

STANLEY LEARNING PARTNERSHIP
(A Company Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

STANLEY LEARNING PARTNERSHIP
(A Company Limited by Guarantee)

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STANLEY LEARNING PARTNERSHIP
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS

Members

R Bainbridge
S Gibson
T Harpe
T Kemp
P J Tallentire

Trustees

T Harpe, Chair¹
C Weightman, Vice Chair¹
H Broom
T Davinson¹
E Dodd
S Down
H Kemp¹
M R Stewart, CEO and Accounting Officer¹
M Webb¹
E White (resigned 14 March 2020)
D Wooff¹

¹ members of the Finance, Resources and Appointments Committee

Company registered number

10380011

Company name

Stanley Learning Partnership

Principal and registered office

Unit G3
Tanfield Lea Business Centre
Tanfield Lee Industrial Estate North
Tanfield
Stanley
Durham
DH9 9DB

Chief Executive Officer

M R Stewart

Senior Management Team

M R Stewart, Chief Executive Officer
R Bell, Headteacher South Stanley Junior School
L Thompson, Headteacher South Stanley Infant & Nursery School
A M Lewis, Acting Headteacher Greenland Community Primary School
L Liddell, Headteacher Bloemfontein Primary
T Harpe, Trustee of finance and administration
M Tallentire, Operations Director
J Willis, Chief Financial Officer

STANLEY LEARNING PARTNERSHIP
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REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Independent auditors

Clive Owen LLP
Chartered Accountants
Statutory Auditors
140 Coniscliffe Road
Darlington
Co. Durham
DL3 7RT

Bankers

Lloyds Bank plc
19 Market Place
Durham
DH1 3NL

Solicitors

Ward Hadaway
Sandgate House
102 Quayside
Newcastle upon Tyne
NE1 3DX

STANLEY LEARNING PARTNERSHIP
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2020

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year 1 September 2019 to 31 August 2020. The annual report serves the purposes of both a Trustees' report, and a Directors' report under company law.

The Partnership operates academies for pupils aged 3 to 11 serving a catchment area in Stanley, County Durham. The Partnership, through South Stanley Infant and Nursery School, offers 2-year old provision.

The Partnership currently has a pupil capacity of 972 (includes 52 Nursery places) and had a main roll of 834 (with an additional 46 Nursery Children) in the school census from the Spring Term 2020.

Structure, Governance and Management

Constitution

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

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

Members' Liability

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

Trustees' Indemnities

The Partnership has purchased comprehensive business insurance to protect Trustees from claims arising against negligent acts, errors or omissions occurring whilst on Partnership business. The last 2 academies to join the Partnership have bought into the RPA.

Method of Recruitment and Appointment or Election of Trustees

The number of Trustees shall be not less than three but may appoint by ordinary resolution up to a maximum of eleven Trustees. No more than one third of Trustees can be employees of the Partnership. The CEO is still part of the Board of Trustees. The Trustees have been recruited according to skills and expertise needed by the board. The term of office for any Trustee shall be 4 years. Subject to remaining eligible to be a particular type of Trustee, any Trustee may be re-appointed or re-elected.

The Board of Trustees has appointed Local Governing Bodies (LGBs) to oversee each school/academy within the Partnership. The LGBs have delegated powers to oversee the day to day running of the schools. Each LGB must consist of a minimum of four Local Governors but the maximum is eight, unless there are exceptional circumstances. Such circumstances would be where a school joins the Partnership with an established and successful governing body (this will be reduced to 8 over an appropriate period of time).

Potential Trustees and Governors are interviewed and checks are completed to ensure they are suitable to join the Partnership.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Structure, Governance and Management (continued)

Policies and Procedures Adopted for the Induction and Training of Trustees

The training and induction provided for new Trustees depends on their existing experience. Where necessary induction and training is provided on charity, educational, legal and financial matters. All new Trustees are given a tour of the Partnership's office and academies where there is a chance to meet with staff and pupils. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees. Induction tends to be done informally and is tailored specifically to the individual.

Organisational Structure

During the year, the academy trust continued to operate a unified management structure. The structure consists of 4 levels: The Members, the Trustee Board, the Local Governing body and the Senior Leadership. The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels.

The Members of Stanley Learning Partnership have ultimate control over the Partnership, with the ability to appoint other Members and Trustees, and the right to amend the Partnership's Articles of Association. The Members monitor, challenge and hold the Trustees to account on finance, school improvements, the objectiveness of the Partnership, and recruitment of schools to the Partnership.

The Trustee Board sets the strategic direction of the Partnership and monitors its performance. It appoints professionals from the public sector, private industry, voluntary sectors and the community, whose knowledge and expertise can make a difference to the lives of children and young people. Trustees work together on the Board in a voluntary capacity to ensure that the Partnership meets the needs of the community it serves.

The Chief Executive Officer of the Partnership is responsible for the day to day operation and is accountable to the Board.

Management responsibilities are governed by a detailed Scheme of Delegation, which specifies those decisions that are reserved to the Board of Trustees and those delegated to Local Governing Bodies or to Senior Management.

The Board has three Committees which act in an advice and scrutiny capacity to the Board to enable informed decisions to be made. These are Finance, Resources and Appointments, Audit and Risk, and Performance and Standards. There is a Pay Review committee at Local Governing Body level.

During this year, one Trustee resigned due to work commitments and due to COVID-19, the Partnership as yet, has not found a suitable replacement.

Arrangements for setting pay and remuneration of key management personnel

For the key Senior Leadership teaching positions within the Partnership, Performance Management is led by the CEO with independent support from an Educational Consultant.

Recommendations for pay, following a review of the Performance Management targets and objectives are then discussed and if appropriate are agreed by the Performance and Standards Committee representing the Trustee Board.

For key Partnership non-teaching staff, a Pay Scale has been agreed by Trustees and the CEO will lead the Performance Management Review of these staff.

Pay Review and Performance Management of staff below the Leadership Scale are dealt with by the Headteacher and the Pay Review Committee representing the Local Governing Body of that particular Academy establishment with administrative support provided by the Partnership Head Office.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Structure, Governance and Management (continued)

Trade union facility time

The Partnership pays into a local authority scheme that provides this service.

Related parties and other connected charities and organisations

All transactions involving related parties or connected parties are conducted at arm's length and in accordance with the Partnerships financial regulations and normal procurement procedures.

During the year, the Partnership procured services with a value of £450 from L ferry, a Local Governor at Greenland Community Primary School.

Objectives and Activities

Objects and Aims

The principal object and activity of the charitable company is the operation of Stanley Learning Partnership to provide education for pupils of different abilities between the ages of 3 and 11, (age 2 at SSIN) with emphasis on the core subjects, science, outdoor education and vocational subjects.

At the heart of our community of schools, is the belief that every child can achieve. We create an environment that allows children to develop their talents, both as individuals and a collective, empowering them to succeed in and outside of the classroom.

At every opportunity, we will encourage our children to contribute to the life and work of school, giving them a greater sense of belonging so they are best equipped to share, respect and trust in the start in life we offer them.

All academies within Stanley Learning Partnership share the desire to provide education excellence where children excel and aspire without limit. Irrespective of their ability or background, we are committed to providing inclusive learning via a rich and engaging curriculum that meets the individual needs of all of the children we serve, ensuring they all reach their full potential every day of their educational journey.

The main objectives of the academy trust during the year ended 31 August 2020 are summarised below:

- To maintain and where necessary raise the standard of education achievement for all pupils
- To increase the number of schools in order to enhance and strengthen the Partnership
- To increase the number of personnel employed by the Partnership in order to improve the effective running of the business
- To identify opportunities to gain additional revenue for the Partnership
- To provide value for money for the funds that have been expended
- To conduct the business of the Partnership in accordance with the highest standards of integrity, probity and openness

Objectives, Strategies and Activities

Objectives:

- To improve the quality of learning within Partnership Schools
- To further develop the infrastructure of the Partnership
- To increase the number of schools within the Partnership
- To identify further opportunities of revenue for the Partnership

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Objectives and Activities (continued)

Strategies:

- To annually undertake a comprehensive review of the organization of the Partnership, to include policies, systems, plans and priorities
- To liaise with the DfE, ESFA, Schools and Local Authorities in relation to growing the Partnership

Activities:

There will be 3 key areas to focus upon, which are:

- School Improvement support throughout the Partnership
- Recruitment of further schools into Stanley Learning Partnership
- The Partnership will also look to build further capacity in anticipation of the next phase of the growth plan.

Public Benefit

The Trustees have complied with their duty to have due regard to the Charity Commission's guidance on public benefit in exercising their powers or duties, in particular to its supplementary guidance on advancing education.

Strategic Report

Achievements and Performance

Due to the Coronavirus pandemic, no external statutory assessment tests were taken in the 2019-20 academic year and no assessments were submitted to the Local Authority.

The following information is based on teachers' predictions of what pupils' outcomes would have been, if teaching had continued during the Summer term 2020.

Key Performance Indicators

Stanley Infant and Nursery School

- Children enter school below national and continue to leave Y2 with outcomes that are in line at age-related.
- Progress is good.
- This was validated by inspectors during the school's successful Ofsted inspection in November 2019.

South Stanley Junior School

- Outcomes for pupils in Year 6 (2019-20) remained below national but showed a 7% increase on 2019. This year group had a very high percentage of pupils with special educational needs.
- A higher percentage reached the higher standard.
- Progress measures are much improved.
- Teaching and learning is now much more consistent and progress is accelerating in other year groups.

Bloemfontein Primary School

- Children enter school below national, sometimes significantly below.
- Predicted outcomes were that Y6 (2019-20) left school with attainment above national average.
- Progress overall is judged to be good.
- Teaching is becoming more consistent this year. A teacher, seconded from Greenland, is supporting improvements in lower KS2.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Strategic Report (continued)

Achievements and Performance (continued)

Greenland Community Primary School

- Children enter school below the national average.
- Pupils continue to leave Y6 with outcomes that are above the national.
- Progress is at least good.
- This was validated in the school's successful Ofsted inspection in November 2019

Key Performance Indicators would be as follows:

- Data Headlines
- External Moderation of Judgements
- Ofsted Rating
- Pupil Outcomes at Key Phases
- Attendance
- Pupil Numbers on Roll
- General Annual Grant (GAG) and other funding

Going Concern

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

Financial Review

Most of the Partnership's income is obtained from the Department of Education (DfE) via the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE/ESFA during the year ended 31 August 2020 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The Partnership also received grants for fixed assets from the DfE/ESFA. In accordance with the Charities Statement of Recommended practice, 'Accounting and Reporting by Charities' (SORP 2015), such grants are shown under the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

During the year ended 31 August 2020, total expenditure of £5,459,000 was in excess of recurrent grant funding from DfE/ESFA together with other incoming resources. The excess of expenditure over income for the year (before transfers and actuarial gains, and excluding fixed asset funds) was £78,000.

All of the expenditure shown in the Statement of Financial Activities is in furtherance of the Partnership's objectives.

At 31 August 2020 net book value of tangible fixed assets was £11,564,000 and movements in tangible fixed assets are shown in note 14 to the Financial Statements. The assets were used exclusively for providing education and the associated support services to the students of the academy trust.

The provisions of Financial Reporting Standard (FRS) 102 have been applied in full in respect of LGPS pension scheme, resulting in a deficit of £3,841,000 recognized on the Balance Sheet.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Financial Review (continued)

The academy trust held fund balances as at 31 August 2020 of £8,347,000 comprising £37,000 of restricted general funds, £12,065,000 of restricted fixed asset funds, a pension deficit of £(3,841,000) and £86,000 of unrestricted funds. The in year surplus on restricted funds (excluding pension reserves) and unrestricted funds was £161,000.

Reserves Policy

The Trustees frequently review the funds of the Partnership and are provided with regular reports by the Finance Manager. The reviews undertaken examine the nature of the income and expenditure streams as well as the need to match income with commitments. Only at this point, do Trustees understand what is left and classed as reserves.

Reserves are held to ensure that the Partnership has sufficient resources to continue to advance the education of pupils. As the number of academies within the Partnership increases, so will the level of reserves.

The Trustees aim to maintain enough in the reserves to provide against a sudden and unexpected fall in future income. The Trustees will review the required level of reserves on an annual basis to ensure it continues to meet the needs of the Trust. The Trustees have determined that the appropriate level of free reserves should be approximately £160,000, which is the level stated in our Reserves Policy when we originally set up as a Partnership, and was equivalent to roughly 4 weeks expenditure. The Partnership will strive towards reaching the level of reserves as originally stated in our Reserves Policy and will review the level once this is achieved. The level of reserves will be monitored throughout the year and any potential issues will be dealt with appropriately.

The value of Unrestricted Reserves as at 31 August 2020 is £86,000 and the value of Restricted General Funds as at 31 August 2020 is £37,000, which relates to GAG carried forward.

Any surplus will be ratified by Trustees to be used to maximise benefits for learners.

Investment Policy

All surplus funds are held in the current account to meet operational needs. The Trustees will ensure that the Partnership maximises its investment opportunities within a low risk environment.

Principal Risks and Uncertainties

The Partnership maintains a risk register which monitors the strategic risks. Operational risk registers are now developed both at Partnership and academy establishment level which will be reviewed at least annually by the Board of Trustees.

With the expansion of the Partnership we continue to develop internal controls and related regulatory policies. We have identified risks within the Partnership and will continue to monitor and manage the risks.

The principal risks and uncertainties are centered on changes in the level of funding from the DfE/ESFA. In addition, the Partnership is a member of the Local Government Pension Scheme (LGPS), which results in the recognition of a significant deficit on the Partnership's balance sheet.

The Trustees have assessed the major risks, to which the Partnership is exposed, in particular those relating specifically to teaching provision of facilities and other operational areas of the Partnership, and its finances. The Trustees have implemented a number of systems to assess risks that the Partnership and Academy School faces, especially in the operational areas (e.g. in relation to teaching, health and safety, Safeguarding, bullying and school visits) and in relation to the control of finance. Where significant financial risk still remains, they have ensured that they have adequate insurance cover. The Partnership has an effective system of internal financial controls and this is explained in more detail in the Governance Statement.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Principal Risks and Uncertainties (continued)

The Partnership has fully implemented the requirements of the Safer Recruitment procedures and all staff have received training in this area in addition to training on Child Protection.

The Partnership is subject to a number of risks and uncertainties in common with other academies. The Partnership has in place procedures to identify and mitigate financial risks.

Fundraising

The academy trust does not use any external fundraisers.

Plans for Future Periods

The Partnership will work closely with and for the benefit of all school staff, leadership teams, Trustee Board, Local Governing Bodies and central staff. We will also work effectively in partnership with Local Authorities, ESFA and the DfE.

The Partnership will be instrumental in supporting effective school improvement, e.g. identifying gaps and challenges, building capacity, curriculum reform, and putting in place improved tracking and reporting processes.

The Partnership will work on improving governance to ensure lines of accountability at all levels e.g. through delegation to local governing bodies and individual school leaders.

We will also work on improving corporate and support functions, e.g. IT infrastructure costs related to finance, business management and HR.

The Partnership has and will continue to focus on improving procedures to identify, monitor, mitigate and escalate risk, including managing growth and investing in due diligence for new schools joining.

The Partnership is developing engagement plans to understand and respond to the needs of parents, staff, communities the school serves, as well as other local schools and MATs.

Funds Held as Custodian on Behalf of Others

None held.

Auditors

Insofar as the Trustees are aware:

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

The Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 26 November 2020 and signed on its behalf by:



T Harpe
Chair

STANLEY LEARNING PARTNERSHIP
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GOVERNANCE STATEMENT

Scope of responsibility

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

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 Stanley Learning Partnership and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Trustees in this year period have also appointed a Chief Financial Officer

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met three times during the year. The Board met less than six times due to the clearly established committees/portfolio groups of Trustees who can deal with specific areas of responsibility, following robust terms of reference.

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

Trustee	Meetings attended	Out of a possible
T Harpe, Chair	3	3
C Weightman, Vice Chair	1	3
H Broom	2	3
T Davinson	3	3
E Dodd	2	3
S Down	0	0
H Kemp	3	3
M R Stewart, CEO and Accounting Officer	3	3
M Webb	0	3
E White (resigned 14 March 2020)	0	0
D Wooff	3	3

Governance reviews:

Due to the impact of the Coronavirus pandemic, it has been difficult to provide an effective review of the Board of Trustees, as our annual time to conduct this review normally takes place in the Summer Term.

We will, over the course of the Spring Term 2021 look to initiate a thorough review, which does include the potential of welcoming one or possibly 2 new Trustees, as well as conducting a self-review of training and skills of the existing Trustees.

The Finance, Resources and Appointments Committee is a sub-committee of the main Board of Trustees. Its purpose is to:

ensure sound management of the Partnership's finances and resources, including planning, monitoring, probity and value for money. The Committee advises the Board regarding the year-end accounts, strategic matters with financial implications, remuneration and other key matters and reports to the Board any decisions taken in accordance with the Schemes of Delegation and delegated powers, including in respect of the Academies' assets and depreciation.

STANLEY LEARNING PARTNERSHIP
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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
T Davinson	2	2
T Harpe	1	2
M R Stewart, CEO and Accounting Officer	2	2
M Webb	2	2
D Wooff	2	2

Due to the Coronavirus pandemic, this Committee only met twice in the Academic Year 2019-2020, however, at the main Trustee Board meeting held on 2 July 2020, a full financial report was provided by the Chief Financial Officer to all Trustees.

The Audit and Risk Committee is also a sub-committee of the main Board of Trustees. Its purpose is to:

provide assurance to the Board of Trustees over the suitability of and compliance with, its financial systems and operational controls. It is responsible for ensuring the adequacy and effectiveness of the Partnership's systems of internal control, risk management, informing the statement of internal control of the Partnership, and agreeing a programme of internal audit work, to provide assurance to the external audit process.

The committee has delegated responsibility from the Board of Trustees for ensuring that there is a framework for accountability; for examining and reviewing all systems and methods of control both financial and otherwise including risk analysis and risk management; and for ensuring the charitable Trust is complying with all aspects of the law, relevant regulations and good practice.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
H Broome	1	3
E Dodd	1	3
S Down	1	3
M R Stewart, CEO and Accounting Officer	3	3
M Webb	3	3
C Weightman	2	3
E White (resigned 14 March 2020)	1	1

STANLEY LEARNING PARTNERSHIP
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GOVERNANCE STATEMENT (CONTINUED)

Review of value for money

As Accounting Officer, the Chief Executive Officer has responsibility for ensuring that the Partnership 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 Partnership'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 Partnership has delivered improved value for money during the year by:

- Payroll Service Level Agreement (SLA), re-negotiated at a reduced cost of 20%
- Education Development Service. CEO continues to negotiate an increase in quality of service from the Local Authority, which includes additional hours of support and further resources at no extra cost to the original SLA.
- Travel to access Swimming Curriculum. Greenland Mini-bus has been utilised across the Trust saving a high expense on the regular hiring of coach travel.

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 Partnership 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 Stanley Learning Partnership for the year 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the Partnership 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 Partnership's significant risks that has been in place for the year 1 September 2019 to 31 August 2020 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 Partnership's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. In particular, it includes:

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

During 2020, the Board of Trustees appointed Clive Owen LLP as internal auditor. Due to the revised FRC Ethical Standard (15 March 2020), Tait Walker have now been appointed as Internal Auditor and Clive Owen remain as External Auditor, in order to separate the roles.

STANLEY LEARNING PARTNERSHIP
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GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework (continued)

The internal auditor's role includes giving advice on financial matters and performing a range of checks on the Partnership's financial systems. In particular the checks carried out in the current period included:

- testing of payroll systems
- testing of purchase systems
- testing of control account/ bank reconciliations
- testing of purchase systems
- testing of income
- testing of the accounting systems and management information produced
- testing of Director appointments/resignations and declarations of interest
- testing of gifts and hospitality & honorarium/ex-gratia payments
- testing of information technology strategy
- testing of fixed assets
- testing of VAT and corporation tax position
- review of budgeting and financial management information including purchasing and income
- testing of control account/ bank reconciliations

On a termly basis, the auditor reports to the Board of Trustees, through the Finance, Resources and Appointments Committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities and annually prepares an annual summary report to the committee outlining the areas reviewed. The reports also include key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

This has been carried out over the financial year and of the 3 main reports there were only two yellow rated issues which were:

- The GIAS website should be updated at the earliest opportunity with the necessary changes to the LGB composition. The individual school websites should also be maintained to demonstrate current LGB composition in line with statutory guidance. (Completed)
- The Operations Director and Partnership Admin Officer should continue to undertake random spot checks on personnel files of new employees to ensure that the guidance issued is complied with and the content is as legally required. (Continued as an ongoing action).

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:

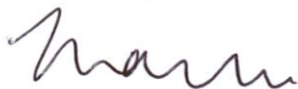
- the work of the Internal Auditor
- the work of the external auditors;
- the financial management and governance self-assessment process or the school resource management self-assessment tool
- the work of the ESFA Auditor as the Partnership undertake a successful SRMA Audit
- the work of the executive managers within the Partnership who have responsibility for the development and maintenance of the internal control framework.

The accounting officer has been advised of the implications of the result of their review of the system of internal control and a plan to address any recommended actions and ensure continuous improvement of the system is in place. This plan was shared with the Audit and Risk Committee.

STANLEY LEARNING PARTNERSHIP
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GOVERNANCE STATEMENT (CONTINUED)

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



T Harpe
Chair
26 November 2020



M R Stewart
Accounting Officer

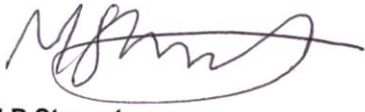
STANLEY LEARNING PARTNERSHIP
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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Stanley Learning Partnership I have considered my responsibility to notify the Partnership Board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Partnership, under the funding agreement in place between the Partnership 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 2019.

I confirm that I and the Partnership Board of Trustees are able to identify any material irregular or improper use of all funds by the Partnership, or material non-compliance with the terms and conditions of funding under the Partnership's funding agreement and the Academies Financial Handbook 2019.

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.



M R Stewart
Accounting Officer
26 November 2020

STANLEY LEARNING PARTNERSHIP
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STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2020

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 2019 to 2020;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

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



T Harpe
Chair
26 November 2020

STANLEY LEARNING PARTNERSHIP
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
STANLEY LEARNING PARTNERSHIP**

Opinion

We have audited the financial statements of Stanley Learning Partnership (the 'partnership') for the period ended 31 August 2020 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 2019 to 2020 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 Partnership's affairs as at 31 August 2020 and of its incoming resources and application of resources, including its income and expenditure for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020 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 Partnership in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

STANLEY LEARNING PARTNERSHIP
(A Company Limited by Guarantee)

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

Other information

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

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

We have nothing to report in this regard.

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 Partnership 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.

STANLEY LEARNING PARTNERSHIP
(A Company Limited by Guarantee)

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

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the directors of the Partnership 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 Partnership'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 Partnership or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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

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

Use of our report

This report is made solely to the charitable Partnership'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 Partnership'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 Partnership and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Kevin Shotton BA BFP FCA (Senior Statutory Auditor)

for and on behalf of

Clive Owen LLP

Chartered Accountants

Statutory Auditors

140 Coniscliffe Road

Darlington

Co. Durham

DL3 7RT

26 November 2020

STANLEY LEARNING PARTNERSHIP
(A Company Limited by Guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO STANLEY LEARNING PARTNERSHIP AND THE EDUCATION AND SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 19 September 2019 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Stanley Learning Partnership during the period 1 September 2019 to 31 August 2020 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 Stanley Learning Partnership and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Stanley Learning Partnership and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Stanley Learning Partnership and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Stanley Learning Partnership's Accounting Officer and the reporting accountant

The accounting officer is responsible, under the requirements of Stanley Learning Partnership's funding agreement with the Secretary of State for Education dated 15 December 2016 and the Academies Financial Handbook, extant from 1 September 2019, 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 2019 to 2020. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2019 to 31 August 2020 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2019 to 2020 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 Partnership's income and expenditure.

The work undertaken to draw to our conclusion includes:

- Review of governing body and committee minutes;
- Review of termly Internal Assurance reports;
- Completion of self assessment questionnaire by Accounting Officer;
- Review documentation provided to Directors and Accounting Officer setting out responsibilities;
- Obtain formal letters of representation detailing the responsibilities of Directors;
- Review of payroll, purchases and expenses claims on a sample basis;
- Confirmation that the lines of delegation and limits set have been adhered to;
- Evaluation of internal control procedures and reporting lines;

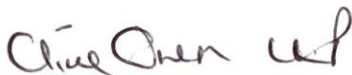
STANLEY LEARNING PARTNERSHIP
(A Company Limited by Guarantee)

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

- Review cash payments for unusual transactions;
- Review of credit card transactions;
- Review of registers of interests;
- Review related party transactions;
- Review of borrowing agreements;
- Review of land and building transactions;
- Review of potential and actual bad debts;
- Review an instance of gifts/hospitality to ensure in line with policy;
- Review whistleblowing procedures;
- Review pay policy and factors determining executive pay;
- Review of staff expenses;
- Review other income to ensure is in line with funding agreement;
- Review governance structure and number of meetings held; and
- Review whether there is a risk register in place.

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 period 1 September 2019 to 31 August 2020 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Clive Owen LLP
Reporting Accountant

140 Coniscliffe Road
Darlington
Co. Durham
DL3 7RT

26 November 2020

STANLEY LEARNING PARTNERSHIP
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2020**

		Unrestricted funds 2020 £000	Restricted funds 2020 £000	Restricted fixed asset funds 2020 £000	Total funds 2020 £000	Total funds 2019 £000
	Note					
Income from:						
Donations and capital grants:	3					
Other donations and capital grants		14	-	691	705	89
Charitable activities	4	40	4,774	-	4,814	4,725
Other trading activities	5	101	-	-	101	72
Total income		<u>155</u>	<u>4,774</u>	<u>691</u>	<u>5,620</u>	<u>4,886</u>
Expenditure on:						
Charitable activities	6	69	4,938	452	5,459	5,635
Total expenditure		<u>69</u>	<u>4,938</u>	<u>452</u>	<u>5,459</u>	<u>5,635</u>
Net income/(expenditure)		<u>86</u>	<u>(164)</u>	<u>239</u>	<u>161</u>	<u>(749)</u>
Transfers between funds	18	-	(3)	3	-	-
Net movement in funds before other recognised gains/(losses)		<u>86</u>	<u>(167)</u>	<u>242</u>	<u>161</u>	<u>(749)</u>
Other recognised gains/(losses):						
Actuarial losses on defined benefit pension schemes	25	-	(242)	-	(242)	(777)
Net movement in funds		<u>86</u>	<u>(409)</u>	<u>242</u>	<u>(81)</u>	<u>(1,526)</u>
Reconciliation of funds:						
Total funds brought forward		-	(3,395)	11,823	8,428	9,954
Net movement in funds		86	(409)	242	(81)	(1,526)
Total funds carried forward		<u>86</u>	<u>(3,804)</u>	<u>12,065</u>	<u>8,347</u>	<u>8,428</u>

STANLEY LEARNING PARTNERSHIP
(A Company Limited by Guarantee)
REGISTERED NUMBER: 10380011

BALANCE SHEET
AS AT 31 AUGUST 2020

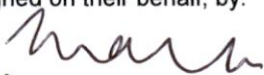
	Note	2020 £000	2019 £000
Fixed assets			
Intangible assets	13	11	27
Tangible assets	14	11,564	11,771
		<hr/>	<hr/>
		11,575	11,798
Current assets			
Stocks	15	8	21
Debtors	16	794	181
Cash at bank and in hand		331	242
		<hr/>	<hr/>
		1,133	444
Creditors: amounts falling due within one year	17	(520)	(456)
		<hr/>	<hr/>
Net current assets / (liabilities)		613	(12)
Total assets less current liabilities		<hr/>	<hr/>
		12,188	11,786
Net assets excluding pension liability		<hr/>	<hr/>
		12,188	11,786
Defined benefit pension scheme liability	25	(3,841)	(3,358)
		<hr/>	<hr/>
Total net assets		<hr/> <hr/>	<hr/> <hr/>
		8,347	8,428

STANLEY LEARNING PARTNERSHIP
(A Company Limited by Guarantee)
REGISTERED NUMBER: 10380011

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2020

	Note	2020 £000	2019 £000
Funds of the Partnership			
Restricted funds:			
Fixed asset funds	18	12,065	11,823
Restricted income funds	18	37	(37)
		<hr/>	<hr/>
Restricted funds excluding pension asset	18	12,102	11,786
Pension reserve	18	(3,841)	(3,358)
		<hr/>	<hr/>
Total restricted funds	18	8,261	8,428
Unrestricted income funds	18	86	-
		<hr/>	<hr/>
Total funds		8,347	8,428

The financial statements on pages 22 to 55 were approved and authorised for issue by the Trustees and are signed on their behalf, by:



T Harpe
Chair
26 November 2020

STANLEY LEARNING PARTNERSHIP
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2020

	Note	2020 £000	2019 £000
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	20	208	(139)
Cash flows from investing activities	21	(119)	6
Change in cash and cash equivalents in the period		89	(133)
Cash and cash equivalents at the beginning of the period		242	375
Cash and cash equivalents at the end of the period	22, 23	<u>331</u>	<u>242</u>

STANLEY LEARNING PARTNERSHIP
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. Accounting policies

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

1.1 Basis of preparation of financial statements

The financial statements of the Partnership, 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 2019 to 2020 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Stanley Learning Partnership meets the definition of a public benefit entity under FRS 102.

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

STANLEY LEARNING PARTNERSHIP
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. Accounting policies (continued)

1.3 Income

All incoming resources are recognised when the Partnership 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.

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 Partnership 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

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

All expenditure is inclusive of irrecoverable VAT.

STANLEY LEARNING PARTNERSHIP
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. Accounting policies (continued)

1.5 Intangible assets

Intangible assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably. Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment.

Amortisation is provided on intangible assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life.

The estimated useful lives are as follows:

Computer software	- 5 years
-------------------	-----------

1.6 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, which is considered to have an infinite useful life, at rates calculated to write off the cost of these assets, less their estimated residual value, over their expected useful lives on the following bases:

Leasehold property	- 50 years
Leasehold land	- 125 years
Furniture and fixtures	- 10 years
Motor vehicles	- 5 years
Computer equipment	- 3 years

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

1.7 Operating leases

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

1.8 Stocks

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

STANLEY LEARNING PARTNERSHIP
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. Accounting policies (continued)

1.9 Liabilities and provisions

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 Partnership anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.10 Financial instruments

The Partnership only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Partnership 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 16. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 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.

1.11 Taxation

The Partnership 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 Partnership 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.

STANLEY LEARNING PARTNERSHIP
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. Accounting policies (continued)

1.12 Pensions

Retirement benefits to employees of the Partnership 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 Partnership 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 Partnership in separate Trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each Balance Sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

1.13 Fund accounting

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

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 DfE Group.

STANLEY LEARNING PARTNERSHIP
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

2. Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions:

The Partnership 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 25, 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 2020. 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. In the current year the actuary has made assumptions to estimate the liability associated with McCloud Sargeant (McCloud) and GMP Indexation and Equalisation (GMP).

Depreciation – Depreciation is calculated so as to write off the cost of an asset, less its residual value, over the economic life of that asset. An estimate of the useful life of assets is detailed in the depreciation accounting policy. The value of depreciation charge during the year was £452,000.

Critical areas of judgement:

Land – Land is held under a 125 year lease from Durham County Council. These assets are included on the balance sheet of the academy due to the significant risks and rewards of ownership belonging to the academy, the lease term being the major part of the economic life of the assets and the assets being of such a specialised nature that only the academy could use them without major modification.

STANLEY LEARNING PARTNERSHIP
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
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3. Income from donations and capital grants

	Unrestricted funds 2020 £000	Restricted fixed asset funds 2020 £000	Total funds 2020 £000	Total funds 2019 £000
Donations	14	-	14	15
Capital Grants	-	691	691	74
	<u>14</u>	<u>691</u>	<u>705</u>	<u>89</u>
Total 2019	<u>15</u>	<u>74</u>	<u>89</u>	

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4. Funding for the Partnership's educational operations

	Unrestricted funds 2020 £000	Restricted funds 2020 £000	Total funds 2020 £000	Total funds 2019 £000
DfE/ESFA grants				
General Annual Grant (GAG)	-	3,625	3,625	3,554
Pupil Premium	-	558	558	565
PE and Sport Premium	-	71	71	81
UFSM	-	81	81	92
Rates	-	16	16	16
NCTL grants	-	-	-	29
Teachers' pay grant	-	40	40	26
Other DfE Group grants	-	117	117	57
	-	4,508	4,508	4,420
Other Government grants				
SEN	-	74	74	61
Early Years Funding	-	117	117	111
Local Authority grants	-	9	9	-
Other Government grants	-	2	2	25
Exceptional government funding				
Coronavirus Job Retention Scheme grant	-	11	11	-
	-	11	11	-
Other funding				
Non Government grants	-	36	36	32
Income from other academies	4	12	16	-
Government non grant income	-	5	5	-
Student Trips	10	-	10	33
Student Catering	26	-	26	43
	40	53	93	108
	40	4,774	4,814	4,725
Total 2019	76	4,649	4,725	

STANLEY LEARNING PARTNERSHIP
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4. Funding for the Partnership's educational operations (continued)

The Partnership has been eligible to claim additional funding in year from government support schemes in response to the coronavirus outbreak. The funding received is shown above under "exceptional government funding".

The Partnership furloughed some of its support staff that handle lettings, wrap-around and corporate income under the government's CJRS. The funding received of £11,000 relates to staff costs in respect of 3 staff which are included within notes 6,7 and 9 below as appropriate.

5. Income from other trading activities

	Unrestricted funds 2020 £000	Total funds 2020 £000	Total funds 2019 £000
Income from facilities and services	11	11	12
Non student catering income	2	2	-
Receipts from insurance claims	25	25	1
Other	63	63	59
	<u>101</u>	<u>101</u>	<u>72</u>
Total 2019	<u>72</u>	<u>72</u>	

6. Expenditure

	Staff Costs 2020 £000	Premises 2020 £000	Other 2020 £000	Total 2020 £000	Total 2019 £000
Academy trust's educational operations:					
Direct costs	3,492	-	244	3,736	3,777
Allocated support costs	693	532	498	1,723	1,858
	<u>4,185</u>	<u>532</u>	<u>742</u>	<u>5,459</u>	<u>5,635</u>
Total 2019	<u>4,135</u>	<u>581</u>	<u>919</u>	<u>5,635</u>	

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6. Expenditure (continued)

In 2020, of the total expenditure, £69,000 (2019 - £205,000) was to unrestricted funds and £5,390,000 (2019 - £5,430,000) was to restricted funds.

There were no individual transactions over £5,000 for:

- Gifts made by the academy
- Fixed asset losses
- Stock losses
- Unrecoverable debts
- Cash losses

There were payments made of £7,000 as compensation for loss of office.

There were no ex-gratia payments in the period.

7. Analysis of expenditure by activities

	Activities undertaken directly 2020 £000	Support costs 2020 £000	Total funds 2020 £000	Total funds 2019 £000
Academy trust's educational operations	3,736	1,723	5,459	5,635
Total 2019	3,777	1,858	5,635	

Analysis of direct costs

	Activities 2020 £000	Total funds 2020 £000	Total funds 2019 £000
Staff costs	3,492	3,492	3,473
Educational supplies	131	131	157
Staff development	3	3	-
Technology costs	4	4	11
Educational consultancy	100	100	126
Transport	6	6	10
	3,736	3,736	3,777
Total 2019	3,777	3,777	

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NOTES TO THE FINANCIAL STATEMENTS
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7. Analysis of expenditure by activities (continued)

Analysis of support costs

	Activities 2020 £000	Total funds 2020 £000	Total funds 2019 £000
Net interest cost on pension schemes	61	61	61
Staff costs	693	693	662
Depreciation	452	452	450
Staff development	35	35	45
Technology costs	68	68	85
Staff expenses	-	-	4
Transport	2	2	3
Maintenance of premises	55	55	63
Cleaning	5	5	5
Other premises costs	32	32	35
Energy	55	55	54
Rent & rates	18	18	25
Insurance	16	16	17
Operating lease rentals	15	15	14
Catering	164	164	223
Legal costs - other	1	1	-
Other costs	35	35	97
Governance costs	16	16	15
	<u>1,723</u>	<u>1,723</u>	<u>1,858</u>
Total 2019	<u>1,858</u>	<u>1,858</u>	

8. Net income/(expenditure)

Net income/(expenditure) for the Period includes:

	2020 £000	2019 £000
Operating lease rentals	15	14
Depreciation of tangible fixed assets	452	450
Fees paid to auditors for:		
- audit	9	9
- other services	5	4
	<u>471</u>	<u>467</u>

STANLEY LEARNING PARTNERSHIP
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

9. Staff

a. Staff costs

Staff costs during the Period were as follows:

	2020 £000	2019 £000
Wages and salaries	3,005	3,072
Social security costs	271	268
Pension costs	855	751
	<u>4,131</u>	<u>4,091</u>
Agency staff costs	47	44
Staff restructuring costs	7	-
	<u>4,185</u>	<u>4,135</u>

Staff restructuring costs comprise:

	2020 £000	2019 £000
Severance payments	7	-
	<u>7</u>	<u>-</u>

Included in operating costs of defined benefit pension schemes is a charge of £180,000 (2019: £190,000) relating to the pension deficit actuarial adjustment. Also included are £(34,000) (2019: £34,000) of accrual movement on pension deficit payments.

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

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £7,000 (2019: £Nil).

c. Staff numbers

The average number of persons employed by the Partnership during the Period was as follows:

	2020 No.	2019 No.
Teachers	38	45
Administration & Support	94	96
Management	5	6
	<u>137</u>	<u>147</u>

STANLEY LEARNING PARTNERSHIP
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NOTES TO THE FINANCIAL STATEMENTS
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9. Staff (continued)

d. Higher paid staff

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

	2020 No.	2019 No.
In the band £60,001 - £70,000	2	1
In the band £70,001 - £80,000	-	1
In the band £80,001 - £90,000	1	-
	<u>1</u>	<u>-</u>

e. Key management personnel

The key management personnel of the Partnership 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 Partnership was £522,000 (2019 £444,000).

10. Central services

The Partnership has provided the following central services to its academies during the Period:

- Leadership and business management;
- Standards and data;
- Finance and governance.

The Partnership charges for these services on the following basis:

flat percentage of GAG income (5%);
other bases as arising.

The multi academy trust provides support in relation to all its academies. This includes support from the MAT, SLT and other teaching staff. The Partnership also employs a Director of School Improvement, Operations Director, Marketing & Communications Manager and a Finance Manager who work across the MAT.

The actual amounts charged during the Period were as follows:

	2020 £000	2019 £000
Greenland Community Primary School	71	70
South Stanley Infant and Nursery School	30	31
South Stanley Junior School	43	41
Bloemfontein Primary School	37	36
Total	<u>181</u>	<u>178</u>

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NOTES TO THE FINANCIAL STATEMENTS
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11. Trustees' remuneration and expenses

One or more Trustees has been paid remuneration or has received other benefits from an employment with the Partnership. The CEO 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:

	2020 £000	2019 £000
M R Stewart, CEO and Accounting Officer (re- appointed as a trustee 14 July 2019)	80 - 85	15 - 20
Pension contributions paid	15 - 20	0 - 5

During the Period ended 31 August 2020, no Trustee received any reimbursement of expenses (2019 - £ NIL).

12. Trustees' and Officers' insurance

The Partnership has opted into the Department of Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise, for two of its academies. 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.

For the remaining academies, in accordance with normal commercial practice, the Partnership has purchased insurance to protect Directors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Partnership business. The insurance provides cover up to £5,000,000 on any one claim. It is not possible to quantify the Trustees and officers indemnity element from the overall cost of the insurance.

STANLEY LEARNING PARTNERSHIP
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NOTES TO THE FINANCIAL STATEMENTS
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13. Intangible assets

	Computer software £000
Cost	
At 1 September 2019	27
At 31 August 2020	<u>27</u>
Amortisation	
Charge for the year	16
At 31 August 2020	<u>16</u>
Net book value	
At 31 August 2020	<u><u>11</u></u>
At 31 August 2019	<u><u>27</u></u>

STANLEY LEARNING PARTNERSHIP
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**NOTES TO THE FINANCIAL STATEMENTS
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14. Tangible fixed assets

	Long-term leasehold property £000	Furniture and fixtures £000	Computer equipment £000	Motor vehicles £000	Capital WIP £000	Total £000
Cost or valuation						
At 1 September 2019	10,877	1,683	186	24	-	12,770
Additions	-	23	31	-	175	229
At 31 August 2020	10,877	1,706	217	24	175	12,999
Depreciation						
At 1 September 2019	486	369	130	14	-	999
Charge for the Period	218	169	44	5	-	436
At 31 August 2020	704	538	174	19	-	1,435
Net book value						
At 31 August 2020	10,173	1,168	43	5	175	11,564
At 31 August 2019	10,391	1,314	56	10	-	11,771

15. Stocks

	2020 £000	2019 £000
Stock	8	21

16. Debtors

	2020 £000	2019 £000
Trade debtors	4	4
VAT repayable	44	20
Other debtors	3	1
Prepayments and accrued income	743	156
	794	181

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**NOTES TO THE FINANCIAL STATEMENTS
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17. Creditors: Amounts falling due within one year

	2020 £000	2019 £000
Trade creditors	238	103
Other taxation and social security	66	62
Other creditors	79	62
Accruals and deferred income	137	229
	<u>520</u>	<u>456</u>
	2020 £000	2019 £000
Deferred income at 1 September 2019	80	79
Resources deferred during the period	77	80
Amounts released from previous periods	(80)	(79)
	<u>77</u>	<u>80</u>

Deferred income relates to Universal Infant Free School Meals, Early Years Funding, Ecorys Grant and Rates Relief.

STANLEY LEARNING PARTNERSHIP
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**NOTES TO THE FINANCIAL STATEMENTS
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18. Statement of funds

	Balance at 1 September 2019 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2020 £000
Unrestricted funds						
General Funds - all funds	-	155	(69)	-	-	86
Restricted general funds						
General Annual Grant (GAG)	(37)	3,625	(3,548)	(3)	-	37
Pupil Premium	-	558	(558)	-	-	-
Other DfE/ESFA grants	-	325	(325)	-	-	-
SEN	-	74	(74)	-	-	-
Other Government grants	-	128	(128)	-	-	-
Exceptional Government funding	-	11	(11)	-	-	-
Other grants	-	36	(36)	-	-	-
Other	-	17	(17)	-	-	-
Pension reserve	(3,358)	-	(241)	-	(242)	(3,841)
	<u>(3,395)</u>	<u>4,774</u>	<u>(4,938)</u>	<u>(3)</u>	<u>(242)</u>	<u>(3,804)</u>
Restricted fixed asset funds						
Capital expenditure from GAG	54	-	(21)	3	-	36
Devolved Capital Fund	86	26	(10)	-	-	102
Assets inherited on conversion	11,659	-	(416)	-	-	11,243
Academy Regional Grant Fund	2	-	(1)	-	-	1
Local Authority	3	-	(1)	-	-	2
DFC on conversion	15	-	(3)	-	-	12
Start up grant	4	-	-	-	-	4
Football Foundation Grant	-	20	-	-	-	20
CIF	-	645	-	-	-	645
	<u>11,823</u>	<u>691</u>	<u>(452)</u>	<u>3</u>	<u>-</u>	<u>12,065</u>
Total Restricted funds	<u>8,428</u>	<u>5,465</u>	<u>(5,390)</u>	<u>-</u>	<u>(242)</u>	<u>8,261</u>
Total funds	<u><u>8,428</u></u>	<u><u>5,620</u></u>	<u><u>(5,459)</u></u>	<u><u>-</u></u>	<u><u>(242)</u></u>	<u><u>8,347</u></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:

The General Annual Grant (GAG) must be used for the normal running of the academy including salaries and related costs, overheads, repairs and maintenance, and insurance.

Pupil Premium is additional funding to be spent as the school sees fit to support deprived students.

Other DfE/ESFA Grants relate to PE Teacher Grant, which is funding to be spent on improving physical education and sports, Universal Infant Free School Meals and Supplementary Free School Meals funding towards provision of catering for eligible pupils, rates relief and the Teachers Pay Grant.

SEN grants relate to income received towards the education of children with Special Educational Needs.

Other Government grants includes Early Years income to be used for the provision of education to nursery school children.

Exceptional Government funding is income received to due to the Coronavirus outbreak.

The pension reserves is the liability due to the deficit on the Local Government Pension Scheme. Further details are shown in note 25.

A transfer has been made from General Annual Grant to Capital expenditure from GAG to reflect the amount spent on capital items during the year from non capital funding.

The restricted fixed asset funds represent monies received to purchase fixed assets. Depreciation is charged against each fund over the useful economic life of the associated assets.

Unrestricted funds include the income from uniform sales, school trips and catering with the relevant costs allocated accordingly.

Under the funding agreement with the Secretary of State, the Partnership was not subject to a limit on the amount of GAG it could carry forward at 31 August 2020.

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

Total funds analysis by academy

Fund balances at 31 August 2020 were allocated as follows:

	2020 £000	2019 £000
Central services	7	-
Greenland Community Primary School	57	(75)
South Stanley Infant and Nursery School	(75)	(64)
Bloemfontein Primary School	(23)	26
South Stanley Junior School	157	76
	<hr/>	<hr/>
Total before fixed asset funds and pension reserve	123	(37)
Restricted fixed asset fund	12,065	11,823
Pension reserve	(3,841)	(3,358)
	<hr/>	<hr/>
Total	8,347	8,428
	<hr/> <hr/>	<hr/> <hr/>
		Deficit £000
Bloemfontein Primary School		23
South Stanley Infant and Nursery School		75
		<hr/> <hr/>

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

South Stanley Infant and Nursery School

South Stanley Infant & Nursery School reported an in-year deficit and the academy carried forward a deficit balance from the previous year. South Stanley Infants & Nursery School is therefore carrying a net deficit on its portion of the fund of £75,000.

The reasons behind the deficit at South Stanley Infant and Nursery School are as follows:

- The General Annual Grant has reduced significantly due to a fall in pupil numbers.
- The academy continues to support SEN pupils with significant needs by additional staff.
- Non teaching staff redundancies were due to take place during the year; unions halted the process due to COVID-19. Those redundancies will now take place in December 2020.

Bloemfontein Primary School

Bloemfontein Primary School reported an in-year deficit and is carrying a net deficit on its portion of the fund of £23,000.

The reasons behind the deficit at Bloemfontein Primary School are as follows.

- Funding in 2019/20 was based on the previous year's pupil numbers which was 163. At the start of the academic year in September 2019 the school had 172 pupils. This is lagged funding which impacts not only on the General Annual Grant the academy receives for each pupil but on the majority of other grants too.

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18. Statement of funds (continued)

Total cost analysis by academy

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

	Teaching and educational support staff costs £000	Other support staff costs £000	Educational supplies £000	Other costs excluding depreciation £000	Total 2020 £000	Total 2019 £000
Central services	180	172	2	118	472	468
Greenland Community Primary School	1,288	148	41	218	1,695	1,874
South Stanley Infant and Nursery School	655	103	19	96	873	873
Bloemfontein Primary School	701	149	44	125	1,019	914
South Stanley Junior School	665	122	25	136	948	1,056
Partnership	3,489	694	131	693	5,007	5,185

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

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

	Balance at 1 September 2018 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2019 £000
Unrestricted funds						
General Funds - all funds	42	163	(205)	-	-	-
Restricted general funds						
General Annual Grant (GAG)	51	3,554	(3,634)	(8)	-	(37)
Pupil Premium	-	565	(565)	-	-	-
National College Teaching Schools	-	29	(29)	-	-	-
MAT Development Grant	-	56	(56)	-	-	-
Other DfE/ESFA grants	-	216	(216)	-	-	-
SEN	-	61	(61)	-	-	-
Other Government grants	-	136	(136)	-	-	-
Non Government grant	-	32	(32)	-	-	-
Pension reserve	(2,330)	-	(251)	-	(777)	(3,358)
	<u>(2,279)</u>	<u>4,649</u>	<u>(4,980)</u>	<u>(8)</u>	<u>(777)</u>	<u>(3,395)</u>
Restricted fixed asset funds						
Capital expenditure from GAG	45	-	(5)	14	-	54
Devolved Capital Fund	18	74	(6)	-	-	86
Assets inherited on conversion	12,094	-	(435)	-	-	11,659
Academy Regional Grant Fund	2	-	-	-	-	2
Local Authority	10	-	(1)	(6)	-	3
DFC on conversion	18	-	(3)	-	-	15
Start up grant	4	-	-	-	-	4
	<u>12,191</u>	<u>74</u>	<u>(450)</u>	<u>8</u>	<u>-</u>	<u>11,823</u>
Total Restricted funds	<u>9,912</u>	<u>4,723</u>	<u>(5,430)</u>	<u>-</u>	<u>(777)</u>	<u>8,428</u>
Total funds	<u><u>9,954</u></u>	<u><u>4,886</u></u>	<u><u>(5,635)</u></u>	<u><u>-</u></u>	<u><u>(777)</u></u>	<u><u>8,428</u></u>

STANLEY LEARNING PARTNERSHIP
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**NOTES TO THE FINANCIAL STATEMENTS
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19. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2020 £000	Restricted funds 2020 £000	Restricted fixed asset funds 2020 £000	Total funds 2020 £000
Tangible fixed assets	-	-	11,564	11,564
Intangible fixed assets	-	-	11	11
Current assets	86	420	627	1,133
Creditors due within one year	-	(383)	(137)	(520)
Provisions for liabilities and charges	-	(3,841)	-	(3,841)
Total	86	(3,804)	12,065	8,347

Analysis of net assets between funds - prior period

	Restricted funds 2019 £000	Restricted fixed asset funds 2019 £000	Total funds 2019 £000
Tangible fixed assets	-	11,771	11,771
Intangible fixed assets	-	27	27
Current assets	419	25	444
Creditors due within one year	(456)	-	(456)
Provisions for liabilities and charges	(3,358)	-	(3,358)
Total	(3,395)	11,823	8,428

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NOTES TO THE FINANCIAL STATEMENTS
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20. Reconciliation of net income/(expenditure) to net cash flow from operating activities

	2020 £000	2019 £000
Net income/(expenditure) for the period (as per Statement of Financial Activities)	161	(749)
Adjustments for:		
Depreciation	452	450
Capital grants from DfE and other capital income	(691)	(74)
Defined benefit pension scheme cost less contributions payable	180	190
Defined benefit pension scheme finance cost	61	61
Decrease/(increase) in stocks	13	(2)
Increase in debtors	(32)	(9)
Increase/(decrease) in creditors	64	(6)
Net cash provided by/(used in) operating activities	208	(139)

21. Cash flows from investing activities

	2020 £000	2019 £000
Purchase of tangible fixed assets	(229)	(68)
Capital grants from DfE Group	110	74
Net cash (used in)/provided by investing activities	(119)	6

22. Analysis of cash and cash equivalents

	2020 £000	2019 £000
Cash in hand	331	242
Total cash and cash equivalents	331	242

STANLEY LEARNING PARTNERSHIP
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

23. Analysis of changes in net debt

	At 1 September 2019 £000	Cash flows £000	At 31 August 2020 £000
Cash at bank and in hand	242	89	331
	<u>242</u>	<u>89</u>	<u>331</u>

24. Capital commitments

	2020 £000	2019 £000
Contracted for but not provided in these financial statements		
Acquisition of tangible fixed assets	<u>497</u>	<u>-</u>

25. Pension commitments

The Partnership'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 Durham County Council. Both are multi-employer defined benefit schemes.

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

Contributions amounting to £75,000 were payable to the schemes at 31 August 2020 (2019 - £59,000) and are included within creditors.

Teachers' Pension Scheme

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

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

STANLEY LEARNING PARTNERSHIP
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

25. Pension commitments (continued)

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the Period amounted to £385,000 (2019 - £280,000).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the Period ended 31 August 2020 was £389,000 (2019 - £268,000), of which employer's contributions totalled £317,000 (2019 - £315,000) and employees' contributions totalled £ 72,000 (2019 - £66,000). The agreed contribution rates for future years are 24.4% for employers and 5.5-12.5% for employees.

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

Principal actuarial assumptions

	2020 %	2019 %
Rate of increase in salaries	3.30	3.60
Rate of increase for pensions in payment/inflation	2.30	2.10
Discount rate for scheme liabilities	1.70	1.90
Inflation assumption (CPI)	2.30	2.10
Commutation of pensions to lump sums	85.00	80.00

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25. Pension commitments (continued)

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

	2020 Years	2019 Years
Retiring today		
Males	22.2	22.3
Females	24.2	23.8
Retiring in 20 years		
Males	23.2	24.0
Females	25.7	25.7

Sensitivity analysis

	2020 £000	2019 £000
Discount rate +0.1%	(152)	(121)
Discount rate -0.1%	158	123
Mortality assumption - 1 year increase	(219)	(179)
Mortality assumption - 1 year decrease	225	181
CPI rate +0.1%	122	65
CPI rate -0.1%	(122)	(64)

Share of scheme assets

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

	2020 £000	2019 £000
Equities	1,107	970
Government bonds	536	494
Corporate bonds	330	225
Property	159	138
Cash and other liquid assets	110	96
Total market value of assets	2,242	1,923

The actual return on scheme assets was £ 61,000 loss (2019 - £168,000 gain).

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25. Pension commitments (continued)

The amounts recognised in the Statement of Financial Activities are as follows:

	2020 £000	2019 £000
Current service cost	(497)	(344)
Past service cost	-	(161)
Interest income	40	44
Interest cost	(101)	(105)
Total amount recognised in the Statement of Financial Activities	(558)	(566)

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

	2020 £000	2019 £000
At 1 September	5,281	3,711
Current service cost	497	344
Past service cost	-	161
Interest cost	101	105
Employee contributions	72	66
Actuarial losses	141	901
Benefits paid	(9)	(7)
At 31 August	6,083	5,281

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

	2020 £000	2019 £000
At 1 September	1,923	1,381
Interest income	40	44
Actuarial (losses)/gains	(101)	124
Employer contributions	317	315
Employee contributions	72	66
Benefits paid	(9)	(7)
At 31 August	2,242	1,923

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26. Operating lease commitments

At 31 August 2020 the Partnership had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2020 £000	2019 £000
Amounts payable		
Within 1 year	6	14
Between 1 and 5 years	6	12
	<hr/> 12	<hr/> 26
	<hr/> <hr/>	<hr/> <hr/>

27. Related party transactions

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

Expenditure Related Party Transaction

D Caulfield - a Local Governor at Bloemfontein Primary School:

The Partnership procured professional services from D Caulfield totalling £Nil (2019 :£975) during the period. There were no amounts outstanding as at 31 August 2020 (2019: £Nil).

L Ferry - a Local Governor at Greenland Community Primary School:

The Partnership procured professional services from L Ferry totalling £450 (2019 :£Nil) during the period. There were no amounts outstanding as at 31 August 2020 (2019: £Nil).

The Partnership made the purchase at arms' length.

In entering into the above transactions the trust has complied with the requirements of the Academies Financial Handbook 2019.