291 |
| Accruals and deferred income | 852 | 2,122 | 716 | 1,593 |
| | <u>2,242</u> | <u>2,821</u> | <u>2,106</u> | <u>2,583</u> |

Loans of £62,000 (2020: £62,000) comprise the amount due within one year on an unsecured capital loan from the DfE which bears interest at the rate of 1.83% and is repayable in instalments ending in October 2027.

Deferred income

| | 2021 £000 | 2020 £000 |
|----------------------------------|----------------------|----------------------|
| Deferred income at start of year | 779 | 388 |
| Released from previous years | (779) | (388) |
| Resources deferred in the year | 212 | 779 |
| Deferred income at end of year | <u>212</u> | <u>779</u> |

Deferred income at the balance sheet date is represented by operating and capital grant funds and other educational activities funds received in advance which relate to activities that will be undertaken during the year ending 31 August 2022.

17 Creditors: amounts falling due after more than one year

| | Group 2021 £000 | Group 2020 £000 | Trust 2021 £000 | Trust 2020 £000 |
|-------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
| Loans | 263 | 325 | 263 | 325 |
| | <u>263</u> | <u>325</u> | <u>263</u> | <u>325</u> |

Loans of £263,000 (2020: £325,000) comprise the amount due after more than one year on an unsecured capital loan from the DfE which bears interest at the rate of 1.83% and is repayable in instalments ending in October 2027.

Landau Forte Charitable Trust
Notes to the Financial Statements
Year Ended 31 August 2021

18 Funds

| | Balance at 1 September 2020 £000 | Income £000 | Expenditure £000 | Gains, Losses and Transfers £000 | Balance at 31 August 2021 £000 |
|---|---|----------------|---------------------|---|---|
| Restricted general funds | | | | | |
| General Annual Grant (GAG) | - | 19,316 | (20,457) | 1,141 | - |
| Pupil premium | - | 1,027 | (1,027) | - | - |
| Teacher pay and pension grants | - | 964 | (964) | - | - |
| Other ESFA / DfE grants | - | 509 | (509) | - | - |
| Local Authority grants | - | 358 | (358) | - | - |
| COVID Catch-up premium | - | 256 | (256) | - | - |
| Other COVID related funding | - | 114 | (114) | - | - |
| Other funding | 46 | - | (6) | - | 40 |
| Pension reserve | (12,769) | - | (1,444) | (4,215) | (18,428) |
| | (12,723) | 22,544 | (25,135) | (3,074) | (18,388) |
| Restricted fixed asset funds | | | | | |
| Tangible fixed assets | 55,138 | - | (2,627) | 603 | 53,114 |
| Capital grants and funding (net of capital loans) | (234) | 1,568 | - | (603) | 731 |
| | 54,904 | 1,568 | (2,627) | - | 53,845 |
| Total restricted funds | 42,181 | 24,112 | (27,762) | (3,074) | 35,457 |
| Total unrestricted funds | | | | | |
| General funds | - | 1,727 | (416) | (1,311) | - |
| Major property repair fund | 691 | - | - | 170 | 861 |
| | 691 | 1,727 | (416) | (1,141) | 861 |
| Total funds | 42,872 | 25,839 | (28,178) | (4,215) | 36,318 |

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

The General Annual Grant funding must be used for the normal running costs of the Academy Trust in line with the Trust's charitable objects and the terms and conditions of the Trust's funding agreement. Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG it could carry forward at 31 August 2021.

All ESFA / DfE grants, which include Pupil Premium grants, Universal Infant Free School Meal grants, Teacher pay grants, Teachers' Pension grants, PE sports grants, COVID catch-up premium grants and other ESFA/DfE grants are all used in accordance with the specific restrictions of the individual grants.

Other grants, which include Local Authority funding, other Government grants and other restricted income, are all used in accordance with the specific restrictions of the individual grants and funding provided.

The Pension reserve represents the Local Government Pension Scheme deficit.

Landau Forte Charitable Trust
Notes to the Financial Statements
Year Ended 31 August 2021

18 Funds (continued)

Restricted fixed asset funds represent the investment in fixed assets, net of accumulated depreciation, and includes the value of fixed assets transferred to the Academy Trust on conversion of the Schools within the Academy Trust, together with any capital expenditure funded from restricted or unrestricted funds. Unspent capital grants and capital income are also held in this fund and their use is restricted to the capital projects for which the grant awarded.

Unrestricted reserves have been allocated to a designated fund to provide for future major capital and specific educational projects for the furtherance of the charitable aims of the academy trust. The trustees have recognised that the nature of annual income grant funding does not allow for the accumulation of funds for major capital projects. It is hoped that the establishment of a designated fund will enable the trust to undertake specific capital projects.

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

| | Balance at 1 September 2019 £000 | Income £000 | Expenditure £000 | Gains, Losses and Transfers £000 | Balance at 31 August 2020 £000 |
|---|---|----------------|---------------------|---|---|
| Restricted general funds | | | | | |
| General Annual Grant (GAG) | - | 19,000 | (20,253) | 1,253 | - |
| Pupil premium | - | 955 | (955) | - | - |
| Teacher pay and pension grants | - | 962 | (962) | - | - |
| Other ESFA / DfE grants | - | 489 | (489) | - | - |
| Local Authority grants | - | 333 | (333) | - | - |
| Other funding | 47 | - | (1) | - | 46 |
| Pension reserve | (11,110) | - | (1,430) | (229) | (12,769) |
| | (11,063) | 21,739 | (24,423) | 1,024 | (12,723) |
| Restricted fixed asset funds | | | | | |
| Tangible fixed assets | 56,945 | - | (2,339) | 532 | 55,138 |
| Capital grants and funding (net of capital loans) | 112 | 186 | - | (532) | (234) |
| | 57,057 | 186 | (2,339) | - | 54,904 |
| Total restricted funds | 45,994 | 21,925 | (26,762) | 1,024 | 42,181 |
| Unrestricted funds | | | | | |
| General funds | - | 1,776 | (300) | (1,476) | - |
| Major property repair fund | 468 | - | - | 223 | 691 |
| | 468 | 1,776 | (300) | (1,253) | 691 |
| Total funds | 46,462 | 23,701 | (27,062) | (229) | 42,872 |

Total funds analysis by academy

All funds are held centrally and as such the fund balances for each academy at 31 August 2021 and 31 August 2020 were zero, and therefore a breakdown by academy is not included in these accounts.

Landau Forte Charitable Trust
Notes to the Financial Statements
Year Ended 31 August 2021

18 Funds (continued)

Total cost analysis by academy

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

| | Teaching and Educational Support Staff Costs £000 | Other Support Staff Costs £000 | Education al Supplies £000 | Other Costs (excl. Deprec'n) £000 | Total 2021 £000 | Total 2020 £000 |
|-------------------------|--|--|-------------------------------------|---|-----------------------|-----------------------|
| Landau Forte College | 3,844 | 1,548 | 643 | 507 | 6,542 | 7,009 |
| Landau Forte Amington | 2,964 | 1,155 | 545 | 1,125 | 5,789 | 5,847 |
| Landau Forte Tamworth | | | | | | |
| Sixth Form | 1,039 | 282 | 369 | (2,073) | (383) | 418 |
| Landau Forte QEMS | 2,935 | 1,045 | 276 | 1,346 | 5,602 | 5,252 |
| Landau Forte Moorhead | 705 | 409 | 109 | 406 | 1,629 | 1,642 |
| Landau Forte Greenacres | 1,045 | 371 | 104 | (44) | 1,476 | 1,491 |
| Central services | 431 | 2,131 | 151 | 321 | 3,034 | 858 |
| | <u>12,963</u> | <u>6,941</u> | <u>2,197</u> | <u>1,588</u> | <u>23,689</u> | <u>22,517</u> |

19 Analysis of net assets between funds

Fund balances at 31 August 2021 are represented by:

| | Unrestricted Funds £000 | Restricted General Funds £000 | Restricted Fixed Asset Funds £000 | Total Funds £000 |
|---|-------------------------------|--|--|---------------------|
| Tangible fixed assets | - | - | 53,114 | 53,114 |
| Current assets | 861 | 2,220 | 1,056 | 4,137 |
| Current liabilities | - | (2,180) | (62) | (2,242) |
| Non-current liabilities | - | - | (263) | (263) |
| Pension scheme liability | - | (18,428) | - | (18,428) |
| Total net assets / (liabilities) | <u>861</u> | <u>(18,388)</u> | <u>53,845</u> | <u>36,318</u> |

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

| | Unrestricted Funds £000 | Restricted General Funds £000 | Restricted Fixed Asset Funds £000 | Total Funds £000 |
|---|-------------------------------|--|--|---------------------|
| Tangible fixed assets | - | - | 55,138 | 55,138 |
| Current assets | 691 | 2,739 | 153 | 3,649 |
| Current liabilities | - | (2,693) | (62) | (2,821) |
| Non-current liabilities | - | - | (325) | (325) |
| Pension scheme liability | - | (12,769) | - | (12,769) |
| Total net assets / (liabilities) | <u>691</u> | <u>(12,723)</u> | <u>54,904</u> | <u>42,872</u> |

Landau Forte Charitable Trust
Notes to the Financial Statements
Year Ended 31 August 2021

20 Capital commitments

| | 2021 £000 | 2020 £000 |
|--|----------------------------|----------------------------|
| Contracted for, but not provided in the financial statements | - | - |

21 Commitments under operating leases

Operating leases

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

| | 2021 £000 | 2020 £000 |
|--|----------------------------|----------------------------|
| Amounts due within one year | - | - |
| Amounts due between one and five years | - | - |
| Amounts due after five years | - | - |
| | - | - |

22 Reconciliation of net (expenditure) to net cash inflow from operating activities

| | 2021 £000 | 2020 £000 |
|---|----------------------------|----------------------------|
| Net (expenditure) for the reporting period (as per the Statement of Financial Activities) | (2,339) | (3,361) |
| Adjusted for: | | |
| Depreciation | 2,627 | 2,321 |
| Loss on disposal of fixed assets | - | 30 |
| Capital grants from DfE and other capital income | (1,586) | (186) |
| Interest receivable | (36) | 7 |
| Defined benefit pension scheme cost less contributions payable | 1,217 | 1,203 |
| Defined benefit pension scheme finance cost | 227 | 227 |
| Other items | 6 | 49 |
| (Increase) / decrease in stocks | (2) | 12 |
| (Increase) / decrease in debtors | 174 | 276 |
| Increase / (decrease) in creditors | (579) | 328 |
| Net cash provided by / (used in) operating activities | (273) | 906 |

23 Cash flows from financing activities

| | 2021 £000 | 2020 £000 |
|--|----------------------------|----------------------------|
| Repayments of borrowing | (62) | (74) |
| Bursary fund payments | (6) | (1) |
| Net cash provided by / (used in) financing activities | (68) | (75) |

Landau Forte Charitable Trust
Notes to the Financial Statements
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24 Cash flows from investing activities

| | 2021 £000 | 2020 £000 |
|--|----------------------------|----------------------------|
| Dividends, interest and rents from investments | 36 | (7) |
| Proceeds from sale of tangible fixed assets | - | - |
| Purchase of tangible fixed assets | (603) | (79) |
| Capital grants from DfE Group | 1,586 | 186 |
| Capital funding received from sponsors and others | - | - |
| Net cash provided by / (used in) investing activities | 1,001 | 100 |

25 Analysis of cash and cash equivalents

| | 2021 £000 | 2020 £000 |
|--|----------------------------|----------------------------|
| Cash at bank and in hand | 2,019 | 1,395 |
| Notice deposits (less than 3 months) | 894 | 858 |
| Total cash and cash equivalents | 2,913 | 2,253 |

26 Analysis of changes in net debt

| | At 1 September 2020 | Cash flows | Other non- cash changes | At 31 August 2021 |
|--|---------------------------|---------------|----------------------------------|-------------------------|
| Cash | 1,395 | 624 | - | 2,019 |
| Cash equivalents | 858 | 36 | - | 894 |
| | <u>2,253</u> | <u>660</u> | <u>-</u> | <u>2,913</u> |
| Loans falling due within one year | (62) | - | - | (62) |
| Loans falling due after more than one year | (325) | 62 | - | (263) |
| | <u>(387)</u> | <u>62</u> | <u>-</u> | <u>(325)</u> |
| Total | 1,866 | 722 | - | 2,588 |

27 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.

28 Pension and similar obligations

The academy trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff, and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Derbyshire County Council and Staffordshire County Council. Both are multi-employer defined-benefit schemes.

The latest actuarial valuation of the TPS was 31 March 2016 and of the LGPS 31 March 2019.

Contributions amounting to £357,000 (2020: £316,000) were payable to the schemes at 31 August 2021 and are included within creditors.

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS every four years 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 2016. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

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

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

The pension costs paid to TPS in the period amounted to £2,114,000 (2020: £2,066,000).

A copy of the valuation report and supporting documentation is on the [Teachers' Pensions website](#).

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

28 Pension and similar obligations (continued)

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £1,213,000 (2020: £1,105,000), of which employer's contributions totalled £931,000 (2020: £839,000), and employees' contributions totalled £282,000 (2020: £266,000). The agreed contribution rates for future years range from 15% to 25.2% for employers and 5.5% to 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 an academy trust closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.

The information detailed below is based on the combined information and, where relevant in relation to principal actuarial assumptions, the average information for the LGPS funds which are managed by Derbyshire County Council and Staffordshire County Council.

Principal Actuarial Assumptions

| | At 31 August 2021 | At 31 August 2020 |
|--|----------------------------------|----------------------------------|
| Rate of increase in salaries | 3.4% | 2.7% |
| Rate of increase for pensions in payment / inflation | 2.9% | 2.2% |
| Discount rate for scheme liabilities | 1.65% | 1.7% |
| Inflation assumption (CPI) | 2.9% | 2.2% |

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

| | At 31 August 2021 | At 31 August 2020 |
|-----------------------------|----------------------------------|----------------------------------|
| <i>Retiring today</i> | | |
| Males | 21.4 | 21.4 |
| Females | 24.0 | 23.6 |
| <i>Retiring in 20 years</i> | | |
| Males | 22.5 | 22.3 |
| Females | 25.8 | 25.0 |

Sensitivity analysis

| | At 31 August 2021 £000 | At 31 August 2020 £000 |
|--|---|---|
| Discount rate – 0.1% | 1,024 | 791 |
| Mortality assumption - 1 year increase | 1,470 | 217 |
| CPI rate + 0.1% | 909 | 694 |

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28 Pension and similar obligations (continued)

Local Government Pension Scheme (continued)

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

| | Fair value at 31 August 2021 £000 | Fair value at 31 August 2020 £000 |
|-------------------------------------|--|--|
| Equities | 12,573 | 9,445 |
| Gilts / Bonds | 3,763 | 3,050 |
| Property | 1,282 | 1,151 |
| Cash and other liquid assets | 692 | 746 |
| Total market value of assets | 18,310 | 14,392 |

The actual return on scheme assets was £2,605,000 (2020: loss of £527,000).

Amounts recognised in the statement of financial activities

| | 2021 £000 | 2020 £000 |
|-------------------------------|----------------------|----------------------|
| Current service cost | (2,148) | (2,042) |
| Interest income | 253 | 269 |
| Interest expense | 480 | (496) |
| Total operating charge | (2,375) | (2,269) |

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

| | 2021 £000 | 2020 £000 |
|-------------------------|----------------------|----------------------|
| At 1 September | 27,161 | 24,807 |
| Current service cost | 2,148 | 2,042 |
| Interest cost | 480 | 496 |
| Employee contributions | 282 | 266 |
| Actuarial (gain) / loss | 6,820 | (298) |
| Benefits paid | (153) | (152) |
| At 31 August | 36,738 | 27,161 |

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

| | 2021 £000 | 2020 £000 |
|---|----------------------|----------------------|
| At 1 September | 14,392 | 13,697 |
| Interest income | 253 | 269 |
| Return on plan assets (excluding interest income) | 2,605 | (527) |
| Actuarial gain / (loss) | - | - |
| Employer contributions | 931 | 839 |
| Employee contributions | 282 | 266 |
| Benefits paid | (153) | (152) |
| At 31 August | 18,310 | 14,392 |

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29 Related Party Transactions

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

The following related party transactions took place in the current and previous financial year:

Expenditure related party transactions:

P Cox, a trustee, is a director of Peacocks Education. Peacocks Education performed moderated reviews of the trust's academies between September 2019 and November 2019, with total expenditure in that period being £1,655. No transactions with Peacocks Education took place during the year ended 31 August 2021.

P Cox, Trustee, is also a director of Company Ten Ltd. Company Ten Ltd provide media support to promote the academies within the trust. P Cox was not involved with any decision making regarding the appointment of Company Ten Ltd or the service which they provide. Total expenditure with Company Ten Ltd during the year ended 31 August 2021 was £2,520 (2020: £3,870).

Income related party transactions:

The Trust owns 100% of the issued share capital of LF Enterprises Limited, Landau Forte Enterprises Tamworth Limited, Landau Forte Enterprises Tamworth Sixth Form Limited, and Landau Forte Enterprises QEMS Limited, all companies incorporated in England. All profits from these subsidiaries are transferred by gift aid to the Trust and the total income received via gift aid donations to the Trust for the year ended 31 August 2021 was £84,000. Further details of the profit for the year and the assets and liabilities of each subsidiary are set out in note 31.

30 Agency arrangements

The academy trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ending 31 August 2021 the academy trust received £85,000 and disbursed £65,000 from the fund. An amount of £98,000 (2020: £78,000) is included in creditors relating to undistributed funds that is repayable to ESFA.

31 Principal subsidiaries

The following are subsidiary undertakings of the Academy Trust:

| Name | Company number | Class of shares | Holding | Included in consolidation |
|--|-----------------------|------------------------|----------------|----------------------------------|
| LF Enterprises Limited | 02725691 | Ordinary | 100% | Yes |
| Landau Forte Enterprises Tamworth Limited | 07465598 | Ordinary | 100% | Yes |
| Landau Forte Enterprises Tamworth Sixth Form Limited | 07761788 | Ordinary | 100% | Yes |
| Landau Forte Enterprises QEMS Limited | 07761789 | Ordinary | 100% | Yes |

The financial results of the subsidiary undertakings for the year were:

| Name | Income £000 | Expenditure £000 | Net assets £000 |
|--|------------------------|-----------------------------|----------------------------|
| LF Enterprises Limited | 396 | 346 | - |
| Landau Forte Enterprises Tamworth Limited | 32 | 30 | - |
| Landau Forte Enterprises Tamworth Sixth Form Limited | 17 | 21 | - |
| Landau Forte Enterprises QEMS Limited | 55 | 19 | - |
| | 500 | 416 | - |

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32 Teaching school trading account

| | 2021 £000 | 2021 £000 | 2021 £000 | 2020 £000 | 2020 £000 | 2020 £000 |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Income | | | | | | |
| <i>Direct income:</i> | | | | | | |
| Core grants | | 40 | | | 40 | |
| Other grants | | 14 | | | 10 | |
| SCITT fees | | 291 | | | 139 | |
| <i>Other income:</i> | | | | | | |
| Other income | | - | | | 7 | |
| | | | 345 | | | 196 |
| Expenditure | | | | | | |
| <i>Direct costs:</i> | | | | | | |
| Direct staff costs | (258) | | | (109) | | |
| Other direct costs | (40) | | | (37) | | |
| Total direct costs | | (298) | | | (146) | |
| <i>Other costs:</i> | | | | | | |
| Other support costs | - | | | - | | |
| Total other costs | | - | | | - | |
| | | | | | | |
| Total expenditure | | | (298) | | | (146) |
| | | | | | | |
| Surplus from all sources | | | 47 | | | 50 |
| | | | | | | |
| Teaching school surplus gift aided to parent company | | | (47) | | | (50) |
| | | | | | | |
| Teaching school balances carried forward | | | - | | | - |