

LEARNING COMMUNITY TRUST
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023



LEARNING COMMUNITY TRUST
(A company limited by guarantee)

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REFERENCE AND ADMINISTRATIVE DETAILS

Members	Mrs Erica Aston (resigned 3 May 2023) Mr Michael Briscoe Dr Mahadeva Ganesh Mrs Lisa Jinks (appointed 1 September 2023) Mrs Patricia Smart Mr Nathan Wallis
Trustees	Mrs Stephanie Bridgwater Mr Michael Briscoe, Chair and Member Mrs Christine Davies Dr Gill Eatough, Chief Executive and Accounting Officer (resigned 31 October 2022) Mr Andrew Harris (resigned 31 December 2022) Ms Jane Hughes, Chief Executive and Accounting Officer (appointed 1 November 2022) Mr David James Mrs Wendy Jay (appointed 1 January 2023) Mrs Lisa Jinks (resigned 31 August 2023) Mr Clive Jones Mr Nigel Lee (appointed 1 January 2023) Mrs Marie Price (appointed 1 January 2023) Mrs Beverly Tyley (resigned 31 December 2022) Dr David Woods Mr David Wootton (resigned 31 August 2023)
Company registered number	10846393
Company name	Learning Community Trust
Principal and registered office	Comer House Whitechapel Way Priorslee Telford TF2 9PQ
Company secretary	Veronica Croft (resigned 16 October 2023) Steph Morley (appointed 16 October 2023)
Chief executive officer	Dr Gill Eatough (resigned 31 October 2022) Ms Jane Hughes (appointed 1 November 2022)

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REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
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Senior management team

Dr Gill Eatough, Chief Executive Officer (retired 31/10/22)
Dr Gill Eatough, Strategic Director (appointed 01/11/2022 - 31/12/2022)
Ms Jane Hughes, Chief Executive Officer (appointed 01/11/2022)
Mr Paul Jones, Chief Operating Officer
Mrs Tracey Williams, Head of Finance
Mr Paul Roberts, Executive Director of Education
Mrs Maddie Griffin, Director of Primary Education (0.4 fte Sept-Dec 0.6 fte Jan-Aug)
Mr Dan Roycroft, HLC Secondary - Principal
Mrs Maddie Griffin, HLC Primary - Headteacher (0.6 fte Sept-Dec 0.4 fte Jan-Aug)
Mr Ben Evans, HLC Primary - Headteacher (appointed 01/01/2023)
Ms Julie Bravo, Queensway - Principal
Mr Richard Gummery, Ercall Wood - Principal
Mr Andrew McNaughton, Charlton - Principal
Mr Adrian Pembleton, Wrekin View - Headteacher
Mr Adam Ames, Crudgington - Headteacher
Mr Brian Thomas, Severndale Specialist Academy - Principal (appointed 01/09/2023)
Mrs Michelle Skidmore, Lantern - Headteacher
Miss Kirsty Parkinson, Allscott - Headteacher (appointed 16/04/2023)

Independent auditors

WR Partners
Chartered Accountants
Belmont House
Shrewsbury Business Park
Shrewsbury
SY2 6LG

Bankers

Lloyds Bank
Queens Square
Wolverhampton
West Midlands
WV1 1RF

Solicitors

Browne Jacobson
15th floor
6 Bevis Marks
London
EC3A 7BA

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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2023

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year from 01 September 2022 to 31 August 2023. The annual report serves the purposes of both a Trustees' report and a Directors' report under company law.

The Trust commenced in operation from 01 March 2018.

The Multi Academy Trust (the Trust) operates five primary, three secondary and two special academies in Shropshire and Telford & Wrekin. Its academies have a combined pupil capacity of 5,195 and had a roll of 5,292 across the academies on 31 August 2023. Our academies are popular and often oversubscribed.

The principal activity of the Trust is the operation of ten academies as follows:

- **Hadley Learning Community, Secondary Phase** NOR 1,174
- **Hadley Learning Community, Primary Phase** NOR 627 including nursery provision
- **Ercall Wood Academy** NOR 958
- **Charlton Secondary School** NOR 1,233
- **Queensway** NOR 120 which operates on two sites (Queensway North and Queensway South)
- **Wrekin View Primary School** NOR 492 including nursery provision
- **Severdale Academy** NOR 433 which operates on 3 sites (Monkmoor, Mary Webb and Futures)
- **Crudgington Primary School** NOR 118
- **Lantern Academy** NOR 137 including nursery provision
- **Allscott Meads Primary School** – Newly opened school 18.8.2023 for a September 2023 start

Structure, governance and management

a. Constitution

The Trust is a charitable company limited by guarantee and an exempt charity.

The charitable company's Trust deed is the primary governing document of the Trust.

The Trustees of Learning Community Trust are also the directors of the charitable company for the purposes of company law.

The charitable company is known as Learning Community Trust.

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

During the year the Trust updated its Articles of Association to reflect the new Department for Education (DfE) model which was required for our new Free School that opened in September 2023.

Following the external review in Spring 2022, the Trust ensured action to address the recommendations for further improvement within the report were addressed for the start of the new academic year.

Trustees provide good level of support and challenge to Trust leaders. They are determined for all pupils to receive a high-quality education.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Structure, governance and management (continued)

b. Members' liability

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

c. Trustees' indemnities

There are no disclosures with regard to qualifying third party indemnity provisions.

d. Method of recruitment and appointment or election of Trustees

Our inaugural Trustees were all appointed as the Trust was set up and incorporated in 2017. The Trustees were approved as part of the application process with the DfE to ensure a strong board with a wide range of skills and expertise in education and school improvement but also in finance, HR and the business sector.

The recruitment process of the trustees is managed by the Chair, supported by the CEO and Governance Professional, and comprises a combination of advertisement and direct approaches.

From December 2021, only one individual held a role of both Member and Trustee (the Chair of the LCT). The number of Members remained constant at five, with one resignation and one appointment taking place during the year.

The Members may agree unanimously in writing to appoint such additional Members as they think fit and may unanimously (save that the agreement of the Member(s) to be removed shall not be required) in writing agree to remove any such additional Members.

When a vacancy arises, the Members and Trustees will seek to make an appointment that would maximise the relevant skills and experience on the Board as a whole and enable it to comprise appropriately qualified and experienced Trustees.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Structure, governance and management (continued)

e. Policies adopted for the Induction and training of Trustees

Following initial induction into the Trust, training and induction provided for new Trustees and governors has depended on their existing experience and knowledge. The Trust has provided additional training and briefing for Trustees as part of our meeting structure on areas such as data analysis and school improvement strategies. All Trustees are supported and provided with the information needed (including reports, policies, minutes, budgets, etc.) to effectively undertake their role as Trustees. All papers for meetings are sent out well in advance of meetings so Trustees have time to review the documents and prepare for the meetings. Trustees have access to the Chair and Executive at any time.

Joint visioning sessions with Members and Trustees take place to develop the vision and strategy for the Trust, which is now part of our documentation.

As part of our wider commitment to open governance, we maintain good communications at all levels of governance and ensure governors are part of the vision and strategy for the Trust. It is an opportunity to update Chairs on the key developments and challenges for the Trust, our growth strategy as well as provide training and support on key areas of governance.

The Chair of the Trust and CEO meet with the Chairs of our Local Governing Bodies (LGBs) termly to provide a forum for discussion and consultation, and the Executive or Trustees are able to attend LGB meetings as appropriate. All Trustees and governors have received, during the academic year, a range of mandatory training courses on e.g. safeguarding for governance, Prevent, cyber security etc. to ensure they are very clear on their responsibilities and have up-to-date knowledge, as well as training such as complaints and exclusions for governors involved in those processes. There was also further training for LGBs where academies were due to be inspected so they were well prepared for inspection, understood their role in inspections and were able to clearly articulate the school improvement journey for their academy.

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TRUSTEES' REPORT (CONTINUED)
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Structure, governance and management (continued)

f. Organisational structure

The Board of Trustees comprises those persons appointed under the Articles of Association as described earlier herein. Trustees delegate specific responsibilities to the Resources, Audit & Risk and the Standards Committees Local Governing Bodies, the activities of which are reported to and discussed at the Board of Trustees' meetings.

Day to day management of the company is undertaken by the Chief Executive Officer supported by the Chief Operating Officer and Executive Director for Education. The day to day running of each academy is undertaken by the Principal or Headteacher, who are line managed by a Director of Education and supported by their Senior Leadership Team.

The Chief Executive Officer is the Accounting Officer, and the Chief Operating Officer is the Chief Finance Officer. To support our academies with their budget, manage growth and effectively implement all financial controls, the Trust has a central finance team that is managed by the Head of Finance, who reports directly to the COO. The team comprises two Senior Finance Officers and three Finance Officers, each supporting multiple academies.

In 2021/22, the Board of Trustees oversaw the retirement of Dr Gill Eatough (founder CEO) and the unanimous appointment of Jane Hughes as the Chief Executive from 01 November 2022.

The Board of Trustees commissioned the new CEO to undertake a full review of the performance and priorities for the operation of the Trust, with a focus on capacity and growth as the Trust develops. That detailed review, and subsequent proposals, was unanimously welcomed and all actions approved by the Board in Spring 2023, including strengthening sector support and challenge, and central expertise.

Following that review, the structure of the central LCT Executive team was approved as the following:

In addition to the central finance team the Trust employs a:

- Executive Director – Quality of Education Lead
- Director of Primary Education – Education lead for Primary schools
- Director of Specialist Education – Education lead for Special Schools (Sept 2023 appointment)
- Director of Secondary Education – Education lead for Secondary Schools (Jan 2024 appointment)
- Assistant Director of Education – lead for pedagogy, professional development and digital transformation (September 2023 appointment)
- PA to the CEO (to 31 Aug 2023)
- HR & Compliance Officer – HR support and advice to our academies (Sept 2023 appointment)
- Governance Professional – LGBs and Trust Governance
- Executive Assistant & Office Manager – supporting the Executive and managing Trust headquarters
- Attendance & Welfare Team consisting of a Senior Lead, EWOs, mentors and counsellors these posts are funded from the from the top slice agreed by academy Principals and Heads
- Finance Team (Head of Finance, two Senior Finance Officers and two Finance Officers)
- LCT Estates Manager– Managing compliance and projects for Primaries and Queensway
- Communications & Project Manager for the Executive (From Sept 2023)

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TRUSTEES' REPORT (CONTINUED)
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Structure, governance and management (continued)

g. Pay policy for key management personnel

The Trustees make determinations of pay in accordance with the Trust's Pay Policy. The Board of Trustees has fully delegated powers and is established in accordance with the appropriate school governance regulations.

The Trust Executive Team and our Academy Principals/Headteachers and their Senior Leadership Teams are the key management personnel of the Trust. Three Trustees are also Directors and therefore play a significant role in supporting the Trust. Trustees receive no pay or other remuneration in respect of their role as Trustees.

The Board of Trustees sets the pay of the Chief Executive Officer annually. The Chief Executive Officer must demonstrate sustained high quality of performance, with regard to leadership, management and school improvement across the Trust's schools. Pay of LCT Executives are also set by the Board of Trustees, again having regard to performance against previously agreed objectives and recommendations made by the Chief Executive Officer.

h. Engagement with employees (including disabled persons)

The LCT is committed to high levels of support and engagement with our employees. They have been consulted on issues through our meeting structure and line management systems. Staff are regularly updated through staff meetings, regular correspondence, and emails from the Principals and Headteachers, as well as regular updates from the CEO.

The Trust has a number of detailed policies in relation to all aspects of personnel matters including:

- Staff Code of Conduct
- Whistleblowing Policy
- Attendance at Work Policy
- Pay policies
- Appraisal Policy
- Equal opportunities Policy
- Volunteers Policy
- Health & Safety Policy

In accordance with the Trust's equal opportunities policy, the Trust has long established fair employment practices in the recruitment, selection, retention and training of disabled staff.

Full details of these policies are available from the Trust's offices.

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TRUSTEES' REPORT (CONTINUED)
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Structure, governance and management (continued)

i. Engagement with suppliers, customers and others in a business relationship with the Trust

The Trust has formed excellent relationships with its service providers and customers (pupils and parents/carers).

The Trust has built up over a number of years excellent working relationships with our suppliers and stakeholders which has helped deliver excellent quality and professionalism for services amongst our schools. Some of the key engagements includes:

- Telford & Wrekin Council – Delivery of Human Resources and payroll, ICT Managed services, Health & Safety audits, GDPR audits, Internal Scrutiny, caretaking and cleaning – and Shropshire Council as a key stakeholder for Severdale
- Mitie Facilities Management – Facilities management and project management across PFI schools
- Browne Jacobson – Legal advice and support
- WR Partners – Accountancy and audit services
- Barker Associates – Building and project management consultancy

j. Trade union facility time

There is an LCT Trade Union Forum termly comprising Telford & Wrekin and Shropshire representatives from the teaching and support staff Trade Unions. There are Trade Union representatives on the staff of the majority of our academies and LCT is committed to ensuring all staff are well represented.

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TRUSTEES' REPORT (CONTINUED)
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Objectives and activities

a. Vision and aims

We have a single clear vision for our Trust which is "To provide an outstanding education for all of our children and young people that prepares them to be successful in all they do both now and in the future".

We keep our five key aims at the forefront of all we do and they represent our values as well as our intentions:

To focus, across our schools, on excellence by achieving the best possible educational outcomes for our children and students by engaging and inspiring them, building their resilience and preparing them for work and adult life.

To drive a collaborative culture across our schools which drives and supports improvement and develops all our staff as leading professionals.

To provide the highest levels of care and support for our children so they can succeed, including those that are the most disadvantaged, vulnerable or with special needs in our community.

To ensure our schools are at the heart of the community they serve and are truly inclusive organisations with equality for all across our community.

To engage positively with our families and wider community, building partnerships and programmes that develop opportunities beyond the school sector.

Our Trust brings schools together into one organisation so that school leaders, teachers, learners and our community can work and thrive together, gaining from and supporting each other. The LCT moved to its new address at Corner House in Priorslee during August 2023, ready to share accommodation with the Kickstart Academy when they joined the MAT in September 2023. Our approach is built around a clear vision of inclusive education and a relentless drive for raising standards. We keep our focus on our learners, ensuring they are supported by great teachers, outstanding leaders and excellent facilities. We believe in strong local management and governance - our Trust is led by our Members, Board of Trustees and each Academy has a Local Governing Body. Our support and management functions are wholly focused on supporting our schools, with strong financial management, human resource support and a continuous drive for value for money, efficiency and effectiveness.

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TRUSTEES' REPORT (CONTINUED)
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Objectives and activities (continued)

b. Objectives, strategies and activities

We have established four strategic objectives, with Members and Trustees, for our Trust with linked KPIs:

1. Engaged Learners so that: -

- Progress and achievement improve annually to at least national measures and beyond
- Our learners are safe and enjoy school
- Attendance rises well above national measures
- We have low exclusions from our schools
- All our learners experience and enjoy a broad, rich and engaging curriculum
- Learners with SEND have their needs well met and make good progress
- Learners tell us they want to be at our academies, our academies are popular and often oversubscribed

2. High Quality Staff so that: -

- Teaching in our academies is consistently good or better and always improving
- All staff have access to high quality professional development
- We create opportunities for staff across the Trust to develop their careers and share their practise
- We recruit and retain the highest calibre teaching and support staff
- We have high staff attendance
- Staff enjoy working in our schools and Trust

3. Continuous Improvement so that: -

- We continuously review performance and areas for improvement
- Any of our academies that require improvement are supported and challenged to improve to Good within two years
- Our Good schools are supported and challenged to have areas of outstanding practice
- We have a trust-wide culture of collaboration focused on school improvement

4. Leadership and Governance so that: -

- Our Trust is viable, sustainable and highly effective
- We have strong leadership and governance across the Trust
- There is efficient and effective financial management at trust and academy level
- Growth of the Trust and its academies is well led and managed
- Trust policies and practises are firmly embedded

c. Public benefit

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

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TRUSTEES' REPORT (CONTINUED)
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Strategic report

Achievements and performance

a. Achievements and performance in 2022/23

The academic year ended with some excellent achievement and success within the LCT's primary schools. Across Key Stage 2, the vast majority of schools exceeded national benchmarks, with half of trust schools achieving 20% higher than national averages in reading/writing/maths combined; Crudgington School recorded their best results to date, with 100% attainment in KS2 reading and science.

Across the Trust's secondary schools, the attainment and average grades of a large proportion of students increased, with many students progressing on to their chosen destination.

Queensway recorded its best-ever results, with many students achieving GCSE grades of 4 or above in English, maths and science. Severdale celebrated many personnel progression stories, including their first student to progress onto university.

Primary Performance 2022/23

Phonics:

All students sit a phonics screening test at the end of Year 1 and this year at the LCT:

- 80% of students met the expected standard
- Two schools achieved above national pass rate, with Crudgington achieving 83% and Hadley Learning Community Primary achieving well above national pass rate at 94%
- Hadley Learning Community Primary were in the top 7% nationally for phonics achievement
- Two schools achieved below 80%: Wrekin View 78% and Lantern Academy 67%

Year 4 Multiplication Check (MTC):

National averages for MTC is 20.4%. One school achieved above national average at 20.9% (HLC) and our three other schools were just under benchmark at 20.1% (Wrekin View), 19% (Crudgington) and 17.7% (Lantern).

Key Stage 2 attainment:

Nationally, at KS2, 73% of students reach expected standards in reading, 71% in writing, 73% in maths, 59% in reading, writing and maths (RWM) combined.

LCT Key Headlines

- 3 out of 4 schools surpassed national pass rates for reading, with Crudgington achieving 100%.
- 3 out of 4 schools surpassed national pass rates for writing, with Wrekin View achieving 12% above national averages.
- 3 out of 4 schools surpassed national pass rates for maths, with Crudgington achieving 14% above national averages.
- 3 out of 4 schools surpassed national pass rates for RWM combined, with Crudgington and Wrekin View surpassing benchmarks by over 20%.
- Wrekin View was in the top 8% for RWM combined.
- Lantern Academy was the only school to not achieve benchmarks across all measures. Lantern Academy is a new Academy to the Trust (joining in September 2022), and extensive school improvement work is still underway.
- Crudgington achieved 100% pass rate for KS2 science.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Strategic report (continued)

Achievements and performance (continued)

Secondary performance 2022/23

Key Stage 4:

Grades across England have fallen but not quite back to 2019 standards. Ofqual confirmed that grades this year would return to pre-pandemic levels: 22.7% of GCSEs were graded 9-7, compared to 21.9% in 2019. 70.5% were graded 9-4, compared to 69.9% in 2019

Progress 8 (P8):

Progress 8 shows how much progress pupils made across subjects between the end of KS2 and GCSEs compared to other students nationally.

Progress 8 scores for the three secondary schools show that students in two of the three secondary schools make average progress.

Progress 8 scores were:

- Charlton School: -0.44
- Ercall Wood: -0.03
- Hadley Learning community: -0.11

Ercall Wood has established results in-line with the national average over the past two data windows from a below average starting point. The gap between disadvantaged and non-disadvantaged students significantly closed, with Pupil Premium students performing in-line with their peers. Likewise, students with SEND surpassed their peers with P8 score of +0.39.

Attainment 8:

Attainment 8 shows how well pupils perform across up to 8 qualifications. The Telford and Wrekin average is 44.9 and national average is 46.2.

Attainment 8 scores for the three secondary schools' performance is slightly below national figures. Attainment 8 scores were:

- Charlton School: 41.6
- Ercall Wood: 43.4
- HLC: 44.6

Performance in Maths was lower across all three schools than English performance. The national average for 4+ in maths and English in 2023 is 67%. The trust average was 55%. The local authority average is 61%. Overall, Charlton had the highest percentage of students achieving a grade 4+ in English and Maths at 58%.

Achievements and progress of LCT and our Academies

The Trust has just celebrated its fifth full year of operation and is now well established. We have spent this year continuing to develop the Trust at all levels to ensure we have robust systems in place to lead and manage the Trust in all aspects of its work.

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TRUSTEES' REPORT (CONTINUED)
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Strategic report (continued)

Achievements and performance (continued)

Trust Growth and key projects

The Trust has grown in-line with our growth strategy. Allscott Meads Primary Academy, a new Primary Free School in Telford serving the new housing development in Allscott of about 500 new dwellings, opened in September 2023 with 49 pupils on roll. A staffing structure is in place, the completed building is well structured and resourced, and provides a wonderful school for the community. Members of the local community, parents/carers, students, and staff attended the open event, and it was a pleasure to hear such positive praise for the work of all involved in turning the vision to reality. One parent commented, '[I'm] so happy, it's a wonderful community area and the school will provide the best education for that community.'

The capital programme for the Lantern Academy (formerly Queenswood Primary) began in Autumn 2022 and was completed in August 2023. The school had been in a state of disrepair and has now had the envelope of the building completely rebuilt, the interior redecorated throughout and the heating systems updated, resulting in a much-improved learning environment for students and staff. The new headteacher and new teaching team is now established and moving into the second year of school improvement.

The project to build a new building for Queensway South provision, next to the Queensway North site, has progressed to the planning approval phase. The aim is to open the schools to pupils in 2025. The project is being well supported by the DfE and Telford & Wrekin Council.

The transfer of the Kickstart Academy into the Trust on 01 September 2023 is in place after supporting the academy, at the request of the DfE and Telford College, for a number of years. As part of the transfer, the Kickstart Academy moved into new, temporary accommodation, shared with the LCT central team. The next stage of the project is a move to the former Queensway South building, following the completed building works on the North site. The new, temporary accommodation for Kickstart Academy has been designed over the summer to support the educational needs of the young people accessing this provision and is a much-improved temporary facility and environment from their former accommodation.

The LCT central team moved to new offices at the end of the academic year, supporting the growth of the central team. Alongside being a base for the LCT's central team, the new offices enable professional development facilities and will further develop into a larger central base for training and development when Kickstart Academy moves to their new accommodation in 2025.

The transfer of the Burton Borough School (BBS) into the Trust began towards the end of this academic year. School improvement support has been in place between the Trust and the school this year, and we are anticipating the completion of the transfer in early 2024. The Burton Borough School is a school Requiring Improvement and is transferring under an Academy Order, with the LCT as the school's chosen MAT. As part of the transfer, LCT will work alongside the school to appoint a new, permanent Principal.

Discussion for the expansion of Ercall Wood Academy by up to 300 additional places have begun alongside Telford & Wrekin Council. Planned works include a new building to house additional classrooms, laboratories and dining space, to support an increase in PAN.

Early discussions continue with the DfE for support/potential transfers of other local schools into the Trust including the Telford Priory School.

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TRUSTEES' REPORT (CONTINUED)
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Strategic report (continued)

Achievements and performance (continued)

We have increased the capacity of the Trust to deliver school improvement and have a clearly articulated School Improvement Strategy. We have appointed three specialist school improvement directors across primary, secondary and special provision, working alongside the Executive Director and CEO to support the delivery of our key improvement principles: *Through the clear identification of areas for development, we work collaboratively, using Trust expertise and beyond, to provide clear and effective interventions. These strategies are well resourced and supported by on the ground Trust leadership to ensure that actions are achieved and there is a clear impact.* Furthermore, the newly appointed Assistant Director is focused on professional development and collaborative practice across the Trust, leading the new professional development team and research driven approaches to development opportunities trust-wide

Outcomes 2023

Following the first of the LCT's Ofsted inspections since schools joined the Trust, last year the Ercall Wood Academy and Charlton School both had inspections this academic year. All current secondary and special schools within the Trust have now had Ofsted inspections.

The overview of each of our academies is below:

Hadley Learning Community, Primary Phase (Reception – Y6, with a 60-place nursery) joined the Trust as a convertor academy on the 01 March 2018. It was graded Good in 2022. The primary phase is very popular and oversubscribed. There has been planned growth for seven years and the school is now at capacity. The KS2 SATs results continue to be well above national averages and are in the top 7% for phonics achievement.

Hadley Learning Community, Secondary Phase (Y7 – Y11) joined the Trust as a convertor academy on 01 March 2018. The academy received a Section 5 inspection in May 2022 and received a Good grading. Our secondary phase is very popular and significantly oversubscribed each year. The demand for places has resulted in an increase in its original PAN and the school is now at its capacity of 1200. GCSE results this summer saw a slight decline in progress measures but attainment measures remain the highest in the Trust's secondary schools. Culture walks have been positive with high levels of in class engagement and corridor, break and lunch behaviours.

HLC operates as an all-through school in a purpose built £70 million PFI campus which has significant community use.

Ercall Wood Academy (Y7 – Y11) joined the Trust as a convertor academy on 01 July 2018. Following an Ofsted in November 2022, Ercall Wood was graded as "Requires Improvement". However, HMI inspectors recognised the improvements being made – 'The principal and his leadership team are ambitious for what all pupils can achieve, including pupils with SEND'. The academy continues to improve rapidly and remains out of deficit. Ercall Wood will move to the leadership of a new Principal in September 2023 when its existing Principal joins the LCT team as Assistant Director. Ercall Wood has established GCSE results in line with the national average over the past two data windows from a below average starting point. Furthermore, Progress 8 results for pupil premium students and students with SEND were the best in the school's history, with students achieving in-line with or surpassing their peers on progress measures. The academy is housed in a new building built under BSF, has a rapidly rising roll with student numbers well over its PAN of 900 due to its popularity locally. Expansion works are planned for completion in 2025 to meet demand for secondary places in the local area.

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TRUSTEES' REPORT (CONTINUED)
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Strategic report (continued)

Achievements and performance (continued)

Queensway School (Y5-Y11) joined the Trust as part convertor/part sponsored academy on 01 March 2018 as a merger of two existing provisions. It is a special school which operates on two sites with different specialisms, under the leadership of one Principal. Queensway North has 60 students aged from Y6–Y11 with a significant diagnosis of autism and Queensway South has 60 students from Y5–Y11 with a significant diagnosis of social and emotional behaviour. All students have an EHC Plan and places are commissioned by the local authority. The school is well led, reflected by the Good grade achieved through its first Section 5 inspection in June 2022. GCSE outcomes for these students in the summer were noteworthy, considering the starting points of our students, with over 90% achieving 5+ GCSEs including English and Maths.

Charlton Secondary School (Y7-Y11) joined the Trust on 01 December 2018 as a sponsored academy following a long and complex conversion linked to land issues. The academy has over 1200 students on roll and Charlton has been on a significant school improvement journey. The academy received a Section 5 inspection in May 2023 and received a "Good" grading. HMI inspectors praised the ambition of the school: 'Leaders have developed an ambitious and well-sequenced curriculum. All pupils follow the same curriculum, including pupils with special educational needs and/or disabilities (SEND)' Outcomes in 2023 GCSEs declined slightly, but maths and English achievement remain the highest in the Trust schools. Charlton is a rapidly improving school and the Principal, senior leaders, staff, and governors have worked tirelessly to achieve this with the support of the LCT.

Wrekin View Primary School (Reception - Y6 with a 60-place nursery) joined the Trust on 01 December 2019 as a convertor academy following a smooth conversion. It is a large primary school of 490 children located in Wellington and the majority of Y6 transfer to one of our secondary academies. The school was graded "Good" by Ofsted in November 2016 and is awaiting its next inspection. The Key Stage 2 outcomes in 2023 were excellent, and the school continued to achieve results above national for the second year running, showing significant improvement from 2019. The school is popular with parents and is led by the Headteacher who has been in post for over eight years.

Crudgington Primary School (Reception - Y6) joined the Trust on 01 January 2021. This is a small rural primary school with capacity for 150. Currently it has 117 children on roll and the majority are taught in mixed classes. This is a convertor academy which was judged "Good" by Ofsted in March 2017 and is awaiting its next inspection. Crudgington will grow over the next few years due to a major housing development close by and there will be investment in the buildings and facilities. The KS2 SATs results were excellent, significantly above national averages and achievement of 100% in reading and science.

Severdale Specialist Academy (3 -25) joined the LCT on 01 February 2021 as a transfer from a single academy trust. There are over 400 children on roll with a significant range of SEND, including PMLD, SLD and MLD. All the children have an EHC plan and places are commissioned by Shropshire Council. The academy operates over three sites Monkmoor, Mary Webb and Futures. The academy received a Section 5 inspection in March 2022 and was graded "Requires Improvement". This was as expected because of the challenges the school faced as it joined the LCT. The academy is on an improvement journey and still faces challenges, particularly around staffing, adequate funding and quality of education. At the end of this academic year, a Director of Specialist Education has been appointed, alongside a new Principal and both are exceptionally experienced in SEND. Further plans to develop the Severdale leadership team are to be put into place in September 2023.

Lantern Academy (formerly Queenswood Primary) (Reception – Y6 with nursery provision) - joined the LCT on 1st September 2022 as a convertor academy. The school was in a state of disrepair and, as part of the transfer, funds were secured with the local authority for capital repair works, which were completed at the end of this academic year. 'Queenswood' was graded as requires improvement in January 2020 and the school is awaiting its first inspection as the Lantern Academy in 2025. Significant improvement works have rapidly taken

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Strategic report (continued)

Achievements and performance (continued)

place, including the completion of significant capital repair work, the appointment of a new headteacher, a whole new teaching team and a completely revised curriculum. Outcomes this summer were as expected given the improvement works still required and the impact of the new teaching team and curriculum still taking hold.

b. Key performance indicators

The Trust is committed to supporting and challenging our academies to build on their strengths and to address areas for improvement. We believe in collaboration across our family of schools and identifying great practice which can be shared and developed across the Trust but also to look beyond the Trust for innovation and creativity in the sector.

We have established clear key KPIs for our academies. Supported by the Trust Executive Team, each academy leader is responsible for the delivery of these KPIs, held accountable locally by their Local Governing Body (LGB). At their scheduled meetings, Trustees and Members consider overall performance and strategic progress of each academy ensuring the Trust provides high levels of challenge and support. Below is a short summary of progress on our KPIs across our academies:

- Progress and attainment to be at a minimum of national averages in key measures or rapidly improving towards national – this is the case with the majority of our academies.
- Attendance to be at least at national averages but aiming for 95% as a minimum – all our schools take attendance very seriously and attendance is at or above national across our schools. We employ a Trust Attendance and Welfare Team of Education Welfare Officers, mentors and counsellors who works in our schools weekly to ensure the best possible attendance from our children but also to support mental health and wellbeing.
- The impact of Covid has disrupted school attendance since March 2020 but we are absolutely committed to ensuring children come to school every day.
- Low levels of fixed term exclusions (now known as suspensions, below the national average – the majority of our schools have exclusions figures well below national and we have worked hard to challenge schools where this was not the case.
- Student numbers are high with no significant surplus places demonstrating that our schools are popular, the first choice for parents in our community – all our schools are popular and many are oversubscribed and we have had to increase capacity in two schools in agreement with the local authority. We agreed to take additional students in all three secondary schools in September 2022 and 2023 to support the number of students requiring school places in North Telford.
- Staff attendance is high and staff turnover is relatively low because staff enjoy working in our academies – we are very fortunate to have outstanding attendance from our staff in most of our schools and we have good systems in place to support staff attendance. We had very low staff turnover and we have been able to increase staffing in schools where there is significant growth.
- Ofsted inspections of our academies demonstrate our academies are all improving toward a minimum Good and in at least one case toward Outstanding.
- The Trust operates its budget efficiently ensuring we achieve economies of scale and value for money across all our schools. Our COO has reviewed many of the services linked to supply insurance, catering, utilities, and estates ensuring we find savings and economies of scale where possible. The LCT Finance team is working efficiently and effectively with our schools to monitor and control expenditure and to provide Heads and LGBs with accurate monthly management accounts.
- The capital funding, we receive, is carefully controlled to meet conditions surveys, Health and Safety as well as a focus on providing great environments for children and staff to learn and work in.
- Each academy is financially viable and manages its agreed budget within the Trust's Scheme of Delegation and Financial Regulations.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Strategic report (continued)

Achievements and performance (continued)

c. Promoting the success of the company

Our schools and academies are central to the local community, and it is essential that the Trust promotes and develops close relationships with all members of the local community by providing a warm welcome to pupils, parents/carers, local businesses, and members of public that may use the facilities.

The Trust places a very high priority on communication and makes every effort to ensure that all forms of communication are clear, professional, and fair to all stakeholders. Partnerships have been developed and maintained across all aspects of the community.

Our staff are key to the success of the Trust and as such we ensure that all are treated fairly by having clear policies and procedures in place. When making strategic decisions the interest of our employees are always key to the decision-making process.

The Trust has grown steadily and in a controlled manner since inception, carefully managed by Trustees and Executive working closely with DfE, its Regional Director and local authorities. We have a growth model in place that will be further reviewed in 2023/24 to enable more schools to join our Trust including the potential for capital funded work to increase our estates. The Trust remains open to talking to any school wishing to consider joining our family of academies.

d. Going concern

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Strategic report (continued)

Financial review

a. Financial Review

During the financial year the Trust has faced economic challenges with rises in staffing, services, utilities and general expenditure. All of our academies have managed their budget with extreme caution and exploited every opportunity to reduce expenditure whilst not impacting on the quality of education. Small primary school budgets are becoming difficult to balance and High Needs funding for special schools is not increasing at the same rate as expenditure. The Trust has good working relations with both Shropshire and Telford & Wrekin Local Authorities and are working with them to ensure funding is suitable for pupil needs. Staff absence was still challenging throughout the academic year, partly due to the long-term impact of Covid. The capital programmes for all of our academies was very successful and ensured that our buildings were safe, compliant and inviting to our pupils, staff and visitors.

The Trust has achieved an in year normalised revenue deficit of £185,613 (2022: £586,921) (excluding pension reserve and fixed asset movement). Total net movement in funds was a surplus of £5,368,162 (2022: £17,868,279), which includes an actuarial gain on the pension scheme of £4,214,000 (2022: gain £20,214,000).

Total assets amounted to £101,750,488 (2022: £99,188,516) which is an increase from the prior year. Net current assets has decreased to £3,956,122 (2022: £4,066,557).

Total reserves at 31 August 2023 were £90,630,332 (2022: £85,262,170). The total reserves excluding the restricted fixed asset fund and the pension reserves at 31 August 2023 was £2,966,660 (2022: £3,150,337).

The free reserves are £436,170 (2022: £381,543).

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

b. Financial Objectives

The Trust has the following financial objectives:

1. To safeguard the overall financial health of the Trust so that its strategic and business objectives can be met.
2. To support maximum delegation to academies and full accountability for managing their own financial affairs, whilst ensuring a clear and fair process is in place for allocating and managing resources across the Trust.
3. To establish transparent arrangements for setting budgets, monitoring financial performance, and managing balances that focus on the needs of learners and maximising their outcomes.
4. To promote compliance with best practice, meeting ESFA requirements and the Articles and terms of the Trust.

The Trust benchmarks academy finances within the organisation and with similar academies and trusts when comparable data is available.

Financial Outturn 2022-2023

The financial statements for the period ending 31 August 2023 include income and expenditure relating to the full operation of the Trust, Hadley Learning Community, Queensway, Ercall Wood, Charlton, Wrekin View, Crudgington, Severdale and Lantern. Our academies experienced additional income through Supplementary funding and the Mainstream Funding Grant to support pay awards. Some of the expenditure has been recovered through the DfE grants. The Trust has supported academies joining the Trust through intervention from the CEO and detailed operational support from the COO.

Income from the School Condition Allocation funding was received for schools in the Trust and capital programmes through the summer delivered building improvements during August 2023 in line with completed building condition surveys and identified risks. Examples of the projects funded by SCA include Phase 3 New Roof and Windows at Wrekin View Primary School, floor coverings and LED lighting at Queensway, Full decoration at Lantern, Fire door repairs and replacement, external dining canopy at Charlton School, Fixed electrical testing remedial works, additional fencing to support safeguarding, internal modifications at Queensway North to enhance the curriculum, LED lighting across all academies and internal modifications to Severdale.

The external funding environment for the Trust and the sector is extremely challenging especially in our special schools and will continue to be so. This will be partly addressed as the number of academies within the Trust expands and as pupil numbers within existing academies increase where there is secured funding and clear demand for additional places. The Trust continues to manage resources prudently and is actively working to reduce costs and improve value for money, particularly in central and support services and through sharing expertise.

Reserves and Balances Policy

The effective management of operating surpluses is key to the financial health and further development. The Trust will ensure related decisions are fair and fully transparent, and will determine the availability of surplus funds, the timing of release and percentage available to each academy, including School Condition Allocation funding. It is possible that major unforeseen events will have a material impact on the financial health and operation of the Trust as a whole. Whilst the Trust aims to minimise such risks and will insure against many of them, it will access and utilise reserves in the interests of the whole organisation and learners where necessary to do so.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Academies will be encouraged to spend available resources for the benefit of learners in the year in which they are received. However, academies are also responsible for their own financial risks, and so will need to budget prudently and establish their own contingencies. Where a planned surplus has been accumulated, the academy will produce a plan for the managed spend and investment of that surplus in the interests of the academy and the Trust as a whole.

The explicit aim is that no academy should be in deficit. In exceptional circumstances where an academy cannot set a balanced budget, or the situation worsens midyear then the Trust may amend financial delegations and will support the Local Governing Body to compile a clear financial recovery plan that will outline how the academy will move back into balance and how it will 'repay' accumulated deficits within two years.

c. Material investment policy

The Trust does not hold any long term investments but has invested relatively small deposits in 30 and 90 day investment accounts with Lloyds bank. The Trust has an investment policy in place which is reviewed and monitored by the Resources Committee.

The remaining cash surpluses are held in instant access interest bearing accounts with the Trust's approved bankers.

d. Principal risks and uncertainties

The Trustees have assessed the major risks to which the Trust is exposed, in particular those relating to Finance, Strategic, Operations and Compliance. A risk management policy is in place that clearly details how risk should be categorised and the scored using a 3x3 matrix for the likelihood and impact which rates the risk high medium or low. The Audit & Risk Committee meets termly and scrutinises the risk register and mitigation/movement log, which is then reported back to the Board of Trustees.

The risk register identifies the following financial risks:

- Inaccurate income and expenditure reporting, resulting in poor decision making
- Loss through fraud, error, theft, or disaster giving rise to waste of public funds
- Financial Regulations and Financial Procedures are not updated or are not adhered to / understood resulting in breaches of regulations and legal compliance
- Non achievement of funding and other income targets, for example, through failure to achieve planned. Pupil retention could result with the funding allocation and success rate targets not met
- Failure to comply with Funding Agreements, leading to financial claw back
- Funding cuts in future periods (financial viability) resulting in the school having financial difficulties
- Insurance risk risk of financial loss/inability to replace items is insufficient
- Trust holding either insufficient or excessive reserves
- Supplier financial viability and ability to deliver product in the required timescales
- Financial systems are not robust to ensure financial services are controlled
- Financial position when schools express an interest in joining the Trust
- Risk that related party transactions are not transacted in accordance with the requirements of the Academies Trust Handbook
- COVID 19 related expenses for the supply of equipment, PPE and staffing and third party income
- Holding in excess of £85k in one bank account not covered by FSCS
- Capital projects such as Allscott Meads
- Income challenges for Severdale Specialist Academy

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Fundraising

The Learning Community Trust supports academies to raise funds for their chosen charities. Organised events raise funds which is then collected through the school fund and banked in the private school fund account. A cheque is then raised and submitted to the charity collected for.

Plans for future periods

The Trust has an agreed growth strategy with our Trust Board, and we have grown rapidly to ten schools since our first schools joined in March 2018, with Kickstart Academy joining on 01 September 2023 and Burton Borough potentially joining early 2024. The Trust is now carrying out due diligence to transfer-in the Telford Priory School. This is an exciting time for the LCT and the Trust has been successful in being awarded a TCaF grant to support growth. We intend to grow steadily over the next few years ensuring we have capacity to match our growth plans.

The Trust is in consultation and dialogue over other projects with the DfE's Regional Director and we expect to see further growth in 2024.

Funds held as custodian on behalf of others

The Trust and its Trustees do not act as the custodian Trustees of any other charity.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Streamlined energy and carbon reporting

Energy Background

A multi academy trust with several schools, with buildings of varying ages and materials. Heating across the trust sites is predominantly from mains gas. The Trust owns minibuses and other transportation and some members of staff claim business mileage. For both the minibus and business travel, the trust has recorded the number of miles travelled during the year.

This methodology follows the GHG Reporting Protocol and uses the 2023 Government emission conversion factors for greenhouse gas company reporting.

Energy Source	Consumption	Scope	Emissions calculation
Gas – total kWh (kilowatt-hours) used for the year	4,780,428 kWh (gross CV (calorific value))	Scope 1	$4,780,428 \text{ kWh} \times 0.18293$ (2023 Fuels - Natural Gas conversion factor gross CV to kg CO ₂ e) / 1000 = 874.479 tCO ₂ e
Electricity – total kWh used for the year	2,973,325 kWh	Scope 2	$2,973,325 \text{ kWh} \times 0.20707$ (2023 UK Electricity conversion factor to kgCO ₂ e) / 1000 = 615.699 tCO ₂ e
		Scope 3	$2,973,325 \text{ kWh} \times 0.01792$ (2023 Transmission and Distribution - UK electricity conversion factor to kgCO ₂ e) / 1000 = 53.267 tCO ₂ e
Owned Transport Various mini-buses, people carriers and a school car – 62,306 miles in the year	$62,306 \text{ miles} \times 1.11$ (2023 SECR kWh pass & delivery vehs, average van conversion factor to kWh) = 68,938 kWh	Scope 1	$62,306 \text{ miles} \times 0.28013$ (2023 Freight goods, average van – used in lieu of passenger vehicles conversion) / 1000 = 17.454 tCO ₂ e
Reimbursed Transport – total mileage reimbursed from staff claims = 4,350 miles	$4,350 \text{ miles} \times 1.07917$ (2023 SECR kWh pass & delivery vehs, average car conversion factor to kWh) = 4,694 kWh	Scope 3	$4,350 \text{ miles} \times 0.27332$ (2023 Business Travel- land, average car conversion factor to kgCO ₂ e) / 1000 = 1.189 tCO ₂ e
Total	7,827,385 kWh		1,562.088 tCO₂e
Intensity ratio	Emissions data (tCO₂e) compared with an appropriate business activity (pupil numbers as per Autumn census)		1,562.088 tCO₂e / 5292 pupils = 0.295 tCO₂e per pupil

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Disclosure of Information

UK Greenhouse gas emissions and energy use data for the period 1 September 2022 to 31 August 2023	Current reporting year 2022/23	Comparison reporting year 2021/22 (figures are for illustrative purposes)
Energy consumption used to calculate emissions (kWh)	7,827,385	7,909,858
Scope 1 emissions in metric tonnes CO₂e		
Gas consumption	874.479	896.831
Owned transport	17.454	16.914
Total Scope 1	891.932	913.744
Scope 2 emissions in metric tonnes CO₂e		
Purchased electricity	615.699	565.723
Scope 3 emissions in metric tonnes CO₂e		
Business travel in employee-owned vehicles	1.189	0.970
Purchased electricity (transmission and distribution)	53.267	51.751
Total gross emissions in metric tonnes CO₂e	1,562.088	1,532.189
Intensity ratio Tonnes CO₂e per pupil	0.295	0.303

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 2023 UK Government's Conversion Factors for Company Reporting.

Intensity measurement

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

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Measures taken to improve energy efficiency


Charlton School	All lighting replaced to LED
Corner House Offices (LCT)	Commenced lease from May 2023, all lighting replaced with LED
Crudgington Primary School	Replacement Heating controls
Ercall Wood Academy	50% lighting replaced to LED
Lantern Academy	Replacement water heaters to energy efficient models. New envelope of building including replacement single glazed windows to double and insulated cladding panels
Queensway South	All lighting replaced to LED
Severndale Specialist Academy	All lighting replaced to LED
Wrekin View Primary School	Lighting upgrade to LED, Replacement insulated roof, replacement air source heat pump
Hadley Learning Community	PFI contractor commenced LED lighting replacement, all circulation areas complete
Queensway North Campus	PFI contractor commenced LED lighting replacement, all circulation areas complete

Disclosure of information to auditors

Insofar as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are 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 18 December 2023 and signed on its behalf by:


.....
Mr Michael Briscoe
Chair of Trustees

M J BRISCOE

LEARNING COMMUNITY TRUST
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GOVERNANCE STATEMENT

Scope of responsibility

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

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

The board of Trustees has delegated the day-to-day responsibility to the Chief Executive Officer, 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 Learning Community Trust and the Secretary of State for Education. They are also responsible for reporting to the board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' report and in the statement of trustees' responsibilities and in the Statement of Trustees' Responsibilities. The board of Trustees has formally met 4 times during the period in addition to topic-based meetings and discussions.

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

Trustee	Meetings attended	Out of a possible
Mrs Stephanie Bridgwater	2	4
Mr Michael Briscoe, Chair and Member	4	4
Mrs Christine Davies	2	4
Dr Gill Eatough (resigned 31/10/22), Chief Executive and Accounting Officer	1	1
Mr Andrew Harris (resigned 31/10/22)	2	2
Ms Jane Hughes (appointed 01/11/22), Chief Executive and Accounting Officer	3	3
Mr David James	4	4
Mrs Wendy Jay (appointed 01/01/23)	2	2
Mrs Lisa Jinks (resigned 31/08/23)	1	4
Mr Clive Jones	4	4
Mr Nigel Lee (appointed 01/01/23)	2	2
Mrs Marie Price (appointed 01/01/23)	2	2
Mrs Beverly Tyley (resigned 31/10/22)	1	2
Dr David Woods	4	4
Mr David Wootton (resigned 31/08/23)	2	4

Throughout the year, 5 trustees resigned from and 4 trustees joined the Board, with remaining vacancies being addressed in Autumn term of 23/24. At its meetings throughout the year, the Board covered and discussed:

- Regular reports from the Chair, Committees (Audit & Risk, Resources and Standards), Chief Executive Officer and Chief Operations Officer
- An update on the implementation of the external review of governance, the review of the Articles of Association and Board appointments
- Outcomes for students
- Safeguarding across the Trust
- The review and approval of the 2021/22 Trustees' Report and Financial Statements/Annual Report
- Trust growth, including incoming schools and capital projects

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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

- 100 days review from the new CEO, including strategic and operational priorities
- The review and approval of the 2023/24 budget/3-year forecast

The recommendations arising from the external review undertaken the previous year have all been fully implemented. Although not a formal external review, positive feedback on the governance of the Learning Community Trust was received after being shortlisted for the NGA's 'Outstanding MAT Governance' award.

The Trust has robust arrangements in place to manage conflicts of interests. Declarations of interest are sought and recorded at every Board and committee meeting. Individuals declaring an interest will be asked to either withdraw from the discussion/decision-making. A register of interest of trustees, members and senior officers is maintained and updated, it is also published on the Trust's website.

The last external review of Governance through the NGA was undertaken in March 2022, with all recommendations implemented by September 2022. A self-assessment exercise with the Board will be undertaken in 23/24.

Although the board has met fewer than six times in the year the trust has maintained effective oversight of funds through the Resources Committee and the Audit and Risk Committee which in total met 8 times throughout the year. The Standing Agenda item for Finance was chaired by the Non-Executive Director of Finance.

The Resources Committee is a sub-committee of the main board of Trustees. The role of this committee is to oversee the management of the trust's resources and their associated policies and procedures, covering budgeting and financial management; asset management; property management; health and safety; and human resources. This year's agenda covered: monthly management accounts (latest financial position), review of annual accounts 2021/22, review of budget for 2023/24, funding updates, health & safety, asset management, estate management, safeguarding, HR, central team staffing structure, Ercall Wood growth and policy approval of Complaints Policy, FOI Policy and Financial Regulations & Scheme of Delegation.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Mr Michael Briscoe (in attendance)	3	5
Dr Gill Eatough (in attendance)	1	1
Ms Jane Hughes (in attendance)	4	4
Mr David James, Chair	5	5
Mr Clive Jones	5	5
Mrs Marle Price	3	3
Mrs Beverly Tyley	1	2

The Audit & Risk Committee is also a sub-committee of the main board of Trustees. The role of this committee is to oversee the trust's programmes of internal and external audit; ensure risks are being addressed appropriately through the trust's audit and scrutiny framework; and report to the Board on the adequacy of this framework, including financial management and reporting, whistleblowing and fraud/anti-corruption and bribery. This year the agenda covered: committee membership/roles; external audit updates, audit planning and fees; internal scrutiny updates and audit report; review (and approval where appropriate) of relevant policies; draft annual accounts and audit close memorandum; standing items/reports for fraud, whistleblowing and significant loss; and safeguarding.

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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Mrs Stephanie Bridgwater	3	3
Mr Michael Briscoe (in attendance)	3	3
Dr Gill Eatough (in attendance)	1	1
Mr Andrew Harris, Chair (resigned 31/10/22)	2	2
Ms Jane Hughes (in attendance)	2	2
Mrs Wendy Jay	1	1
Mr Nigel Lee, Chair from June 2023	1	1
Mrs Beverly Tyley	2	2

The **Standards Committee** is also a sub-committee of the main board of Trustees. The role of the committee is to oversee the delivery of the trust's school improvement programme, including the monitoring standards across our schools and delivery against key performance targets. This year the agenda covered: academy overviews, inspection outcomes, trust reviews, 2022 results, latest data position, school improvement capacity, careers education, community engagement and safeguarding.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Mr Michael Briscoe (in attendance)	2	4
Mrs Christine Davies	3	4
Dr Gill Eatough (in attendance)	1	1
Ms Jane Hughes (in attendance)	3	3
Mrs Lisa Jinks (in attendance)	1	4
Dr David Woods, Chair	4	4
Mr David Wootton	2	4

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 Trustees where value for money can be improved, including the use of benchmarking data where appropriate. The accounting officer for the Trust has delivered improved value for money during the year by:

- **Raising student attainment**

The Trust regularly reviews its staffing structure in order to deploy staff efficiently to support an improved curriculum and target areas of the curriculum in need of development. The Trust uses the model, recommended by the DfE, of ICFP (Integrated Financial and Curriculum Planning) to model the cost of the curriculum in terms of staffing costs, deployment, class size etc. The administration and support staff is also reviewed to ensure appropriate staffing levels to support our academies.

Pupil progress is assessed and tracked rigorously throughout their education with appropriate and timely interventions to raise attainment. Free school meals children are supported through interventions funded from the Pupil Premium Grant aimed at narrowing the attainment gap.

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GOVERNANCE STATEMENT (CONTINUED)

Review of value for money (continued)

The Trust collaborates with other educational providers and experts to share delivery or good practice including the Severn Teaching Alliance, the Salop Teaching Alliance, the Alliance for Learning, Telford College and other local Trusts.

- **Financial governance and oversight**
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 this includes:
 - o Comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of Trustees;
 - o Regular reviews by the Business and Personnel committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
 - o Setting targets to measure financial and other performance;
 - o Clearly defined purchasing guidelines;
 - o Delegation of authority and segregation of duties; and
 - o Identification and management of risks.
- **Better purchasing/procurement**
Trust contracts have been entered into to ensure reduced cost where it was felt that this would benefit the Trust. Some external services have been terminated as the expertise is now available within the Trust. Contractual costs are benchmarked across the schools in the Trust to compare best value. Economies of scale are achieved by the sharing of human and material resources across the Trust.
- **Better Income generation**
The Trust explores every opportunity to generate income through the hire of our Academies' facilities and through the provision of consultancy and services to other educational providers. Bids for external grants are applied for where relevant.
- **Reviewing controls and managing risks**
Monthly budget monitoring reports are produced and reviewed by the Chief Operating Officer and any necessary remedial action taken to address significant variances that may have an impact on the budget out turn discussed with the Accounting Officer and the Resources Committee.

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 Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Learning Community Trust for the year 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements.

LEARNING COMMUNITY TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Capacity to handle risk

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

The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of Trustees
- regular reviews by the Business and Personnel Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes
- setting targets to measure financial and other performance
- clearly defined purchasing (asset purchase or capital investment) guidelines
- identification and management of risks
- Health and Safety Audits across all schools from Telford and Wrekin Council, including compliance of planned maintenance
- Independent H&S Audits
- GDPR audits across all schools from the Local Authority Data Protection Officer
- Fire Risk Assessments
- Safeguarding audits from the Local Authority

The Board of Trustees has considered the need for a specific internal audit function and has opted for a bought in internal audit service.

The Board of Trustees has decided to employ Telford and Wrekin Council as internal auditor.

The Board considered the output from external audit interim visits, and other compliance visits, in conjunction with the Trust's assessment of risk in confirming the scope of the internal audit work. The internal auditor's role included performing a range of checks on areas of the Trust's finance systems and controls which included:

- Petty cash
- Use of credit cards
- Reimbursement of expenses
- Follow-up

The audits are undertaken during the Spring/Summer terms, the final report of which is presented to the Audit & Risk Committee at its meeting late June. A report is then provided to the Board in July by the Chair of the Audit & Risk Committee.

The auditor carried out the internal scrutiny programme as planned. No significant control issues were identified and where recommendations for improvement were made, this was actioned immediately and further improvement planned where appropriate.

In addition to the internal audit, the external auditors reported to the Board the results of the interim visits performed during the year, which comprise part of the statutory year end audit, reporting on the operation of the systems of control and on the discharge of the Trustees' financial responsibilities.

LEARNING COMMUNITY TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)


Review of effectiveness

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

- the work of the internal auditors;
- on discharge of the Board of Trustees financial decisions to help the committee consider actions and assess year on year progress
- the work of the executive managers within the Trust who have responsibility for the development and maintenance of the internal control framework.
- the work of the external auditors;

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

Approved by order of the members of the Board of Trustees on 18 December 2023 and signed on their behalf by:


.....
Mr Michael Briscoe
Chair of Trustees


.....
Mrs Jane Hughes
Accounting Officer

LEARNING COMMUNITY TRUST
(A company limited by guarantee)

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Learning Community Trust I have considered my responsibility to notify the Trust board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding including for estates safety and management, under the funding agreement in place between the Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2022, including responsibilities for estates safety and management.

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

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.



Mrs Jane Hughes
Accounting Officer

Date: 18 | 12 | 23

LEARNING COMMUNITY TRUST
(A company limited by guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2023

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

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


- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

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

 M J BRISCOE
.....
Mr Michael Briscoe
Chair of Trustees
Date: 15/2/23

LEARNING COMMUNITY TRUST
(A company limited by guarantee)

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

Opinion

We have audited the financial statements of Learning Community Trust (the 'trust') for the year ended 31 August 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023 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 Trust's affairs as at 31 August 2023 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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 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.

LEARNING COMMUNITY TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
LEARNING COMMUNITY TRUST (CONTINUED)**

Other information

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

LEARNING COMMUNITY TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
LEARNING COMMUNITY TRUST (CONTINUED)**

Responsibilities of trustees

As explained more fully in the Statement of trustees' responsibilities, the Trustees (who are also the directors of the 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 Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Trust or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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

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:

- We reviewed the susceptibility of the Trust's financial statements to material misstatement and identified the principal risks, implementing a series of testing procedures to provide us with sufficient comfort to issue our opinion.
- We reviewed the Trust's regulatory environment to ensure we could conclude that it had acted in accordance with the framework relevant to the Trust and its environment and identify any instances of non-compliance.
- We also assessed the Trust's internal control procedures to ensure we could appropriately scrutinise these controls and establish whether our understanding of the control environment was sufficient to supplement our additional testing procedures.
- The engagement team consisted of a team that the engagement partner believes is equipped with the relevant level of technical and Trust awareness to carry out our work to the required standard.

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.

LEARNING COMMUNITY TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
LEARNING COMMUNITY TRUST (CONTINUED)**

Use of our report

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



Andrew Malpass BA FCA (senior statutory auditor)

for and on behalf of

WR Partners

Chartered Accountants

Statutory Auditors

Belmont House

Shrewsbury Business Park

Shrewsbury

SY2 6LG

Date:

20th December 2023

LEARNING COMMUNITY TRUST
(A company limited by guarantee)

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

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

This report is made solely to Learning Community Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Learning Community 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 Learning Community Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Learning Community Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Learning Community Trust's funding agreement with the Secretary of State for Education dated 1 March 2018 and the Academy Trust Handbook, extant from 1 September 2022, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2022 to 2023. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2022 to 31 August 2023 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

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

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

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

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

LEARNING COMMUNITY TRUST
(A company limited by guarantee)

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

Conclusion

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



Andrew Malpass BA FCA (Senior Statutory Auditor)
for and on behalf of

WR Partners

Chartered Accountants

Statutory Auditors

Belmont House

Shrewsbury Business Park

Shrewsbury

SY2 6LG

Date:

20th December 2023

LEARNING COMMUNITY TRUST
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2023**

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:						
Donations and capital grants	3	-	95,303	5,155,426	5,250,729	1,060,612
Other trading activities	5	45,254	1,246,906	-	1,292,160	876,144
Investments	6	9,373	-	-	9,373	1,224
Charitable activities		-	43,694,093	-	43,694,093	39,213,471
Total income		54,627	45,036,302	5,155,426	50,246,355	41,151,451
Expenditure on:						
Charitable activities	7,8	-	45,543,842	3,548,351	49,092,193	43,497,172
Total expenditure		-	45,543,842	3,548,351	49,092,193	43,497,172
Net income/(expenditure)		54,627	(507,540)	1,607,075	1,154,162	(2,345,721)
Transfers between funds	18	-	(294,764)	294,764	-	-
Net movement in funds before other recognised gains		54,627	(802,304)	1,901,839	1,154,162	(2,345,721)
Other recognised gains:						
Actuarial gains on defined benefit pension schemes	26	-	4,214,000	-	4,214,000	20,214,000
Net movement in funds		54,627	3,411,696	1,901,839	5,368,162	17,868,279
Reconciliation of funds:						
Total funds brought forward		381,543	(7,718,206)	92,598,833	85,262,170	67,393,891
Total funds carried forward		436,170	(4,306,510)	94,500,672	90,630,332	85,262,170

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 43 to 72 form part of these financial statements.

LEARNING COMMUNITY TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 10846393

BALANCE SHEET
AS AT 31 AUGUST 2023

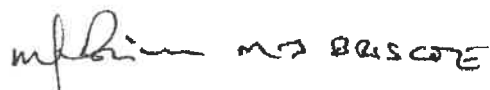
	Note	2023 £	2022 £
Fixed assets			
Tangible assets	14	93,517,252	91,706,779
		<u>93,517,252</u>	<u>91,706,779</u>
Current assets			
Debtors	15	1,720,790	1,472,002
Cash at bank and in hand	22	6,512,446	6,009,735
		<u>8,233,236</u>	<u>7,481,737</u>
Creditors: amounts falling due within one year	16	(4,277,114)	(3,415,180)
Net current assets		3,956,122	4,066,557
Total assets less current liabilities		97,473,374	95,773,336
Creditors: amounts falling due after more than one year	17	(6,042)	(24,166)
Net assets excluding pension liability		97,467,332	95,749,170
Defined benefit pension scheme liability	26	(6,837,000)	(10,487,000)
Total net assets		90,630,332	85,262,170

LEARNING COMMUNITY TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 10846393

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2023

	Note	2023 £	2022 £
Funds of the Trust			
Restricted funds:			
Fixed asset funds	18	94,500,672	92,598,833
Restricted income funds	18	2,530,490	2,768,794
Restricted funds excluding pension asset	18	97,031,162	95,367,627
Pension reserve	18	(6,837,000)	(10,487,000)
Total restricted funds	18	90,194,162	84,880,627
Unrestricted income funds	18	436,170	381,543
Total funds		90,630,332	85,262,170

The financial statements on pages 39 to 72 were approved and authorised for issue by the Trustees and are signed on their behalf, by:



Mr Michael Briscoe
Chair of Trustees

Date: 18/12/23

The notes on pages 43 to 72 form part of these financial statements.

LEARNING COMMUNITY TRUST
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash provided by operating activities	20	3,545,447	832,835
Cash flows from investing activities			
	21	(3,042,736)	(573,566)
Change in cash and cash equivalents in the year		502,711	259,269
Cash and cash equivalents at the beginning of the year		6,009,735	5,750,466
Cash and cash equivalents at the end of the year	22, 23	6,512,446	6,009,735

The notes on pages 43 to 72 form part of these financial statements

LEARNING COMMUNITY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

1. Accounting policies

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

1.1 Basis of preparation of financial statements

The financial statements of the Trust, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2022 to 2023 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

1.2 Going concern

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Trust to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

After making enquires, the Trustees have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. The Trust therefore continues to adopt the going concern basis in preparing its financial statements.

LEARNING COMMUNITY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

1. Accounting policies (continued)

1.3 Income

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

• **Grants**

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

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

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

• **Sponsorship income**

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

• **Donations**

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

• **Other income**

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

1.4 Expenditure

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

• **Charitable activities**

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

LEARNING COMMUNITY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

1. Accounting policies (continued)

1.4 Expenditure (continued)

All resources expended are inclusive of irrecoverable VAT.

1.5 Interest receivable

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

1.6 Taxation

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

Accordingly, the Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by 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.

1.7 Tangible fixed assets

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

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

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

Depreciation is provided on the following bases:

Freehold property	- 125 years, straight line
Long-term leasehold property	- 125 years, straight line
Furniture and equipment	- 5 years, straight line
Computer equipment	- 3 years, straight line
Motor vehicles	- 5 years, straight line

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

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

1. Accounting policies (continued)

1.8 Debtors

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

1.9 Cash at bank and in hand

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

1.10 Liabilities

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the 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.

1.11 Provisions

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

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

1.12 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 15.

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.

1.13 Operating leases

Rentals paid under operating leases are charged to the statement of financial activities on a straight line basis over the lease term.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

1. Accounting policies (continued)

1.14 Pensions

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

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

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

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

1.15 Fund accounting

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

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

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

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

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

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 26, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Lantern Academy land and buildings have been introduced at a value equal to the net book value held by the Local Authority at the time of conversion to Academy status.

3. Income from donations and capital grants

	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £	Total funds 2022 £
Conversion academy transfer balances				
Assets received on conversion	-	2,555,000	2,555,000	-
DFC balance on conversion	-	11,675	11,675	-
Surplus/(Deficit) balance on conversion	55,311	-	55,311	-
	<u>55,311</u>	<u>2,566,675</u>	<u>2,621,986</u>	<u>-</u>
Donations	39,992	-	39,992	47,824
Capital Grants	-	2,588,751	2,588,751	1,012,788
Total 2023	<u>95,303</u>	<u>5,155,426</u>	<u>5,250,729</u>	<u>1,060,612</u>
<i>Total 2022</i>	<u>40,518</u>	<u>1,020,094</u>	<u>1,060,612</u>	

LEARNING COMMUNITY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

4. Funding for the Trust's charitable activities

	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Educational activities			
DfE/ESFA grants			
General Annual Grant (GAG)	32,195,916	32,195,916	29,788,749
Other DfE/ESFA grants:			
Start Up Grants	43,577	43,577	6,423
Other DfE/ESFA Grant Income	109,347	109,347	470,003
Pupil Premium	2,075,445	2,075,445	1,604,713
Universal Infant Free School Meals (UIFSM)	168,089	168,089	181,721
PE and Sports Grant	106,210	106,210	73,490
	34,698,584	34,698,584	32,125,099
Other Government grants			
Local Authority - SEN	5,971,938	5,971,938	5,434,646
Local Authority - Early Years	346,932	346,932	265,691
Government - Other Grants	1,707,860	1,707,860	713,434
	8,026,730	8,026,730	6,413,771
Other Income	968,779	968,779	558,361
COVID-19 additional funding (DfE/ESFA)			
Catch-up Premium	-	-	116,240
	-	-	116,240
	43,694,093	43,694,093	39,213,471
Total 2023	43,694,093	43,694,093	39,213,471
Total 2022	39,213,471	39,213,471	

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

5. Income from other trading activities

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Lettings	45,254	-	45,254	25,470
Supply teacher insurance	-	373,413	373,413	270,442
School fund income	-	579,194	579,194	303,009
Income from ancillary trading activities	-	294,299	294,299	277,223
Total 2023	45,254	1,246,906	1,292,160	876,144
<i>Total 2022</i>	<i>25,470</i>	<i>850,674</i>	<i>876,144</i>	

6. Investment income

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Short term deposit income	9,373	9,373	1,224
Total 2023	9,373	9,373	1,224
<i>Total 2022</i>	<i>1,224</i>	<i>1,224</i>	

LEARNING COMMUNITY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

7. Expenditure

	Staff Costs 2023 £	Premises 2023 £	Other 2023 £	Total 2023 £	Total 2022 £
Educational activities:					
Direct costs	28,368,334	-	1,837,038	30,205,372	27,584,600
Allocated support costs	5,777,127	2,382,924	10,726,770	18,886,821	15,912,572
Total 2023	34,145,461	2,382,924	12,563,808	49,092,193	43,497,172
<i>Total 2022</i>	<i>32,438,461</i>	<i>2,221,110</i>	<i>8,837,601</i>	<i>43,497,172</i>	

8. Analysis of expenditure by activities

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £	Total funds 2022 £
Educational activities	30,205,372	18,886,821	49,092,193	43,497,172
Total 2023	30,205,372	18,886,821	49,092,193	43,497,172
<i>Total 2022</i>	<i>27,584,600</i>	<i>15,912,572</i>	<i>43,497,172</i>	

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

8. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Educational activities 2023 £	Total funds 2023 £	Total funds 2022 £
Staff costs	27,804,334	27,804,334	25,591,390
Educational Supplies	1,572,858	1,572,858	1,295,890
Examination Fees	334,079	334,079	264,852
Technology Costs	34,543	34,543	57,501
Other costs	288,278	288,278	254,908
Legal and Professional	171,280	171,280	120,059
Total 2023	<u>30,205,372</u>	<u>30,205,372</u>	<u>27,584,600</u>
<i>Total 2022</i>	<u>27,584,600</u>	<u>27,584,600</u>	

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

8. Analysis of expenditure by activities (continued)

Analysis of support costs

	Educational activities 2023 £	Total funds 2023 £	Total funds 2022 £
Staff costs	5,929,127	5,929,127	6,379,071
Depreciation	1,243,272	1,243,272	1,100,916
Finance costs on FRS102 pension	412,000	412,000	468,000
Other Staff Costs	1,096,591	1,096,591	1,056,025
PFI costs	3,145,968	3,145,968	2,949,277
Other costs	1,195,145	1,195,145	714,982
Rates	58,302	58,302	64,584
Energy	806,430	806,430	455,936
Maintenance of Premises	2,709,527	2,709,527	758,356
Cleaning and Caretaking	446,414	446,414	395,491
Operating Leases	100,646	100,646	84,863
Security	282	282	10,913
Transport	121,137	121,137	94,944
Catering	717,597	717,597	629,297
Other Premises Costs	509,308	509,308	442,134
Legal and Professional	368,850	368,850	284,883
Audit and accountancy	26,225	26,225	22,900
Total 2023	18,886,821	18,886,821	15,912,572
<i>Total 2022</i>	<i>15,912,572</i>	<i>15,912,572</i>	

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

9. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2023 £	2022 £
Operating lease rentals	60,862	84,863
Depreciation of tangible fixed assets	1,243,272	1,100,916
Fees paid to auditors for:		
- audit	19,525	17,000
- other services	6,700	5,900
	<u> </u>	<u> </u>

10. Staff

a. Staff costs

Staff costs during the year were as follows:

	2023 £	2022 £
Wages and salaries	25,670,527	23,109,128
Social security costs	2,352,764	2,139,322
Pension costs	5,168,458	6,374,796
	<u>33,191,749</u>	<u>31,623,246</u>
Agency staff costs	486,817	341,624
Staff restructuring costs	54,895	5,591
	<u>33,733,461</u>	<u>31,970,461</u>

Staff restructuring costs comprise:

	2023 £	2022 £
Redundancy payments	3,021	5,591
Severance payments	51,874	-
	<u>54,895</u>	<u>5,591</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

10. Staff (continued)

b. Severance payments

The Trust paid 6 severance payments in the year (2022 - -), disclosed in the following bands:

	2023 No.	2022 No.
£0 - £25,000	6	-

c. Staff numbers

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

	2023 No.	2022 No.
Teachers	378	355
Administration and Support	513	522
Management	13	11
	904	888

d. Higher paid staff

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

	2023 No.	2022 No.
In the band £60,001 - £70,000	18	15
In the band £70,001 - £80,000	7	5
In the band £80,001 - £90,000	2	4
In the band £90,001 - £100,000	3	1
In the band £100,001 - £110,000	2	2
In the band £110,001 - £120,000	1	-
In the band £130,001 - £140,000	1	1

e. Key management personnel

The key management personnel of the Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Trust was £1,689,534 (2022 £1,385,289).

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

11. Central services

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

- Finance
- Facilities Manager
- Education Welfare Officer & Counselling
- GDPR
- Legal Services
- HR & Payroll
- Clerking LGB's

The Trust charges for these services on the following basis:

A top slice flat percentage of income is applied of:

- HLC Primary and Secondary 4.5% with a 1.5% rebate for Trust Accomodation
- Ercall Wood 4.5%
- Queensway 4.5%
- Charlton 4.5%
- Wrekin View 4.5%
- Crudgington 4.5%
- Severdale 4.5%
- Lantern Academy 4.5%

The actual amounts charged during the year were as follows:

	2023	2022
	£	£
HLC Secondary and Primary	343,177	210,384
Queensway	138,421	109,496
Ercall Wood	248,892	209,738
Charlton	307,306	254,468
Wrekin View	83,526	71,073
Crudgington	26,568	23,799
Severdale	186,750	166,000
Lantern Academy	27,422	-
Total	1,362,062	1,044,958

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

12. Trustees' remuneration and expenses

One or more Trustees has been paid remuneration or has received other benefits from an employment with the Trust. The principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment. The value of Trustees' remuneration and other benefits was as follows:

		2023	2022
		£	£
Dr Gill Eatough, Chief Executive and Accounting Officer (resigned 31 October 2022)	Remuneration	20,000 -	130,000 -
		25,000	135,000
	Pension contributions paid	5,000 -	30,000 -
		10,000	35,000
Ms Jane Hughes, Chief Executive and Accounting Officer (appointed 1 November 2022)	Remuneration	135,000 -	
		140,000	
	Pension contributions paid	30,000 -	
		35,000	

During the year ended 31 August 2023, expenses totalling £NIL were reimbursed no Trustee (2022: £545 to 1 Trustee) for mileage.

13. Trustees' and Officers' insurance

The 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. 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 membership.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

14. Tangible fixed assets

	Freehold property £	Long-term leasehold property £	Furniture and equipment £	Computer equipment £	Motor vehicles £	Total £
Cost or valuation						
At 1 September 2022	36,013,000	57,707,620	461,041	866,204	62,493	95,110,358
Additions	2,575,000	-	171,109	288,646	18,990	3,053,745
Disposals	-	-	-	(17,450)	-	(17,450)
At 31 August 2023	<u>38,588,000</u>	<u>57,707,620</u>	<u>632,150</u>	<u>1,137,400</u>	<u>81,483</u>	<u>98,146,653</u>
Depreciation						
At 1 September 2022	1,021,477	1,808,845	168,049	379,344	25,864	3,403,579
Charge for the year	267,824	524,767	156,397	274,316	18,332	1,241,636
On disposals	-	-	-	(15,814)	-	(15,814)
At 31 August 2023	<u>1,289,301</u>	<u>2,333,612</u>	<u>324,446</u>	<u>637,846</u>	<u>44,196</u>	<u>4,629,401</u>
Net book value						
At 31 August 2023	<u>37,298,699</u>	<u>55,374,008</u>	<u>307,704</u>	<u>499,554</u>	<u>37,287</u>	<u>93,517,252</u>
At 31 August 2022	<u>34,991,523</u>	<u>55,898,775</u>	<u>292,992</u>	<u>486,860</u>	<u>36,629</u>	<u>91,706,779</u>

15. Debtors

	2023 £	2022 £
Due within one year		
Trade debtors	754,509	234,207
Other debtors	483,698	449,343
Prepayments and accrued income	482,583	788,452
	<u>1,720,790</u>	<u>1,472,002</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

16. Creditors: Amounts falling due within one year

	2023 £	2022 £
Trade creditors	1,672,301	1,310,135
Other taxation and social security	583,807	529,390
Other creditors	615,502	537,444
Accruals and deferred income	1,405,504	1,038,211
	<u>4,277,114</u>	<u>3,415,180</u>
	2023 £	2022 £
Deferred income at 1 September 2022	415,520	502,342
Resources deferred during the year	630,153	415,520
Amounts released from previous periods	(415,520)	(502,342)
	<u>630,153</u>	<u>415,520</u>

Included in deferred income are monies received in the year from the Local Authority and the ESFA that are for the 2022/2023 year.

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

	2023 £	2022 £
Other creditors	<u>6,042</u>	<u>24,166</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

18. Statement of funds

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
Unrestricted funds						
General Funds - all funds	381,543	54,627	-	-	-	436,170
Restricted general funds						
GAG	-	32,195,916	(32,195,916)	-	-	-
Pupil Premium	-	2,075,445	(2,075,445)	-	-	-
School Fund	428,697	566,052	(603,010)	-	-	391,739
Other Grants	2,340,097	10,198,889	(10,105,471)	(294,764)	-	2,138,751
Pension reserve	(10,487,000)	-	(564,000)	-	4,214,000	(6,837,000)
	<u>(7,718,206)</u>	<u>45,036,302</u>	<u>(45,543,842)</u>	<u>(294,764)</u>	<u>4,214,000</u>	<u>(4,306,510)</u>
Restricted fixed asset funds						
Class II Restricted Funds - all funds	91,706,779	2,555,000	(1,243,272)	498,745	-	93,517,252
DFC Capital Income	75,626	205,930	(30,037)	(111,171)	-	140,348
Other Capital Grants	829,333	1,114,496	(1,455,016)	(92,810)	-	396,003
Lantern Funding T&W	(12,905)	780,000	(701,387)	-	-	65,708
Queensway new build	-	500,000	(118,639)	-	-	381,361
	<u>92,598,833</u>	<u>5,155,426</u>	<u>(3,548,351)</u>	<u>294,764</u>	<u>-</u>	<u>94,500,672</u>
Total Restricted funds	<u>84,880,627</u>	<u>50,191,728</u>	<u>(49,092,193)</u>	<u>-</u>	<u>4,214,000</u>	<u>90,194,162</u>
Total funds	<u>85,262,170</u>	<u>50,246,355</u>	<u>(49,092,193)</u>	<u>-</u>	<u>4,214,000</u>	<u>90,630,332</u>

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NOTES TO THE FINANCIAL STATEMENTS
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18. Statement of funds (continued)

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

Unrestricted funds

The balance is being utilised to support the deficit on restricted funds.

Restricted funds

This includes the main ESFA and local authority funding and general expenditure of the Trust.

Restricted fixed asset funds

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 of all other restricted funds received and include grants from the Department of Education.

Latern Fund - The conversion due diligence report identified that the external building envelope of the school was in a significant state of disrepair. As such LCT appointed Barker Associates to carry out a fully costed feasibility study regarding the risks and repair solutions. Following the submission of the report the LA agreed to contribute £780k of capital funds upon conversion to rectify the building envelope in replacing all external doors and windows and installing insulated external fascia panels to comply with British Standards. The amount of funding committed in 21/22 was for the professional fees of Barker Associates who carried out the feasibility study. The amount committed for 21/22 will be debited from the £780k which we expect to receive in October 2022.

Under the funding agreement with the Secretary of State, the Trust was not subject to a limit on the amount of GAG it could carry forward at 31 August 2023.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

18. Statement of funds (continued)

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

	<i>Balance at 1 September 2021 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2022 £</i>
Unrestricted funds						
General Funds - all funds	354,849	26,694	-	-	-	381,543
Restricted general funds						
GAG	-	29,788,749	(29,788,749)	-	-	-
Pupil Premium	-	1,604,713	(1,604,713)	-	-	-
School Fund	204,380	303,009	(256,165)	177,473	-	428,697
Other Grants	2,332,858	8,408,192	(7,902,115)	(498,838)	-	2,340,097
Pension reserve	(28,374,000)	-	(2,327,000)	-	20,214,000	(10,487,000)
	<u>(25,836,762)</u>	<u>40,104,663</u>	<u>(41,878,742)</u>	<u>(321,365)</u>	<u>20,214,000</u>	<u>(7,718,206)</u>
Restricted fixed asset funds						
Class II Restricted Funds - all funds	92,232,905	-	(526,126)	-	-	91,706,779
DFC Capital Income	144,262	131,531	(474,422)	274,255	-	75,626
Other Capital Grants	498,637	888,563	(604,977)	47,110	-	829,333
Lantern Funding T&W	-	-	(12,905)	-	-	(12,905)
	<u>92,875,804</u>	<u>1,020,094</u>	<u>(1,618,430)</u>	<u>321,365</u>	<u>-</u>	<u>92,598,833</u>
Total Restricted funds	<u>67,039,042</u>	<u>41,124,757</u>	<u>(43,497,172)</u>	<u>-</u>	<u>20,214,000</u>	<u>84,880,627</u>
Total funds	<u>67,393,891</u>	<u>41,151,451</u>	<u>(43,497,172)</u>	<u>-</u>	<u>20,214,000</u>	<u>85,262,170</u>

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18. Statement of funds (continued)

Total funds analysis by academy

Fund balances at 31 August 2023 were allocated as follows:

	2023	2022
	£	£
Hadley Learning Community	729,967	598,547
Queensway	248,863	229,538
Ercall Wood	474,943	374,252
Charlton	646,301	448,018
Trust	361,851	459,886
Wrekin View	138,670	54,218
Crudgington	12,884	54,853
Severdale	376,940	931,025
Lantern	(23,759)	-
Total before fixed asset funds and pension reserve	<u>2,966,660</u>	<u>3,150,337</u>
Restricted fixed asset fund	94,500,672	92,598,833
Pension reserve	(6,837,000)	(10,487,000)
Total	<u><u>90,630,332</u></u>	<u><u>85,262,170</u></u>

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18. Statement of funds (continued)

Total cost analysis by academy

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2023 £	Total 2022 £
Hadley Learning Community	7,222,592	1,046,990	427,665	4,004,325	12,701,572	11,614,732
Queensway	2,132,879	242,109	83,609	689,561	3,148,158	2,816,888
Ercall Wood	3,808,941	1,010,883	319,437	1,030,705	6,169,966	5,442,601
Charlton Trust	4,904,230 966,174	1,061,342 745,357	405,407 76,311	1,237,152 2,683,122	7,608,131 4,470,964	6,852,870 3,984,552
Wrekin View	1,763,780	140,364	91,071	498,681	2,493,896	2,350,949
Crudgington	490,802	51,863	36,204	159,453	738,322	718,892
Severdale	6,537,368	1,419,498	439,683	1,231,850	9,628,399	8,614,772
Lantern	541,568	58,721	27,550	261,674	889,513	-
Trust	28,368,334	5,777,127	1,906,937	11,796,523	47,848,921	42,396,256

19. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £
Tangible fixed assets	-	-	93,517,252	93,517,252
Current assets	436,170	6,813,646	983,420	8,233,236
Creditors due within one year	-	(4,277,114)	-	(4,277,114)
Creditors due in more than one year	-	(6,042)	-	(6,042)
Provisions for liabilities and charges	-	(6,837,000)	-	(6,837,000)
Total	436,170	(4,306,510)	94,500,672	90,630,332

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19. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2022 £</i>	<i>Restricted funds 2022 £</i>	<i>Restricted fixed asset funds 2022 £</i>	<i>Total funds 2022 £</i>
Tangible fixed assets	-	-	91,706,779	91,706,779
Current assets	381,543	6,208,140	892,054	7,481,737
Creditors due within one year	54,374	(3,469,554)	-	(3,415,180)
Creditors due in more than one year	(54,374)	30,208	-	(24,166)
Provisions for liabilities and charges	-	(10,487,000)	-	(10,487,000)
Total	<u>381,543</u>	<u>(7,718,206)</u>	<u>92,598,833</u>	<u>85,262,170</u>

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

	2023 £	2022 £
Net income/(expenditure) for the year (as per statement of financial activities)	<u>1,154,162</u>	<u>(2,345,721)</u>
Adjustments for:		
Depreciation	1,241,636	1,100,916
Increase in debtors	(248,788)	(445,837)
Increase in creditors	843,810	197,701
Dividends, interest and rents from investments	(9,373)	(1,224)
FRS102 Pension Cost	564,000	2,327,000
Net cash provided by operating activities	<u><u>3,545,447</u></u>	<u><u>832,835</u></u>

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21. Cash flows from investing activities

	2023	2022
	£	£
Dividends, interest and rents from investments	9,373	1,224
Purchase of tangible fixed assets	(3,053,745)	(574,939)
Loss on disposal of tangible fixed assets	1,636	149
Net cash used in investing activities	(3,042,736)	(573,566)

22. Analysis of cash and cash equivalents

	2023	2022
	£	£
Cash in hand and at bank	6,512,446	6,009,735
Total cash and cash equivalents	6,512,446	6,009,735

23. Analysis of changes in net debt

	At 1 September 2022	Cash flows	At 31 August 2023
	£	£	£
Cash at bank and in hand	6,009,735	502,711	6,512,446
	6,009,735	502,711	6,512,446

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24. Conversion to an academy trust

On 01/09/2022 Lantern Academy converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Learning Community Trust from Telford & Wrekin Council for £NIL consideration.

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

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

	Restricted funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets			
Freehold land and buildings	-	2,555,000	2,555,000
Current assets			
Surplus balance	55,311	-	55,311
DFC on conversion	-	11,675	11,675
Net assets	<u>55,311</u>	<u>2,566,675</u>	<u>2,621,986</u>

25. Capital commitments

	2023 £	2022 £
Contracted for but not provided in these financial statements		
Acquisition of tangible fixed assets	<u>567,393</u>	<u>-</u>

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26. Pension commitments

The 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 Mercer. Both are multi-employer defined benefit schemes.

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

Contributions amounting to £598,902 were payable to the schemes at 31 August 2023 (2022 - £526,188) and are included within creditors.

Teachers' Pension Scheme

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

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

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2020. The valuation report was published by the Department for Education on 30 October 2023. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 28.68% of pensionable pay (including a 0.08% administration levy)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £262,000 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £222,200 million, giving a notional past service deficit of £39,800 million
- the SCAPE discount rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 1.7% above the rate of CPI, and is based on the Office for Budget Responsibility's forecast for long-term GDP growth.

The next valuation result is due to be implemented from 1 April 2027.

The employer's pension costs paid to TPS in the year amounted to £4,928,464 (2022 - £4,622,008).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (<https://www.teacherspensions.co.uk/news/employers/2023/10/valuation-result.aspx>).

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

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26. Pension commitments (continued)

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2023 was £2,308,000 (2022 - £1,695,200), of which employer's contributions totalled £1,790,000 (2022 - £1,651,000) and employees' contributions totalled £ 518,000 (2022 - £442,000). The agreed contribution rates for future years are 17.9 per cent for employers and 5.5 - 12.5 per cent for employees.

As described in note 24 the LGPS obligation relates to the employees of the Trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Trust at the balance sheet date.

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

Principal actuarial assumptions

	2023	2022
	%	%
Rate of increase in salaries	4.05	4.05
Rate of increase for pensions in payment/inflation	2.90	2.90
Discount rate for scheme liabilities	5.30	4.30
Inflation assumption (CPI)	2.80	2.80

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

	2023	2022
	Years	Years
<i>Retiring today</i>		
Males	21.7	22.9
Females	24.1	25.1
<i>Retiring in 20 years</i>		
Males	23.0	24.1
Females	25.9	26.7

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26. Pension commitments (continued)

Sensitivity analysis

	2023 £000	2022 £000
Discount rate + 0.5% (2022: + 0.1%)	4,286	9,860
Mortality assumption - 1 year increase	7,349	11,047
CPI rate + 0.25% (2022: + 0.1%)	8,211	11,128
Pay growth + 0.25% (2022: + 0.1%)	7,131	10,603

Share of scheme assets

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

	At 31 August 2023 £	At 31 August 2022 £
Equities	10,536,000	8,324,000
Corporate bonds	3,533,000	3,403,000
Property	666,000	758,000
Cash and other liquid assets	283,000	353,000
Other	5,168,000	4,796,000
Total market value of assets	20,186,000	17,634,000

The actual return on scheme assets was £267,000 (2022 - £67,000).

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

	2023 £	2022 £
Current service cost	(1,873,000)	(3,465,000)
Interest cost	(412,000)	(468,000)
Administrative expenses	(69,000)	(45,000)
Total amount recognised in the Statement of financial activities	(2,354,000)	(3,978,000)

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26. Pension commitments (continued)

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

	2023 £	2022 £
At 1 September	31,631,000	44,295,000
Current service cost	1,942,000	3,510,000
Interest cost	1,217,000	754,000
Employee contributions	518,000	442,000
Actuarial gains	(4,577,000)	(20,567,000)
Benefits paid	(129,000)	(268,000)
Current service cost	1,873,000	3,465,000
At 31 August	32,475,000	31,631,000

Changes in the fair value of the Trust's share of scheme assets were as follows:

	2023 £	2022 £
At 1 September	17,634,000	15,921,000
Interest income	805,000	286,000
Actuarial losses	(363,000)	(353,000)
Employer contributions	1,790,000	1,651,000
Employee contributions	518,000	442,000
Benefits paid	(129,000)	(268,000)
Administration expenses	(69,000)	(45,000)
At 31 August	20,186,000	17,634,000

27. Operating lease commitments

At 31 August 2023 the Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2023 £	2022 £
Not later than 1 year	98,674	55,453
Later than 1 year and not later than 5 years	95,000	39,119
	193,674	94,572

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28. Other financial commitments

HLC and Queensway schools both have commitments under the PFI scheme until 31 March 2033.
The current annual commitment for HLC is £2,855,704.
The current annual commitment for Queensway is £290,264.

29. 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.

30. Related party transactions

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