
UNITED LEARNING TRUST

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

UNITED LEARNING TRUST

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY TRUST, ITS MEMBERS, DIRECTORS
AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2019

Member

United Church Schools Trust

Directors

Dame Y Bevan, Chair

Sir J Coles

Mr N Davidson

Mr M George

Mr R Greenhalgh

Dame R Keeble

Mr D Robinson

Mr N Robson (resigned 31 August 2019)

Company registration number

04439859

Company name

United Learning Trust

Principal and registered office

Worldwide House

Thorpe Wood

Peterborough

PE3 6SB

Company secretary

Mrs A Hussain

Chief executive officer

Sir J Coles

Senior management team and key management personnel

Sir J Coles, Chief Executive Officer

Dame S Coates, Director of Secondary Education

Mr D Ellison-Lee, Director of Primary Education

Mrs L Johnston, Chief Financial Officer

Mr D Norrish, Chief Operating Officer

Ms A Paige, Director of Strategy and Performance

Independent auditor

Grant Thornton UK LLP

Statutory Auditor

Chartered Accountants

Victoria House

199 Avebury Boulevard

Milton Keynes

MK9 1AU

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY TRUST, ITS MEMBERS, DIRECTORS
AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2019

Advisers (continued)

Bankers

Barclays Bank PLC
One Snowhill
Snow Hill Queensway
Birmingham
West Midlands
B4 6GN

Solicitors

Hewitsons LLP
Elgin House
Billing Road
Northampton
NN1 5AU

Stone King LLP
3rd Floor
Bateman House
82-88 Hills Road
Cambridge
CB2 1LQ

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DIRECTORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2019

The Directors present their annual report together with the financial statements and auditor's report of the Charitable Company for the year from 1 September 2018 to 31 August 2019. The Annual Report serves the purposes of both a Trustees' Report, and a Directors' report under company law.

Structure, governance and management

Constitution

The Charitable Company is a Company Limited by Guarantee and was set up by a Memorandum of Association on 15 May 2002. The Charitable Company is an exempt charity.

In accordance with the Articles of Association the Charitable Company has adopted a scheme of governance approved by the Secretary of State for Education. The scheme of governance specifies, amongst other things, the criteria for admitting students to the academies, and that the curriculum should comply with the substance of the national curriculum with an emphasis on a particular subject and its practical applications.

Details of the Directors who served during the year are included in the Reference and Administrative Details on page 1.

Member's liability

The member of the Charitable Company undertakes to contribute to the assets of the Charitable Company in the event of it being wound up whilst a member, or within one year after it ceased to be a member, such amount as may be required, not exceeding £10, for the debts and liabilities contracted before it ceases to be a member.

Directors' indemnities

In accordance with normal commercial practice, the Charitable Company has insurance in place to protect Directors and Officers from claims arising from negligent acts, errors or omissions occurring whilst on Charitable Company business.

Method of recruitment and appointment or election of Directors and training of Directors

The management of the Charitable Company is the responsibility of the Directors who are elected and co-opted under the terms of the Articles of Association.

Directors hold office for three years. They may, if reappointed, remain in office for up to three further consecutive periods of three years after which any Director can be re-appointed on an annual basis. Directors are appointed by the sponsor, United Church Schools Trust.

The training and induction provided for new Directors is dependent upon their existing experience. Where necessary, induction will provide training on charity, educational, legal and financial matters. All new Directors are given tours of the Charitable Company's academies and the chance to meet with staff and students. Directors are provided with copies of the policies, procedures, minutes, accounts, budgets, plans and other documents needed to undertake their role as a Director. The Company Secretary works with the Directors to identify training needs and steps to keep the Directors updated regarding the regulatory environment.

UNITED LEARNING TRUST

DIRECTORS' REPORT (continued) FOR THE YEAR ENDED 31 AUGUST 2019

Organisational Structure

The Board and Committee structures are detailed in the Governance Statement on pages 16 to 21. The areas of responsibility for Directors, the Senior Executives, the Head and the Local Governing Body (LGB) are detailed in appendix 4 of the United Learning LGB Handbook, which is published on the United Learning website. Arrangements for setting pay and remuneration of the key management personnel are detailed in the Governance Statement.

Risk Management

The Directors have assessed the major risks to which the Charitable Company is exposed, in particular those related to the operations and finances of the Charitable Company, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

Subsidiary companies

The Charitable Company is the sole member of Regis Community Arena Limited and of The Silver Birch Academy, and owns 100% of the issued ordinary shares of ULT Projects Limited, ULT Trading Limited and Bacon's College Educational & Community Services Limited, companies incorporated in England. Further details about these companies are given in Note 16 to the financial statements.

Related Parties and other Connected Charities and Organisations

United Church Schools Trust ("UCST") and United Church Schools Foundation Limited are within the same Charitable Group as the Charitable Company. UCST is the sponsor of the Charitable Company which is established as an academy trust, and both continue to assist the Charitable Company to achieve its objectives of providing excellent education within the academy programme.

Objectives and Activities

Objectives, strategies and activities

The principal object of the Charitable Company is to provide for the public benefit, education in the United Kingdom in particular, but without prejudice to, the generality of the foregoing by establishing, maintaining and developing schools offering a broad curriculum with a strong emphasis on, but in no way limited to, either one, or a combination of the specialisms specified in the Relevant Funding Agreements, in all cases to include religious instruction in the doctrine and duties of Christianity, principally the same as are taught by the Church of England but also sensitive to the teachings, attitudes and practices of other Christian Communion and Denominations.

The Charitable Company manages the operation of a group of academies to provide education for students of different abilities from nursery to age 19.

UNITED LEARNING TRUST

DIRECTORS' REPORT (continued) FOR THE YEAR ENDED 31 AUGUST 2019

About United Learning

The overall aim of the Charitable Group is to promote excellent education, providing strong schools which enable all young people to make a success of their lives. The roots of our charity can be traced back over 135 years, and over this period, we have founded and developed a large number of schools, focused on the most important social and educational challenges of the day. Our strength as a group of schools lies in the unique collaboration between the state and independent sectors, in our national reach and growing regional clusters and in our dedication to continuous improvement and our pursuit of excellence. Our track record in some of the country's most challenging schools is based on structures and systems which ensure high expectations, rigour, enthusiasm and breadth.

As of 31 August 2019, United Learning – the trading name of the Charitable Group – comprises 13 independent schools operated within UCST, 65 state sector academies operated within the Charitable Company and a central office function that serves all our schools.

Framework for Excellence

Our 'Framework for Excellence' sets out the principles of an excellent education that we follow as a Group. At the heart of this framework are two principles which articulate what we think schools should provide for young people: 'powerful knowledge' and 'education with character'. The first is about giving young people the knowledge, understanding and cognitive skills they will need to make a success of their lives; the second is about the development of the broader traits, personal qualities and dispositions they will need.

Powerful Knowledge

Our most important purpose is to teach young people things they would not learn outside school, which free them to think and act more powerfully in their lives. This includes succeeding in examinations and gaining subject-based knowledge, but goes beyond it.

Across the Group, the Rosenshine Principles are being used to underpin all work in teaching and learning to support personal development, continuous professional development, work scrutiny, lesson observation, leadership and curriculum development, Schemes of Learning and policies as well as learning planning. The Rosenshine Principles aim to minimise the use of working memory and to work with long-term memory to embed learning. They are firmly based on research which shows how the brain acquires and uses new information as well as research into successful classroom practice.

Academic Performance

At A Level, our academies achieved strong results:

- 18.2% of entries were awarded A* or A (16.6% in 2018);
- 43.0% of entries were awarded A*-B (40.9% in 2018);
- 96.8% of entries were awarded A*-E (96.2% in 2018).

The following academies saw notable increases in the number of entries achieving A*-B grades:

- **Swindon Academy** up 19 percentage points to 26%;
- **Richard Rose Sixth Form** up 13 percentage points to 47%;
- **Lambeth Academy** up 12 percentage points to 35%.

The vast majority of academies saw their students secure places at Russell Group universities. Several academies also celebrated Oxbridge successes: Newstead Wood School, Bacon's College, Kettering Buccleuch Academy, Paddington Academy and Walthamstow Academy.

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DIRECTORS' REPORT (continued) FOR THE YEAR ENDED 31 AUGUST 2019

At GCSE, the Group achieved a good set of results:

- 58% of students achieved 5 or more grades at A*-C/9-4 including English and Maths (60% in 2018);
- 63% of students achieved the basics at 4+ in both English and Maths (63% in 2018) and 43% achieved this at 5+ (42% in 2018).

A number of schools enjoyed particular improvements and successes, including:

- **The Totteridge Academy** where 70% of students achieved five or more A*-C/9-4 grades including English and Maths – an increase of 12 percentage points;
- **The Regis School** where 58% of students achieved five or more A*-C/9-4 grades including English and Maths – an increase of 10 percentage points;
- **Kettering Buccleuch Academy** where 60% of students achieved five or more A*-C/9-4 grades including English and Maths – an increase of 9 percentage points;
- **Northampton Academy** which saw 64% of students achieve five or more A*-C/9-4 grades including English and Maths – an increase of 9 percentage points.

The EBacc entry rate increased by 5 percentage points to 37%. EBacc attainment at 5+ was also slightly up at 15%.

Several of our academies received Ofsted inspections over the course of the year. **Glenmoor** and **Winton Academies** were both judged Outstanding whilst **Goresbrook School**, **Sheffield Springs Academy**, **The Totteridge Academy** and **William Hulme's Grammar School** were given Good ratings. **Manchester Academy** was given a Requires Improvement judgement and **John Smeaton Academy** was judged Inadequate.

At Key Stage Two, our primary academies achieved good results consolidating the improvements of recent years:

- On the combined measure, 57% achieved the expected standard (58% in 2018);
- In Reading, 67% of pupils achieved the expected standard (69% in 2018);
- In Writing, 71% achieved the expected standard (73% in 2018);
- In Maths, 73% achieved the expected standard (69% in 2018).

There were particularly strong results on combined measures at:

- **Corngreaves Academy** where 85% of pupils achieved the expected standard;
- **Langford Primary** where 81% of pupils achieved the expected standard;
- **Abbey Hey Primary Academy** where 75% of pupils achieved the expected standard;
- **High Hazels Academy** where 74% of pupils achieved the expected standard.

11 primary academies increased their percentage of pupils meeting the required standard in reading, writing and maths combined. The largest increases were achieved by:

- **Abbey Hey Primary Academy** – up by 27 percentage points;
- **Worsbrough Bank End Primary School** – up by 13 percentage points;
- **High Hazels Academy** – up by 12 percentage points.

At Key Stage One, across the primary academies, 59% of pupils achieved the expected standard on the combined measure. The highest performing academies were **Timbertree Academy** with 73% achieving the expected standard on the combined measure and **Silverdale Primary Academy** and **Worsbrough Bank End** which both saw 71.4% of pupils achieve this standard.

Two primary academies received full Ofsted inspections over the course of the year. **Langford Primary**, which had previously been judged to Require Improvement, was judged Outstanding. **Hanwell Fields Community School** was judged good. Three primary academies also received short inspections: **Grange Primary**

DIRECTORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2019

Academy, Dukesgate Academy and Winston Way Academy.

A Common Curriculum

Our schools offer a deep education in inclusive schools. Over the past five years, we have developed a common curriculum for our schools, spanning both primary and secondary phases and covering a range of core subjects: English, maths, science, history, geography, MFL, computing, art and PE.

These curricula are sequenced in such a way as to develop subject mastery and to encourage regular, deliberate practice from students. This is to ensure that every child across our Group gets the same core grounding in the body of knowledge needed to succeed in further study and beyond.

Over the past year in particular, we have developed shared exemplification for each of these subjects to support teachers in aiming for excellence, as well as common summative assessments to monitor pupils' progress.

Education with Character

Alongside the intellectual development of young people encompassed within our concept of 'powerful knowledge', we place significant weight on the development of the whole person. We want young people to emerge from school with the personal qualities and wider skills to make the most of their cognitive abilities. We call this Education with Character and this is becoming a strong feature of a large number of our schools.

Across our Group, we expect all our pupils to contribute to their school and to society; to try things which they think they cannot do; to persist in the face of difficulty; to become resilient in overcoming obstacles; to manage themselves; to work independently on things which challenge them; to work with others and in teams; to be courageous and caring; to lead. We encourage our schools to develop each student's personal integrity, to ensure they learn to make the right choices even when the rules are not clear.

Our schools have also continued to devise and develop their individual pupil charters – the promise they make to children about what they can expect to experience each year in addition to their normal classroom learning. As part of this, schools have dedicated extracurricular programmes and bring the curriculum to life with visits from external speakers and trips out into their local communities and beyond.

Furthermore, we encourage sustained and meaningful collaboration between our schools and others through a range of group-wide activities, initiatives and competitions designed to further develop their confidence and soft skills and to ready them for the next stages of their school careers.

Through the United Learning Partnership Team, our pupils have enjoyed exceptional academic, sporting and cultural experiences. These have included:

- Working with the Royal Opera House, The Voices Foundation and the English Pocket Opera Company to put together the largest ever UK performance of Bizet's Carmen! in the Olympic Park; this project introduced over 3,000 pupils from across the Group to the world of opera and gave 1,000 of them the chance to perform to a large audience;
- **UnitedApp** which challenged Year 9 students to design their own educational app;
- **UnitedIDEAS** which encouraged primary pupils to develop 'world-changing' ideas;
- Preparing students for university success through termly residential courses over a four year period, as part of **United Access**;
- A series of weekly lectures and a three day University Insight Residential designed to broaden KS4 students' interests and understanding as part of the **Scholars Club**;
- Nurturing storytelling and performance techniques through local and regional **StorySLAM** competitions;
- Building capacity of **Student Leadership** teams across primary schools through facilitating social action projects within their local communities;
- Celebrating students' artistry through our annual **Group Art Competition**, which runs alongside the International High School Arts Festival;
- A set of centrally-run schemes as part of our SITUPS programme, delivering interventions using sport as

UNITED LEARNING TRUST

DIRECTORS' REPORT (continued) FOR THE YEAR ENDED 31 AUGUST 2019

- the tool or hook to support students in our schools. This includes our own LADS (Learning And Development through Sport) programme led by Olympian Chris Cook;
- **Sports Ambassador** visits across our schools and supporting some targeted KS3 students to improve their confidence and behaviours for learning through our partnership with **Football Beyond Borders**;
 - Regional cluster-based **sports competitions**;
 - Group-wide celebration of staff and student achievements at a Gala dinner in Sheffield at the **Best in Everyone Awards**.

Outstanding People and Leadership

Successful Staff Engagement

Our success as a group is dependent on the excellent people and leadership at all levels of our schools – across the country and centrally. This was reflected in the response rate to our Group Staff Survey which remained high at 82%. Likewise, our Overall Employee Engagement score (defined by Ipsos Mori as “an employee’s willingness to put discretionary effort into their work in the form of time, thought and energy”) was 78% - up from 75% last year. As in previous years, scores on staff’s pride in their school, motivation and attitudes towards the Group’s aims and values well exceeded the UK, public sector and education norms.

Key findings include:

- 90% of staff said they were proud to work in their school/department;
- 92% agreed that their school ‘strives to provide an excellent education’;
- 84% said they understood their department/team’s objectives;
- 87% said they valued their school/department’s culture.

Developing Leaders

Our flagship Leadership Development Residential helps develop Middle and Senior Leaders towards promotional opportunities. These popular two-day training programmes are always fully subscribed and continue to be consistently evaluated as good or outstanding, with 70 leaders attending over the course of the year.

Following its successful introduction in 2016, we have now granted schools open access to all materials and resources of our Middle Leaders Schools Programme so they can run the programme at their leisure.

Building on our strong relationship with the Institute for Education and the LeadershipColab initiative, we continued to run National Professional Qualifications within eight clusters. 125 staff members completed the NPQ in Middle Leadership, 72 completed the NPQ in Senior Leadership and 10 completed the NPQ in Headship. These programmes show our commitment to staff becoming highly effective leaders; building the skills, confidence and knowledge to drive successful team performance and improve classroom practice.

This year nine of our most experienced Vice Principals and Deputy Heads completed the Trainee Headship Programme. The programme, which forms part of our talent management strategy, as well as our school improvement work, seeks to grow our group leadership pipeline.

Our System Leadership programme entered year three, with 7 of the 13 participants commencing the ‘ILM7 Certificate in Executive Coaching & Mentoring’. A further 4 participants have previously completed this qualification and 1 has chosen to enhance her qualification to a diploma. In order to achieve our ambitions, we will need a strong supply of talented leaders able to operate at system level, whether as an Executive Head or in regional or national roles within the Group. This three-year initiative for those identified for potential systems/executive level leadership is a central part of our growth strategy.

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DIRECTORS' REPORT (continued) FOR THE YEAR ENDED 31 AUGUST 2019

United Teaching

Our Initial Teacher Training Scheme, United Teaching is moving forward strongly with a well-established two year programme.

During the year, 90 people signed up with 56 of these graduating successfully and 70% of those working in our schools as NQTs. Of those who graduated during the academic year, 98% of trainees completed their course rated Good or Better, with 59% judged to be Outstanding.

Ahead of the 2019/20 academic year, a further 134 trainees were recruited and attended our Summer Institute.

Growth of the Group

In line with the rationalisation across the Multi Academy Trust sector, we are very pleased that four smaller multi-academy trusts chose to join the Charitable Company to develop our existing clusters or establish a cluster in their own right. We welcomed the schools from:

- **Blackbird Academy Trust** comprising **Windale Primary School, Orchard Meadow Primary School and Pegasus Primary School;**
- **The Salford Academy Trust** comprising **Dukesgate Academy, Irlam and Cadishead Academy, Marlborough Road Academy and The Albion Academy;**
- **The Silver Birch Academy** comprising **Longshaw Primary Academy, Salisbury Manor Primary Academy** (previously Chingford Hall Primary Academy), **Whittingham Primary Academy and Winston Way Academy;**
- **Avonbourne International Business and Enterprise Academy Trust** comprising **Avonbourne Boys' Academy** (previously Harewood College) and **Avonbourne Girls' Academy.**

Public benefit

The Directors confirm that they have complied with their duty to have due regard to the Charity Commission's guidance on Public Benefit when reviewing the Charitable Company's aims and objectives and in planning future activities for the year.

Achievements and performance

Strategic report

Key performance indicators

The Charitable Company has a number of performance indicators, some financial, others related to the educational outcome for the pupils. The key indicators are:

1. All schools to improve their academic performance within the year
2. All schools to be removed from categories within appropriate Ofsted timeframe
3. High quality trainee teachers recruited and in schools by the start of the next academic year
4. The Academy Trust to achieve a balanced in year budget

The Charitable Company's schools educational results are set out on page 5 and 6, Ofsted results on page 6, and trainee recruitment progress above.

The Charitable Company's schools made a surplus before depreciation of £2.1m, and within these results were £1.5m of staff restructuring costs to ensure efficiencies in future years.

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DIRECTORS' REPORT (continued) FOR THE YEAR ENDED 31 AUGUST 2019

Going concern

After making appropriate enquiries, the Board of Directors has a reasonable expectation that the Charitable Company 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 Accounting Policies.

Financial Review

During the year, most of the Charitable Company's income was obtained from the Department for Education ("DfE") via the Education and Skills Funding Agency ("ESFA") in the form of grants for fixed asset expenditure and for the ongoing running expenses.

In accordance with the Charities SORP Accounting and Reporting by Charities, relevant grants and donations are shown in the Statement of Financial Activities as restricted fixed asset funds. The balance sheet restricted fixed asset fund will be reduced by transfers of amounts equivalent to any depreciation charges over the expected useful life of the assets concerned.

Funds and Reserves

Unrestricted funds were mainly derived from investment income, other donations and from gift aid payments from trading subsidiaries, ULT Trading Company Limited and Regis Community Arena Limited. The surplus for the year on unrestricted funds (before transfers between funds) was £2.309m (2018: £0.413m).

The restricted general funds (before transfers between funds) show a surplus of £0.336m (2018: Nil). The restricted fixed asset fund shows a surplus (before transfers between funds) of £78.210m (2018: £56.672m). The restricted pension funds (before transfers between funds) show a deficit of £24.722m (2018: £12.565m). At 31 August 2019, the net book value of tangible fixed assets was £593m (2018: £509m) and movements in tangible fixed assets are shown in Note 15 to the financial statements.

The Charitable Company held fund balances of £504m (2018: £484m) comprising £602m (2018: £520m) of restricted funds for the specific use of building new academies or refurbishments authorised by the DfE, £Nil (2018: £Nil) of other restricted DfE funds, £5m (2018: £6m) of unrestricted funds and a restricted pension funds deficit of £103m (2018: £42m).

The fund balances are adequate to fulfil the obligations of the Charitable Company. To achieve the development plan objectives and for other major capital projects, the Charitable Company remains dependent on the provision of additional fixed asset grants from both the DfE and any sponsors. The restricted funds can only be used for the specific purpose for which they have been given to the Charitable Company.

Reserves policy

The Directors have reviewed the reserves of the Charitable Company. This review encompassed the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves and considered the uncertainty over school funding levels. The Directors therefore believe that the balance of unrestricted reserves of £5.322m (2018: £6.306m) is adequate. Tangible fixed assets are all held for use by all existing academies. The purpose of the restricted funds is set out in Note 19.

Material investments policy

The Charitable Company's investment powers are governed by the Memorandum of Association, which permits the Charitable Company's funds to be held in or upon any investments, securities or property as may be thought fit subject to such consents and conditions as may be required by law.

UNITED LEARNING TRUST

DIRECTORS' REPORT (continued) FOR THE YEAR ENDED 31 AUGUST 2019

The policy has been to invest temporary surplus amounts with the Charity Official Investment Fund or bank deposit accounts. The Charitable Company has appointed Brewin Dolphin to manage medium to long term investments.

Except for the subsidiaries, ULT Projects Ltd, ULT Trading Company Limited, Regis Community Arena Limited, Bacon's College Educational & Community Services Limited and The Silver Birch Academy, there are no long term investments held by the Charitable Company.

Principal risks and uncertainties

During the year under review, the Directors and Senior Executives have formally identified, and documented, the major risks to which the Charitable Company is exposed. Those risks have been reviewed by the Risk and Audit Committee and risk management strategies have been implemented. Risk management is embedded in the day to day processes of the Charitable Company.

Principal risk areas for the Charitable Company are the protection of pupils and employees, and of assets and data systems. Procedures and governance to minimise these risks are constantly being reviewed and updated.

The principal risks include:

Safeguarding

The Charitable Company has Safeguarding and Child Protection policies in place which focus on the need to ensure that its pupils are safe, feel safe and are fully supported in this respect by their School. These policies, which are available on line, also provide a framework for its schools to develop secure processes for identifying and supporting pupils at risk of abuse. The implementation and effectiveness of these policies and procedures, which adhere to Department for Education guidelines on safeguarding and child protection, are regularly monitored and reviewed.

Health and safety

The health and safety of the school sites is of paramount importance. Health and safety risks are carefully assessed to minimise the possibility of accidents.

Financial pressures

The Charitable Company is reliant upon Government funding. An economic downturn could have a direct impact on the levels of funding available.

Senior management and the Directors aim to keep abreast of proposed changes to funding streams and these are taken into account when preparing medium term financial forecasts for each academy.

A large proportion of the Charitable Company's costs relate to staff costs which are relatively fixed each year. There is a risk that a significant drop in grant income may lead to an inability to cover such costs at one or more of the academies.

The markets in which the Charitable Company's schools operate are highly competitive. Consequently, the Academy Trust constantly reviews its teaching and learning processes and policies to ensure that their pupils receive a first class education that helps them to perform to their full ability in all aspects of school life.

The Charitable Company also belongs to several Local Government Pension Schemes ("LGPS") run by the relevant Local Authority for non teaching staff. Under the application of FRS 102 the contributions made by the Charitable Company to these funded defined benefit schemes currently results in the pension deficits recorded in the Statement of Financial Activities. Under FRS 102 the Charitable Company is required to account for retirement benefits when it is committed to provide them, even if the actual provision will be many years into the

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DIRECTORS' REPORT (continued) FOR THE YEAR ENDED 31 AUGUST 2019

future. Whilst FRS 102 is seen as a better reflection of the obligations of the employer to fund pension promises to employees, it does not reflect the actual accounting arrangements of the pension fund. It requires the Charitable Company to recognise the total value of all pension obligations that have accumulated (including deferred pensions) at 31 August each year.

A better reflection of a pension fund's actual position comes from the more detailed triennial assessment made by the fund actuary. This assesses and examines the ongoing financial position of the Pension Fund. The actuarial valuation can differ considerably from the FRS 102 valuation. It is the triennial actuarial valuation that is used to review contribution rates to the Fund from the Charitable Company, to ensure that existing assets and future contributions will be sufficient to meet future pension payments, and thus creates a risk in terms of increased contribution rates.

To mitigate these financial risks senior management closely monitor all costs, including increased pension contributions, against budgets on a monthly basis. Variance analysis is undertaken to consider the impact of varying income and costs when budgets are being prepared and through monthly management accounts and reforecasts, and action plans are prepared and implemented to address any adverse impacts. With regards to the LGPS risk we review the accounting reports prepared annually by the respective schemes' actuaries, and Parliament has agreed that in the event of an academy or multi-academy trust closure, any outstanding LGPS liabilities would be met by the DfE.

Data protection

Policies and procedures are in place to ensure compliance with General Data Protection Regulations, with information security policies covering the risk of breach or loss of access.

Financial review

Financial risk management objectives and policies

The Charitable Company uses various financial instruments including cash and items such as trade debtors and trade creditors that arise directly from its operations. The main purpose of these financial instruments is to make effective use of the Charitable Company's resources to fund operations.

The main risk arising from the Charitable Company's financial instruments is liquidity risk.

Liquidity Risk

Financial risk management is managed by the Central Office Finance Department who act as the Charitable Company's treasury function ensuring that surplus funds are deposited so as to maximise interest receivable and ensure security.

The Charitable Company seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably.

The Charitable Company finances its operations through retained surpluses. Liquidity and cash flow risks are managed through the appropriate and carefully managed use of financial instruments with our principal bankers.

Fundraising

United Learning has a soft fundraising approach. In prior years, the Charitable Group has received large donations from individuals, but generally, we do not actively fundraise.

Our current approach is to work to with partners and suppliers from time to time to offer fundraising packages for specific events and programmes such as our annual student and staff award ceremony and our Enterprise Programme.

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DIRECTORS' REPORT (continued) FOR THE YEAR ENDED 31 AUGUST 2019

Our schools occasionally fundraise for themselves or charities via events such as performances, non-school uniforms day and fêtes.

With the exception of the above, the Charitable Group does not contact or seek funding from the public or individuals, nor do we work with professional fundraisers. Occasionally, the Group is approached by trusts or individuals who are interested in working with us, and we will provide them with programme and funding information in order to explore funding opportunities that meet both parties' objectives and ethos. In prior years, we have submitted joint bid applications to trusts and funding bodies, such as the Department for Education and the Careers and Enterprise Company along with other charities.

We are members of the Fundraising Regulator Fundraising Preference Service to monitor our fundraising complaints. We did not receive any complaints this year.

Plans for future periods

Future developments

On 1 September 2019, the Charitable Company welcomed the five academies from the former Cambridge Academic Partnership, The John Roan School in London and Ham Dingle Primary School in Stourbridge.

In the next twelve months, the Charitable Company will continue to primarily grow in its existing cluster locations.

The Charitable Company will continue to strive to improve the levels of performance of its students at all levels and will continue its efforts to ensure its primary students are well prepared for their secondary education and its secondary students are able to get jobs or a place in further or higher education once they leave its schools.

Environmental Policy

The Charitable Company believes that protection of the environment is an integral part of good educational practice. The Charitable Company is fully committed to its responsibility for minimising the environmental impacts of its operations, and will continuously aim to improve its environmental performance through the careful management of the Estate.

The Charitable Company seeks to engage all members of the school community to develop a sustainable approach to their work and activities so as to help it achieve its aims. The Charitable Company's commitment includes the environmentally prudent management of its buildings and operations, collaboration with suppliers to improve its indirect environmental impacts, and environmental programmes and education for its employees and pupils.

The Charitable Company recognises that good environmental management must be an integral and fundamental part of its corporate business strategy.

Pay policy for key management personnel

Details of the pay policy in respect of key management personnel is included in the Governance Statement on page 18.

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DIRECTORS' REPORT (continued) FOR THE YEAR ENDED 31 AUGUST 2019

Trade Union facility time

The tables below set out the Charitable Company's trade union facility time data for the period from 1 April 2018 to 31 March 2019.

Relevant Union Officials

Total number of the Academy Trust employees who were relevant union officials during the relevant period (1 April 2018 to 31 March 2019).

Number of employees	Full time equivalent employee number
41	39

Percentage of time spent on facility time

The percentage of their working hours that relevant unions' officials spent on facility time is as follows:

Percentage of Time	Number of Employees
0%	9
1 - 50%	32
51 - 99%	0
100%	0

Percentage of pay bill spent on facility time

Total cost of facility time	£48,623
Total pay bill	£179,692,738
Percentage of the total pay bill spent on facility time	0.03%

Paid trade union activities

As a percentage of total paid facilities time hours, the amount of time spent by relevant trade union officials during the relevant period on paid trade union activities.

Time spent on trade union activities as a percentage of total paid facility time hours	6.3%
--	------

Employee involvement and employment of the disabled

Employees have been consulted on issues of concern to them by means of regular consultative committee and staff meetings and have been kept informed on specific matters directly by management. The Charitable Company carries out exit interviews for all staff leaving the organisation and has adopted a procedure of upward feedback for senior management and the Directors.

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

- Equal Opportunities Policy
- Volunteers Policy
- Health & Safety Policy

UNITED LEARNING TRUST

DIRECTORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2019

The Charitable Company has in place a National Recognition Agreement with the main teaching and support unions. Regular joint meetings of the Joint Negotiating Committee (JNC) are held with this group where matters of mutual interest are discussed and agreed upon.

The union members of the JNC report back to their members through locally appointed representatives. In addition, local meetings are held in the academies where the Principal meets with the local representative to discuss and agree any local issues. Each academy also ensures all staff are kept fully briefed by using a variety of methods including staff meetings and newsletters.

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

Full details of these policies are available from the Charitable Company's office.

Details of the Charitable Group's Gender Pay report can be found on its website at unitedlearning.org.uk

Funds held as custodian trustee on behalf of others

Neither the Charitable Company nor its Directors are acting as a custodian trustee on behalf of others.

Disclosure of information to auditor

Insofar as the Directors are aware:

- there is no relevant audit information of which the Charitable Company's auditors are unaware, and
- that Directors have taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the Charitable Company's auditor is aware of that information.

The Directors' Report, incorporating a strategic report, was approved by order of the Board of Directors, as the company directors, on 12 December 2019 and signed on its behalf by:



Dame Y Bevan
Chair of Directors

UNITED LEARNING TRUST

GOVERNANCE STATEMENT

Scope of Responsibility

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

The Board of Directors has delegated the day-to-day responsibility to Sir Jon Coles, 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 them in the funding agreement between United Learning Trust and the Secretary of State for Education. The Accounting Officer is also responsible for reporting to the Board of Directors any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Directors' Report and in the Statement of Directors' Responsibilities. The Board of Directors has delegated its powers and functions to a committee of the Board of Directors known as the Group Board. All the Directors of United Learning Trust are members of the Group Board. Members of the Group Board also include persons who are Directors of United Church Schools Trust. The Board of Directors has formally met 7 times during the year and the ULT Board of Directors has held 3 independent meetings. Attendance during the year at meetings of the Board of Directors was as follows:

Board member	Group meetings attended	Board possible	Out of possible	aAcademy meetings attended	TrustOut of possible	of a
Dame Y Bevan (chair)	6	7		2	3	
Sir J Coles	7	7		3	3	
Mr N Davidson	7	7		3	3	
Mr M George	6	7		3	3	
Mr R Greenhalgh	7	7		3	3	
Dame R Keeble	6	7		3	3	
Mr D Robinson	5	7		2	3	
Mr N Robson	7	7		3	3	

The Board of Directors delegates clear responsibilities to the academies' Local Governing Bodies (LGBs), whose purpose is to provide support and challenge to the academy on behalf of the Board. The functions and duties of the LGBs are set out in the LGB Members' Handbook. The Group Board maintains links with the LGBs through the Company Secretary and designated Directors for the primary and secondary academies. The Chairs and Vice Chairs of the LGBs are invited to attend meetings of the Education Board, which meet three times in the academic year and provide advice on strategy and education, relevant continuing professional development and the opportunity for sharing of best practice with their peers. The Education Board meetings further enhance communications between LGBs and the Directors.

UNITED LEARNING TRUST

GOVERNANCE STATEMENT (continued)

Review of governance

Current governance arrangements have been reviewed. The Group Board has carried out a self-evaluation in the year, which provided reassurance about its effectiveness. A number of follow up actions, including data presentation formats, were agreed and have been implemented. A further review is planned for 2019/20. The review also included an evaluation of the quality of the data provided to the Board and its Committees. An evaluation of the effectiveness of the Chair of the Group Board has also been undertaken.

Board Committees

The Board of Directors has four committees, which advise on matters defined by their terms of reference. The Committees are the Finance Committee, the Risk and Audit Committee, the Nominations and Salaries Committee and the Education Standards and Performance Committee. The minutes of all committees are made available to the Board of Directors at meetings of the Group Board. The Chair of the Risk and Audit Committee reports to the Board of Directors at a meeting of the Group Board.

The Finance Committee's purpose is to:

- ensure that the Charitable Company properly plans the use of its finances and is adequately funded to undertake projected expenditure
- review and recommend the annual budgets for approval by the board
- monitor financial performance against agreed budgets
- ensure, with the Risk and Audit Committee, that the Charitable Company's financial statements are supported accurately by management accounts
- monitor and review the Charitable Company's arrangements in relation to investments and make recommendations to the Board in relation to the appointment and removal of investment advisors.

Attendance at meetings in the year was as follows:

Committee member	Meetings attended	Out of a possible
Mr N Davidson (chair)	7	7
Dr S Critchley	7	7
Mr M George	5	7
Mr B Gordon	7	7
Mr R Greenhalgh	7	7
Mr M Litchfield	5	7
Mr N Robson	7	7

The Risk and Audit Committee's purpose is to:

- ensure implementation of a risk management framework for the Group and to review disaster recovery/ business continuity planning
- ensure the Charity's annual financial statements are reconciled to the management accounts
- ensure effective audit functions are in place (both external and internal)
- ensure adequate risk management processes are in place
- ensure an adequate internal control environment is established.

UNITED LEARNING TRUST

GOVERNANCE STATEMENT (continued)

Attendance at meetings in the year was as follows:

Committee member	Meetings attended	Out of a possible
Professor C Coulson-Thomas (chair)	4	4
Mrs K Bowles	4	4
Dr S Critchley	4	4
Mr D D'Arcy Hughes	4	4
Mr N MacDonald	4	4

A Group Nominations and Remuneration Committee exists to oversee the appointments of the Group Chairman and Directors and to approve Executive salaries and remuneration. The Committee is chaired by the Chair of the Group Board and it is advised by the Director of HR and the Company Secretary as appropriate.

The Nominations and Remuneration Committee regularly reviews the terms of office, skills and attributes of the Board of Directors. On the basis of this, the Committee plans succession in order to ensure that the Board has available to it the range of skills and experience required to discharge its responsibilities. The Committee makes recommendations to the Board as to the need for new Directors and leads the process of recruitment of Directors as required, making recommendations of appointment to the Board. The Committee ensures that appointment is on merit, but also seeks to ensure that the Board reflects the diversity of the communities it serves.

In considering Executive pay, the Committee takes account of the needs of the organisation for skills, experience and personal capabilities to enable it to achieve its objectives and the price of such skills in the labour market. The Committee considers that in order to attract and retain leaders with the skills to achieve organisational objectives, senior pay must be competitive in the marketplace, taking account of the pay rates of comparably senior and skilled employees in other organisations – particularly in comparable organisations in education, in public service and in the charitable sector, and taking account of the transferability of skills into other sectors. The Committee is also mindful of the need for charities and organisations in receipt of public funding to set pay rates which are publicly defensible and seen to be appropriate.

The Committee considers annual pay in relation to the performance of the organisation, and of individuals against their objectives and in their broader contribution and in any changes to job role.

Attendance at meetings in the year was as follows:

Committee member	Meetings attended	Out of a possible
Mr R Greenhalgh (chair)	3	3
Mr N Robson	3	3
Mr D Robinson	2	3
Mrs S Squire	3	3

The Group Education Standards and Performance Committee's purpose is to:

- ensure that the Trust discharges its responsibilities for educational improvement in providing excellent education so that all pupils are able to progress, achieve and to go on to succeed in life
- advise the Group Board with respect to group strategic educational priorities and key performance indicators
- provide an overview, scrutiny and challenge of education performance of all schools
- receive reports from the Executive Team regarding education standards and performance of schools, and to hold the Executive Team to account, against the approved group strategic priorities and key performance indicators relating to schools' educational performance
- review annually the performance of local/cluster governing bodies to ensure they are operating at maximum effectiveness

UNITED LEARNING TRUST

GOVERNANCE STATEMENT (continued)

- receive reports from the Executive Team regarding safeguarding, and to hold the Executive Team to account regarding the effectiveness of policies and processes designed to keep children safe.

Attendance at meetings in the year was as follows:

Committee member	Meetings attended	Out of a possible
Mr N Robson (chair)	3	3
Dame Y Bevan	2	3
Sir J Coles	3	3
Dr R Given-Wilson	-	3
Mr R Greenhalgh	3	3
Dame R Keeble	2	3

Review of Value for Money

As Accounting Officer, the Chief Executive Officer has responsibility for ensuring that the Charitable Company 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 Charitable Company's use of its resources has provided good value for money during each academic year, and reports to the Board of Directors where value for money can be improved, including the use of benchmarking data where appropriate. The Accounting Officer for the Charitable Company has delivered improved value for money during the year by:

- Ensuring that there is effective and continually improving control environment and governance framework in place, thus highlighting inefficiencies and reducing waste
- Continually reviewing and evaluating school improvement strategies to ensure excellent education outcomes are achieved
- Ensuring technical efficiencies through the continual matching of teacher skills to the curriculum
- Group wide procurement savings including technology frameworks being established and energy, insurance and catering contracts renewed and renegotiated.

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Charitable Company 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 United Learning Trust for the year from 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The Board of Directors has reviewed the key risks to which the Charitable Company is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Directors is of the view that there is a formal ongoing process for identifying, evaluating and managing the Charitable Company's significant risks, that has been in place for the year from 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Directors.

The Charitable Group has a risk register that identifies the key strategic risks facing the Group, the actions taken to mitigate those risks and the owners of those actions. Risk control is exercised by the senior management team which reviews the risk register on a monthly basis. The Risk and Audit Committee considers

UNITED LEARNING TRUST

GOVERNANCE STATEMENT (continued)

the risk register at each of its meetings. Its views are reported to the Board of Directors via the Committee's minutes and the Chair's reports to the Group Board.

The Risk and Control Framework

The Charitable Company'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 monthly financial reports which are reviewed and agreed by the Board of Directors
- regular reviews by the Finance Committee of reports which indicate financial performance against the budgets 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.

The Group employs an Internal Auditor and a Head of Internal Audit who have a direct reporting line to the Chair of the Risk and Audit Committee. The Internal Audit service operates with best practice professional standards and guidelines. Internal Audit independently and objectively reviews, on a continuous basis, the extent to which the internal control environment supports and promotes the achievement of the Academy Trust's objectives, and contributes to the proper, economic, efficient and effective use of resources.

Internal Audit's role includes giving advice on internal control and performing a range of checks on the Charitable Company's core financial systems. In particular, the checks carried out in the current period included testing of payroll and purchase systems, testing of control accounts, bank reconciliations and fixed assets, testing of compliance with the scheme of delegation and internal control, a review of financial reporting, fraud investigations, testing of other fundamental financial and non-financial systems and departments, and a review of strategic and operational risks.

On a quarterly basis, the Head of Internal Audit reports to the Board of Directors through the Risk and Audit Committee on the operation of the systems of control and on the discharge of the Board of Directors' financial responsibilities.

For the year ended 31 August 2019, based on the work undertaken, an internal audit opinion of reasonable assurance was given on the adequacy and effectiveness of the organisation's risk management, internal control and governance arrangements. The internal audit plan for the year ended 31 August 2019 was delivered as planned and no material control issues were identified.

These arrangements can provide only reasonable and not absolute assurance that assets are safeguarded, transactions authorised and properly recorded, and that material errors or irregularities are either prevented or would be detected within a timely period.

UNITED LEARNING TRUST

GOVERNANCE STATEMENT (continued)

Review of Effectiveness

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

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

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

Approved by order of the members of the Board of Directors on 12 December 2019 and signed on their behalf, by:



Dame Y Bevan
Chair of Directors



Sir J Coles
Accounting Officer

UNITED LEARNING TRUST

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of United Learning Trust I have considered my responsibility to notify the Academy Trust Board of Directors and the Education & Skills Funding Agency ("ESFA") of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy Trust, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2018.

I confirm that I and the academy trust Board of Directors are able to identify any material irregular or improper use of funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2018.

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 Directors and ESFA.



Sir J Coles
Accounting Officer

Date: 12 December 2019

UNITED LEARNING TRUST

STATEMENT OF DIRECTORS' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2019

The Directors (who act as governors of United Learning Trust and are also the directors of the Charitable Company for the purposes of company law) are responsible for preparing the Annual report and the financial statements in accordance with the Annual Accounts Direction published by the Education & Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under company law the Directors 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 Directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019;
- 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 Directors 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 Directors 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 Directors confirm that:

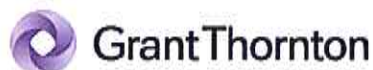
- so far as each Director is aware, there is no relevant audit information of which the Charitable Company's auditor is unaware; and
- the Directors have taken all the steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the Charitable Company's auditor is aware of that information.

The Directors 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 Directors on 12 December 2019 and signed on its behalf by:



Dame Y Bevan
Chair of Directors



**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
UNITED LEARNING TRUST**

Opinion

We have audited the financial statements of United Learning Trust (the 'Charitable Company') for the year ended 31 August 2019 which comprise the Statement of Financial Activities incorporating an Income and Expenditure Account, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019 issued by the Education & Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Charitable Company's affairs as at 31 August 2019 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2015 and Academies Accounts Direction 2018 to 2019

Basis for opinion

We have been appointed as auditor under the Companies Act 2006 and report in accordance with regulations made under that Act. We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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 Directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Charitable Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the annual report including Reference and Administrative details, the Report of the Directors and Strategic Report, the Governance Statement, the Statement on Regularity, Propriety and Compliance and the Statement of Trustees' Responsibilities, other than the financial statements and our auditor's report thereon.



**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
UNITED LEARNING TRUST**

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 Strategic Report and the Director's Report, prepared for the purposes of company law, included in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report and the Strategic Report have been prepared in accordance with applicable legal requirements.

Matter on which we are required to report under the Companies Act 2006

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

Matters on which we are required to report by exception

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 Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Directors

As explained more fully in the Statement of Directors' Responsibilities, the Directors (who are also the Directors of the Charitable Company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors 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 Directors are responsible for assessing the Charitable Company'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 Directors either intend to liquidate the Charitable Company or to



**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
UNITED LEARNING TRUST**

cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Use of our report

This report is made solely to the charitable company'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 company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.

Grant Thornton UK LLP

Gareth Norris FCA (Senior Statutory Auditor)

for and on behalf of

Grant Thornton UK LLP

Statutory Auditor,
Chartered Accountants

Milton Keynes

Date: 13 DECEMBER 2019

UNITED LEARNING TRUST

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

In accordance with the terms of our engagement letter dated 23 September 2019 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2018 to 2019, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by United Learning Trust during the period from 1 September 2018 to 31 August 2019 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

The Accounting Officer is responsible, under the requirements of United Learning Trust's funding agreement with the Secretary of State for Education dated 26 March 2013, and the Academies Financial Handbook extant from 1 September 2018, 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 2018 to 2019. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year from 1 September 2018 to 31 August 2019 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 2018 to 2019 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw our conclusion includes:

- an assessment of the risk of material irregularity and impropriety across the Academy Trust's activities;
- evaluation of the processes and controls established and maintained in respect of the regularity, propriety and compliance of the use of public funds through observation and testing of the arrangements in place and enquiry of the Accounting Officer;
- consideration and corroboration of the evidence supporting the Accounting Officer's statement on regularity, propriety and compliance; and
- limited testing on a sample basis of income and expenditure for the areas identified as high risk.

UNITED LEARNING TRUST

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

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year from 1 September 2018 to 31 August 2019 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Use of our report

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

Grant Thornton UK LLP

Reporting Accountant

Grant Thornton UK LLP

Chartered Accountants

Milton Keynes

Date: 13 DECEMBER 2019

UNITED LEARNING TRUST

**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2019**

	Unrestricted funds 2019 £000	Restricted general funds 2019 £000	Restricted fixed asset funds 2019 £000	Restricted pension funds 2019 £000	Total funds 2019 £000	Total funds 2018 £000	
Note							
Income from:							
Donations & capital grants:							
Transfers from other trusts	2, 23	(465)	229	85,852	(14,219)	71,397	22,377
Pension deficit transferred on conversion	2	-	-	-	-	-	(2,285)
Other assets transferred on conversion	2	-	-	-	-	-	234
Buildings and funds transferred on conversion	2	-	-	-	-	-	31,428
Other donations and capital grants	2	625	137	7,592	-	8,354	16,946
Charitable activities:							
Funding for the Academy Trust's educational operations	5	-	244,687	-	-	244,687	209,779
Teaching schools	32	52	1,251	-	-	1,303	683
Other trading activities	3	10,675	-	-	-	10,675	8,116
Investments	4	348	-	-	-	348	273
Total income		11,235	246,304	93,444	(14,219)	336,764	287,551
Expenditure on:							
Charitable activities:							
FRS 102 LGPS adjustment	7, 25	-	-	-	10,503	10,503	8,111
Academy trust educational operations	7	8,962	245,053	15,234	-	269,249	234,700
Teaching schools	32	-	915	-	-	915	621
Total expenditure	8	8,962	245,968	15,234	10,503	280,667	243,432
Net income / (expenditure) before investment gains		2,273	336	78,210	(24,722)	56,097	44,119

UNITED LEARNING TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
(continued)
FOR THE YEAR ENDED 31 AUGUST 2019

	Unrestricted funds 2019 £000	Restricted general funds 2019 £000	Restricted fixed asset funds 2019 £000	Restricted pension funds 2019 £000	Total funds 2019 £000	<i>Total funds 2018 £000</i>
Note						
Net gains on investments	36	-	-	-	36	411
Net income / (expenditure) before transfers	2,309	336	78,210	(24,722)	56,133	44,530
Transfers between funds	19 (3,293)	(42)	3,335	-	-	-
Net income / (expenditure) before other recognised gains and losses	(984)	294	81,545	(24,722)	56,133	44,530
Actuarial (losses)/gains on defined benefit pension schemes	25 -	-	-	(35,367)	(35,367)	21,608
Net movement in funds	(984)	294	81,545	(60,089)	20,766	66,138
Reconciliation of funds:						
Total funds brought forward	6,306	-	520,013	(42,562)	483,757	417,619
Total funds carried forward	5,322	294	601,558	(102,651)	504,523	483,757

The notes on pages 33 to 68 form part of these financial statements.

UNITED LEARNING TRUST
REGISTERED NUMBER: 04439859

BALANCE SHEET
AS AT 31 AUGUST 2019

	Note	£000	2019 £000	£000	2018 £000
Fixed assets					
Tangible assets	15		593,018		508,736
Investments	16		9,068		8,796
			<u>602,086</u>		<u>517,532</u>
Current assets					
Debtors	17	17,689		26,297	
Cash at bank and in hand	22	16,690		6,799	
			<u>34,379</u>	<u>33,096</u>	
Creditors: amounts falling due within one year	18	<u>(29,291)</u>		<u>(24,309)</u>	
Net current assets			<u>5,088</u>		<u>8,787</u>
Total assets less current liabilities			<u>607,174</u>		<u>526,319</u>
Defined benefit pension scheme liability	25		<u>(102,651)</u>		<u>(42,562)</u>
Net assets including pension scheme liabilities			<u>504,523</u>		<u>483,757</u>
Funds of the Academy Trust					
Restricted pension funds	19		(102,651)		(42,562)
Restricted general funds	19	294		-	
Restricted fixed asset funds	19	601,558		520,013	
			<u>601,852</u>		<u>520,013</u>
Unrestricted funds	19		5,322		6,306
Total funds			<u>504,523</u>		<u>483,757</u>

The financial statements on pages 29 to 68 were approved by the Directors, and authorised for issue, on 12 December 2019 and are signed on their behalf, by:



Dame Y Bevan
Chair of Trustees

The notes on pages 33 to 68 form part of these financial statements.

UNITED LEARNING TRUST

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2019

	Note	2019 £000	2018 £000
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	21	9,497	(914)
Cash flows from investing activities:			
Dividends, interest and rents from investments		348	273
Proceeds from disposal of fixed asset investments		2,319	1,353
Acquisitions of tangible fixed assets		(14,750)	(15,931)
Capital grants from DfE/ESFA		15,029	12,811
Acquisitions of fixed asset investments		(2,555)	(1,886)
Proceeds from sale of tangible assets		3	1
Net cash provided by/(used in) investing activities		394	(3,379)
Change in cash and cash equivalents in the year		9,891	(4,293)
Cash and cash equivalents brought forward		6,799	11,092
Cash and cash equivalents carried forward	22	16,690	6,799

The notes on pages 33 to 68 form part of these financial statements.

UNITED LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

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, are set out below.

1.1 Basis of preparation of financial statements

The financial statements of the Charitable Company, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2018 to 2019 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

1.2 Fund accounting

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

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

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

1.3 Basis of consolidation

Consolidated accounts are not prepared as the Charitable Company is a member of the Group headed by United Church Schools Foundation Ltd, a charitable company incorporated in England and Wales, for which consolidated accounts are prepared and are publicly available. The financial statements therefore reflect the results of the Charitable Company as an individual entity.

UNITED LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

1. Accounting Policies (continued)

1.4 Income

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

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

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

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

Sponsorship income provided to the Charitable Company which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable, where receipt is probable and it is measurable.

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

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

1.5 Expenditure

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

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

All expenditure is inclusive of irrecoverable VAT.

UNITED LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

1. Accounting Policies (continued)

1.6 Going concern

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

1.7 Tangible fixed assets and depreciation

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

Long-term leaseholds on conversion are included in the Balance Sheet at cost on signature of the lease agreement, representing the point at which the Charitable Company takes over the risks and rewards associated with ownership.

The Directors determine cost with reference to available third party valuations conducted by the ESFA. Where these are not available, the Directors consider other suitably reliable measurement methods including deemed replacement cost and market appraisals conducted by appropriately qualified experts.

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.

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.

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought to use.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost of these assets, less their estimated residual value, over their expected useful lives on the following bases:

Long term leasehold property	-	50 years
Freehold buildings	-	50 years
Short term leasehold property	-	10 years
Motor vehicles	-	4 years
Office equipment	-	10 years
Computer equipment	-	3 years
Assets under construction	-	not depreciated

UNITED LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

1. Accounting Policies (continued)

1.8 Investments

Listed fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless fair value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Gains/(losses) on investments' in the Statement of Financial Activities.

Investments in subsidiaries are measured at cost less accumulated impairment.

1.9 Operating leases

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

The Charitable Company has three academies with buildings under Private Finance Initiative (PFI) contracts.

The Transfer Agreement does not transfer the ownership of the new school built by the Contractor until the end of the Project Agreement. Whilst the PFI agreement remains between the Local Authority and the Contractor, the Charitable Company makes an Academy Contribution to the unitary charge via the Schools Agreement to cover the services element of the charge.

The Directors have considered the risks and rewards associated with the agreement and consider that these represent operating lease arrangements, as risks and rewards associated with the PFI buildings are not transferred to the Trust until the end of the contract. Accordingly, the Academy Contributions are recognised as operating charges in the Statement of Financial Activities on a straight line basis over the life of the contract.

At the end of the PFI contract, the risks and rewards will transfer to the Charitable Company, at which point the buildings will be capitalised.

1.10 Taxation

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

1.11 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charitable Company; this is normally upon notification of the interest paid or payable by the Bank.

1.12 Debtors

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

UNITED LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

1. Accounting Policies (continued)

1.13 Cash at bank and in hand

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

1.14 Creditors

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

1.15 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 17. Prepayments are not financial instruments. Amounts due to the Charitable Company's wholly owned subsidiary are held at face value less any impairment.

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

Financial liabilities - trade creditors and other creditors are financial instruments, and are measured at amortised cost as detailed in note 18. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to the Charitable Company's wholly owned subsidiaries are held at face value less any impairment.

UNITED LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

1. Accounting Policies (continued)

1.16 Pensions

The Charitable Company makes contributions to a number of defined contribution pension schemes for staff and the pension charge represents the amount payable by the Charitable Company to the fund in respect of the year.

Retirement benefits to employees of the Charitable Company are also 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 Charitable Company in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 25, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

1.17 Conversion to an academy trust

The conversion from a state maintained school to an academy involves the transfer of identifiable assets and liabilities and the operation of the school for £nil consideration.

The transferred assets and liabilities are measured at fair value and recognised in the balance sheet at the point when the risks and rewards of ownership pass to the Charitable Company. An equal amount of income is recognised as a transfer on conversion within 'Income from donations and capital grants'.

UNITED LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

1. Accounting Policies (continued)

1.18 Transfer of existing academy trusts

The transfer of existing academy trusts to the Charitable Company involves the transfer of identifiable assets and liabilities and the operation of the constituent academy schools for £nil consideration.

The transferred net assets are measured at fair value and recognised in the balance sheet at the point when the risks and rewards of ownership pass to the Charitable Company. An equal amount of income is recognised as a transfer from other trusts within 'Income from donations and capital grants'.

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost/(income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 25, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation has been used by the actuary in valuing the pensions liability at 31 August 2019. 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.

When new schools convert to academy status and join the Academy Trust or existing academies join the Academy Trust, the Charitable Company makes the estimates in respect of the fair value of assets and liabilities transferred, using available valuation information as well as in-house expertise.

Critical areas of judgement:

At three of its academies, the Charitable Company occupies buildings under PFI agreements with the local authority and has applied judgement in determining that these buildings should not be capitalised on the balance sheet.

The Charitable Company does not believe that there are any additional critical areas where judgement is used.

UNITED LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

2. Income from donations and capital grants

	Unrestricted funds 2019 £000	Restricted general funds 2019 £000	Restricted fixed asset funds 2019 £000	Restricted pension funds 2019 £000	Total funds 2019 £000	<i>Total funds 2018 £000</i>
Transfers from other trusts	(465)	229	85,852	(14,219)	71,397	22,377
Pension deficit transferred on conversion	-	-	-	-	-	(2,285)
Other assets transferred on conversion	-	-	-	-	-	234
Buildings and funds transferred on conversion	-	-	-	-	-	31,428
	<u>(465)</u>	<u>229</u>	<u>85,852</u>	<u>(14,219)</u>	<u>71,397</u>	<u>51,754</u>
Donations	625	137	-	-	762	329
Capital grants	-	-	7,592	-	7,592	16,617
	<u>625</u>	<u>137</u>	<u>7,592</u>	<u>-</u>	<u>8,354</u>	<u>16,946</u>
	<u>160</u>	<u>366</u>	<u>93,444</u>	<u>(14,219)</u>	<u>79,751</u>	<u>68,700</u>
<i>Total 2018</i>	<u>704</u>	<u>423</u>	<u>72,027</u>	<u>(4,454)</u>	<u>68,700</u>	

3. Activities for generating funds

	Unrestricted funds 2019 £000	Restricted general funds 2019 £000	Restricted pension funds 2019 £000	Total funds 2019 £000	<i>Total funds 2018 £000</i>
Gift aid from trading subsidiaries	2,347	-	-	2,347	1,587
Activities for generating funds	8,328	-	-	8,328	6,529
	<u>10,675</u>	<u>-</u>	<u>-</u>	<u>10,675</u>	<u>8,116</u>
<i>Total 2018</i>	<u>8,116</u>	<u>-</u>	<u>-</u>	<u>8,116</u>	

Costs associated with activities for generating funds are borne by the Charitable Company's parent, United Church Schools Trust.

UNITED LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

4. Investment income

	Unrestricted funds 2019 £000	Restricted general funds 2019 £000	Restricted pension funds 2019 £000	Total funds 2019 £000	<i>Total funds 2018 £000</i>
Investment income receivable	270	-	-	270	249
Bank interest receivable	78	-	-	78	24
	<u>348</u>	<u>-</u>	<u>-</u>	<u>348</u>	<u>273</u>
<i>Total 2018</i>	<u>273</u>	<u>-</u>	<u>-</u>	<u>273</u>	

5. Funding for Academy Trust's educational operations

	Unrestricted funds 2019 £000	Restricted general funds 2019 £000	Restricted pension funds 2019 £000	Total funds 2019 £000	<i>Total funds 2018 £000</i>
DfE/ESFA grants					
General Annual Grant ("GAG")	-	211,791	-	211,791	184,746
Start Up Grants	-	243	-	243	348
Other DfE Grants	-	7,874	-	7,874	4,177
Pupil Premium	-	15,601	-	15,601	13,376
	<u>-</u>	<u>235,509</u>	<u>-</u>	<u>235,509</u>	<u>202,647</u>
Other government grants					
Local Authority Grants	-	9,178	-	9,178	7,132
	<u>-</u>	<u>9,178</u>	<u>-</u>	<u>9,178</u>	<u>7,132</u>
	<u>-</u>	<u>244,687</u>	<u>-</u>	<u>244,687</u>	<u>209,779</u>
<i>Total 2018</i>	<u>-</u>	<u>209,779</u>	<u>-</u>	<u>209,779</u>	

UNITED LEARNING TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

6. Academies acquired or disposed in the year

The Charitable Company acquired 13 further academies during the year ended 31 August 2019. The incoming resources and net movement in funds for these academies is shown below. Further details of acquisitions are given in Note 23.

	Acquired £000
Voluntary income - transfers from other trusts	
Net assets acquired (Note 23)	71,397
Incoming resources from donations and capital grants	419
Incoming resources from charitable activities	18,401
Incoming resources from other trading activities	337
Resources expended on charitable activities	(19,199)
	71,355
Net movement in funds for the year	71,355

7. Analysis of expenditure on charitable activities

	Unrestricted funds 2019 £000	Restricted funds 2019 £000	Restricted pension funds 2019 £000	Total funds 2019 £000	<i>Total funds 2018 £000</i>
Direct costs	2,561	184,231	10,440	197,232	168,774
Support costs	6,401	76,056	63	82,520	74,037
	8,962	260,287	10,503	279,752	242,811
<i>Total 2018</i>	9,143	225,557	8,111	242,811	

In addition to the above, teaching school expenditure was incurred amounting to £915k (2018: £621k) from restricted funds.

UNITED LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

Charitable activities

	Unrestricted funds 2019 £000	Restricted funds 2019 £000	Restricted pension reserve 2019 £000	Total funds 2019 £000	Total funds 2018 £000
Direct costs					
Teaching and educational support costs	-	155,566	9,057	164,623	140,159
Educational supplies	2,561	6,075	-	8,636	7,149
Examination costs	-	2,904	-	2,904	2,601
Staff development	-	887	-	887	862
Net pension costs	-	-	1,383	1,383	1,432
Technology costs	-	2,868	-	2,868	2,673
Other direct costs	-	15,931	-	15,931	13,898
Total	2,561	184,231	10,440	197,232	168,774

	Unrestricted funds 2019 £000	Restricted funds 2019 £000	Restricted pension reserve 2019 £000	Total funds 2019 £000	Total funds 2018 £000
Support costs					
Support staff pay costs	-	34,706	-	34,706	30,008
Depreciation	-	15,237	-	15,237	15,343
Recruitment and support	-	966	-	966	822
Premises costs	4,525	15,459	-	19,984	17,883
Insurance	-	1,173	-	1,173	1,034
Catering	1,587	4,389	-	5,976	5,298
Bank interest and charges	-	76	-	76	62
(Profit)/loss on disposal	-	(3)	-	(3)	12
Other support costs	112	3,638	63	3,813	3,195
Legal and professional	-	415	-	415	311
Governance costs	177	-	-	177	69
Total	6,401	76,056	63	82,520	74,037

UNITED LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

8. Expenditure	Non pay expenditure				
	Staff costs	Premises	Other costs	Total	Total
	2019	2019	2019	2019	2018
	£000	£000	£000	£000	£000
Academy Trust's educational operations					
Direct costs	164,623	-	32,609	197,232	168,774
Support costs	34,706	19,984	27,830	82,520	74,037
Teaching schools	611	-	304	915	621
	<u>199,940</u>	<u>19,984</u>	<u>60,743</u>	<u>280,667</u>	<u>243,432</u>
<i>Total 2018</i>	<u>170,550</u>	<u>17,883</u>	<u>54,999</u>	<u>243,432</u>	

9. Net income/(expenditure)

This is stated after charging/crediting:

	2019	2018
	£000	£000
Depreciation of tangible fixed assets:		
- owned by the Charitable Company	15,237	15,343
Auditor's remuneration - audit	117	100
Auditor's remuneration - other services	47	36
Operating lease rentals - plant and machinery	736	845
(Profit)/loss on disposal of fixed assets	(3)	12
	<u> </u>	<u> </u>

UNITED LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

10. Staff costs

a. Staff costs

Staff costs were as follows:

	2019 £000	2018 £000
Wages and salaries	148,529	128,599
Social security costs	13,004	11,203
Operating costs of pension schemes	31,885	26,239
	193,418	166,041
Agency staff costs	5,020	3,489
Staff restructuring costs	1,502	1,020
	199,940	170,550

Included within Operating costs of pension schemes is £9,057k (2018: £6,633k) in relation to the FRS 102 adjustment for LGPS service costs.

Staff restructuring costs comprise:

	2019 £000	2018 £000
Redundancy payments	641	384
Severance payments	861	636
	1,502	1,020

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

Included within staff costs are non-statutory / non-contractual severance payments totalling £415,705 (2018: £285,789) for the following amounts:

£5,860	£4,000	£20,000	£1,500	£2,000	£15,000	£30,000	£5,000
£5,128	£11,761	£5,000	£6,354	£9,295	£15,492	£4,490	£36,000
£3,000	£1,000	£3,500	£4,000	£1,500	£25,000	£5,000	£25,000
£8,000	£30,000	£1,500	£3,000	£13,000	£21,922	£30,000	£18,905
£6,000	£3,397	£1,601	£22,500	£5,000	£6,000		

UNITED LEARNING TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

10. Staff costs (continued)

c. Staff numbers

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

	2019	<i>2018</i>
	No.	<i>No.</i>
Teachers	2,960	<i>2,400</i>
Administration and support	2,885	<i>2,745</i>
	5,845	<i>5,145</i>

d. Higher paid staff

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

	2019	<i>2018</i>
	No.	<i>No.</i>
In the band £60,001 - £70,000	79	<i>68</i>
In the band £70,001 - £80,000	30	<i>28</i>
In the band £80,001 - £90,000	24	<i>13</i>
In the band £90,001 - £100,000	11	<i>10</i>
In the band £100,001 - £110,000	6	<i>7</i>
In the band £110,001 - £120,000	5	<i>2</i>
In the band £120,001 - £130,000	3	<i>2</i>
In the band £130,001 - £140,000	4	<i>3</i>
In the band £140,001 - £150,000	1	<i>2</i>

During the year the following amounts were paid to higher paid employees as shown above:

	2019	<i>2018</i>
	£000	<i>£000</i>
Pension contributions to Teachers' Pension Scheme	1,825	<i>1,523</i>
Pension contributions to Local Government Pension Scheme	120	<i>80</i>
Pension contributions to Defined Contribution Schemes	3	<i>-</i>

During the year 147 (2018: 128) higher paid employees participated in the Teachers' Pension Scheme, 12 employees (2018: 7) participated in a Local Government Pension Scheme and 4 (2018: none) employees participated in other Defined Contribution Schemes.

Remuneration was received by the Senior management team and key management personnel of the Charitable Company via other Group entities.

Sir J Coles, a Director, is an employee of the Group and is remunerated by the parent company for his services to the Group. He received no remuneration directly from the Charitable Company.

UNITED LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

11. Central services

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

- Strategy
- Educational improvement support
- Governance and company secretarial
- Estates
- Training
- Human resources
- ICT
- Public relations
- Communications and marketing
- Data collection and analysis
- Finance and accountancy
- Treasury
- Payroll
- Purchase ledger
- Credit control

The Charitable Company charges for these services on the following basis:

- at cost incurred
- on a per pupil basis

The actual amounts charged during the year were as follows:

	2019 £000	2018 £000
Abbey Hey Primary Academy	150	137
Accrington Academy	268	268
Avonbourne Boys' Academy	10	-
Avonbourne Girls' Academy	27	-
Bacon's College	250	130
Barnsley Academy	183	187
Beacon View Primary Academy	91	73
Carter Community School	76	78
Castle View Academy	137	69
Chingford Hall Primary Academy	33	-
Corngreaves Academy	50	50
Cravenwood Primary Academy	102	110
Dukesgate Academy	30	-
Glenmoor School	162	142
Goresbrook School	178	133
Grange Primary Academy	48	49
Hanwell Fields Community School	93	96
High Hazels Infants	66	70
High Hazels Juniors	82	81
Hill View Primary School	122	111
Hunningley Primary School	81	82
Irlam and Cadishead Academy	84	-
John Smeaton Academy	229	217
Kettering Buccleuch Academy	394	396
Lambeth Academy	231	223
Langford Primary	45	41

UNITED LEARNING TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

Longshaw Primary Academy	36	-
Manchester Academy	244	244
Marlborough Road Academy	55	-
Midhurst Rother College	257	240
Newstead Wood School	249	227
North Oxfordshire Academy	232	229
Northampton Academy	331	318
Nova Hreod Academy	186	177
Orchard Meadow Primary School	77	-
Paddington Academy	280	292
Pegasus Primary School	97	-
Richard Rose Central Academy	169	154
Richard Rose Morton Academy	153	138
Salford City Academy	151	141
Seahaven Academy	150	120
Sheffield Park Academy	253	254
Sheffield Springs Academy	160	159
Shoreham Academy	381	389
Silverdale Primary Academy	40	41
Southway Primary School	144	148
Stockport Academy	205	178
Swindon Academy	387	374
The Albion Academy	98	-
The Hurlingham Academy	95	84
The Hyndburn Academy	102	90
The Regis School	369	361
The Totteridge Academy	116	110
The Victory Primary School	105	95
Timbertrees Primary	53	54
Walthamstow Academy	242	235
Walthamstow Free School	25	17
Whittingham Primary Academy	43	-
Wilberforce Primary	48	51
William Hulme's Grammar School	323	327
Windale Primary School	61	-
Winston Way Academy	68	-
Winton College	186	163
Worsbrough Bank End Primary School	50	56
Wye School	118	105
	<hr/>	<hr/>
Total	9,561	8,314
	<hr/> <hr/>	<hr/> <hr/>

12. Directors' remuneration and expenses

During the year ended 31 August 2019, no Directors received any remuneration (2018: £nil).

During the year ended 31 August 2019, one (2018: one) Director was reimbursed for out of pocket expenses amounting to £584 (2018: £965).

UNITED LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

13. Directors' and Officers' Insurance

In accordance with normal commercial practice, the Charitable Company has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Charitable Company business. The insurance provides cover up to £2,000,000 on any one claim and the cost for the year ended 31 August 2019 was £5,974 (2018: £5,861).

14. Other finance costs

	2019 £000	2018 £000
Net interest income on LGPS liabilities	(1,383)	(1,432)

15. Tangible fixed assets

	Freehold land and buildings £000	Leasehold land and buildings £000	Plant and equipment £000	Assets under construction £000	Total £000
Cost					
At 1 September 2018	30,814	541,584	62,914	11,830	647,142
Additions	135	2,712	3,103	7,735	13,685
Transfers from other trusts	33,032	51,551	1,251	-	85,834
Disposals	-	-	(6)	-	(6)
Transfer between classes	-	31	-	(31)	-
At 31 August 2019	63,981	595,878	67,262	19,534	746,655
Depreciation					
At 1 September 2018	616	84,576	53,214	-	138,406
Charge for the year	746	11,316	3,175	-	15,237
On disposals	-	-	(6)	-	(6)
At 31 August 2019	1,362	95,892	56,383	-	153,637
Net book value					
At 31 August 2019	62,619	499,986	10,879	19,534	593,018
At 31 August 2018	30,198	457,008	9,700	11,830	508,736

The details of transactions arising from transfers from other trusts are disclosed in note 23.

UNITED LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

16. Fixed asset investments

	Listed Investments £000
Market value	
At 1 September 2018	8,796
Additions	2,555
Disposals	(2,413)
Revaluations	130
	<hr/>
At 31 August 2019	<u>9,068</u>

Investments at market value comprise:

	2019 £000	2018 £000
Stock market investments	<u>9,068</u>	<u>8,796</u>

All the fixed asset investments are held in the UK.

Investments - subsidiaries

The Charitable Company owns 100% of the issued ordinary shares of ULT Projects Ltd, a company incorporated in England and Wales, at a cost of £100. ULT Projects Ltd has been dormant for the current and preceding year.

The Charitable Company owns 100% of the issued ordinary shares of ULT Trading Company Limited, a company incorporated in England and Wales, at a cost of £100. The principal activity of ULT Trading Company Limited is the letting of school property and sale of school uniforms.

The Charitable Company owns 100% of the issued ordinary shares of Bacon's College Educational & Community Services Limited, a company incorporated in England and Wales. Bacon's College Educational & Community Services Limited has been dormant since acquisition on 1 March 2018.

The Charitable Company is the sole member of Regis Community Arena Limited (RCAL), a company limited by guarantee. The principal activity of RCAL is the provision of sports facilities and nursery care for children.

The Charitable Company became the sole member of The Silver Birch Academy on 1 April 2019, a company limited by guarantee. The trade and assets of this former academy trust transferred to United Learning Trust on that same date and this company has been dormant since that date.

The registered office address of all subsidiary undertakings is the same as that of the Charitable Company.

These investments are shown in the Balance Sheet and consolidated accounts are not prepared as the Charitable Company is a member of the United Church Schools Foundation Ltd Group, incorporated in England and Wales, for which consolidated accounts are prepared and are publicly available. These financial statements therefore reflect the results of the Charitable Company as an individual entity.

UNITED LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

17. Debtors

	2019	2018
	£000	£000
Trade debtors	871	974
Amounts owed by group undertakings	375	379
Other debtors	14,366	23,143
Prepayments and accrued income	2,077	1,801
	17,689	26,297
	17,689	26,297

18. Creditors: Amounts falling due within one year

	2019	2018
	£000	£000
Trade creditors	8,440	6,819
Amounts owed to group undertakings	2,981	568
Other taxation and social security	4,010	3,223
ESFA creditor: abatement of GAG	515	676
Other creditors	4,176	4,833
Accruals and deferred income	9,169	8,190
	29,291	24,309
	29,291	24,309

Amounts owed to group undertakings are unsecured, interest free and repayable on demand.

	2019	2018
	£000	£000
Deferred income		
Deferred income at 1 September 2018	2,069	1,271
Resources deferred during the year	1,969	2,069
Amounts released from previous years	(2,069)	(1,271)
	1,969	2,069
	1,969	2,069

At the balance sheet date, the Charitable Company was holding funds received in advance, and these are deferred, in relation to Universal Infant Free School Meals funding, Nursery funding and Sports Partnership funding.

UNITED LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

19. Statement of funds

	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	6,306	11,235	(8,962)	(3,293)	36	5,322
Restricted pension funds						
Restricted pension reserve	(42,562)	(14,219)	(10,503)	-	(35,367)	(102,651)
Restricted general funds						
General Annual Grant	-	211,791	(211,791)	-	-	-
Start Up Grants	-	243	(243)	-	-	-
Other DfE/ESFA Grants	-	7,874	(7,874)	-	-	-
Teaching Schools	-	1,251	(915)	(42)	-	294
Pupil Premium	-	15,601	(15,601)	-	-	-
Local Authority Grants	-	9,178	(9,178)	-	-	-
Transfers from other trusts	-	229	(229)	-	-	-
Donations	-	137	(137)	-	-	-
	-	246,304	(245,968)	(42)	-	294
Restricted fixed asset funds						
DfE/ESFA/LA capital grants and transfers in	520,013	93,444	(15,234)	3,335	-	601,558
Total restricted funds	520,013	339,748	(261,202)	3,293	-	601,852
Total of funds	483,757	336,764	(280,667)	-	(35,331)	504,523

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

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

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

Restricted pension funds represent the net deficit on the LGPSs at each reporting date.

Restricted general funds comprise all other restricted funds received and include grants from the Department for Education.

UNITED LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

19. Statement of funds (continued)

Analysis of academies by fund balance

Fund balances at 31 August 2019 were allocated as follows:

	Total 2019 £000	<i>Total 2018 £000</i>
Head Office	<u>5,616</u>	<u>6,306</u>
Restricted fixed asset funds	601,558	<i>520,013</i>
Restricted pension funds	(102,651)	<i>(42,562)</i>
Total	<u><u>504,523</u></u>	<u><u>483,757</u></u>

The Charitable Company manages the cash reserves of the schools centrally in order to ensure sufficient liquidity is available to meet the needs of all the academies within it. Therefore these reserves have been disclosed at Charitable Company level.

UNITED LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

19. Statement of funds (continued)

Analysis of academies by cost

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

	Teaching and educational support staff costs £000	Other support staff costs £000	Educational supplies £000	Other costs excluding depreciat- ion £000	Total 2019 £000	<i>Total 2018 £000</i>
Abbey Hey Primary Academy	2,274	344	153	881	3,652	3,447
Accrington Academy	4,747	1,246	377	1,587	7,957	7,627
Avonbourne Boys' Academy	205	44	-	36	285	-
Avonbourne Girls' Academy	357	83	-	73	513	-
Bacon's College	5,885	1,863	260	1,718	9,726	4,825
Barnsley Academy	3,078	644	141	1,220	5,083	4,921
Beacon View Primary Academy	1,618	233	70	489	2,410	2,078
Carter Community School	1,718	472	64	591	2,845	2,695
Castle View Academy	2,787	504	108	738	4,137	2,093
Chingford Hall Primary Academy	594	89	10	183	876	-
Corngreaves Academy	777	161	51	297	1,286	1,187
Cravenwood Primary Academy	1,382	110	99	514	2,105	2,136
Dukesgate Academy	492	73	10	183	758	-
Glenmoor School	694	278	166	943	2,081	1,901
Goresbrook School	2,640	549	167	1,001	4,357	3,513
Grange Primary Academy	827	165	57	247	1,296	1,363
Hanwell Fields Community School	1,781	286	98	427	2,592	2,467
Head Office	13	449	-	1,240	1,702	1,378
High Hazels Infants	1,005	221	32	237	1,495	1,455
High Hazels Juniors	1,111	253	70	386	1,820	1,852
Hill View Primary School	1,770	269	60	410	2,509	2,284
Hunningley Primary School	1,276	99	62	411	1,848	1,951
Irlam and Cadishead Academy	1,668	238	37	1,285	3,228	-
John Smeaton Academy	3,923	700	342	2,517	7,482	7,039

UNITED LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

19. Statement of funds (continued)

Kettering Buckleuch Academy	6,330	1,022	344	1,642	9,338	9,549
Lambeth Academy	4,152	1,068	142	1,465	6,827	7,234
Langford Primary	783	202	36	306	1,327	1,336
Longshaw Primary Academy	598	146	22	190	956	-
Manchester Academy	5,366	1,233	164	1,954	8,717	8,714
Marlborough Road Academy	878	222	12	279	1,391	-
Midhurst Rother College	3,651	881	243	1,012	5,787	5,480
Newstead Wood School	3,773	832	404	874	5,883	5,401
North Oxfordshire Academy	4,249	867	162	1,107	6,385	6,363
Northampton Academy	5,560	996	419	1,723	8,698	8,481
Nova Hreod Academy	2,789	440	206	1,336	4,771	4,421
Orchard Meadow Primary School	1,462	276	46	303	2,087	-
Paddington Academy	6,065	1,706	199	2,318	10,288	10,011
Pegasus Primary School	1,830	403	106	375	2,714	-
Richard Rose Central Academy	2,880	799	85	1,044	4,808	4,312
Richard Rose Morton Academy	2,497	592	58	899	4,046	3,645
Salford City Academy	2,724	575	105	1,143	4,547	4,186
Seahaven Academy	2,511	453	177	746	3,887	3,329
Sheffield Park Academy	4,599	577	157	1,614	6,947	6,885
Sheffield Springs Academy	2,675	585	115	1,136	4,511	4,397
Shoreham Academy	6,413	1,028	352	1,577	9,370	9,105
Silverdale Primary Academy	715	113	36	210	1,074	1,085
Southway Primary School	1,996	314	108	506	2,924	2,835
Stockport Academy	3,172	768	137	1,227	5,304	4,961
Swindon Academy	6,725	1,113	456	2,070	10,364	10,556
The Albion Academy	1,747	740	48	491	3,026	-
The Hurlingham Academy	2,248	467	109	895	3,719	3,407
The Hyndburn Academy	2,304	332	77	733	3,446	2,621
The Regis School	5,565	1,572	175	1,670	8,982	8,506

UNITED LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

19. Statement of funds (continued)

The Totteridge Academy	2,325	484	225	1,002	4,036	4,116
The Victory Primary School	2,002	319	59	473	2,853	2,754
Timbertrees Primary	803	139	51	266	1,259	1,218
Walthamstow Academy	4,287	955	297	1,792	7,331	6,847
Walthamstow Free School	417	87	21	186	711	564
Whittingham Primary Academy	684	99	24	195	1,002	-
Wilberforce Primary	863	128	64	349	1,404	1,450
William Hulme's Grammar School	5,882	1,048	196	2,195	9,321	8,948
Windale Primary School	1,020	362	39	269	1,690	-
Winston Way Academy	788	114	34	275	1,211	-
Winton College	4,644	850	330	210	6,034	5,211
Worsbrough Bank End Primary School	744	137	67	264	1,212	1,323
Wye School	1,896	289	95	922	3,202	2,614
	<u>165,234</u>	<u>34,706</u>	<u>8,636</u>	<u>56,857</u>	<u>265,433</u>	<u>228,077</u>

UNITED LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

19. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 September 2017 £000</i>	<i>Income £000</i>	<i>Expenditure £000</i>	<i>Transfers in/(out) £000</i>	<i>Gains/ (Losses) £000</i>	<i>Balance at 31 August 2018 £000</i>
Unrestricted funds						
General Funds - all funds	6,406	9,145	(9,143)	(513)	411	6,306
Restricted pension funds						
Restricted pension reserve	(51,605)	(4,454)	(8,111)	-	21,608	(42,562)
Restricted general funds						
General Annual Grant	-	184,746	(184,746)	-	-	-
Start Up Grants	-	348	(348)	-	-	-
Other DfE/ESFA Grants	-	4,177	(4,177)	-	-	-
Teaching Schools	-	631	(621)	(10)	-	-
Pupil Premium	-	13,376	(13,376)	-	-	-
Local Authority Grants	-	7,132	(7,132)	-	-	-
Transfers from other trusts / on conversion	-	423	(423)	-	-	-
	-	210,833	(210,823)	(10)	-	-
Restricted fixed asset funds						
DfE/ESFA/LA capital grants and transfers in	462,818	72,027	(15,355)	523	-	520,013
Total restricted funds	462,818	282,860	(226,178)	513	-	520,013
Total of funds	417,619	287,551	(243,432)	-	22,019	483,757

UNITED LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

20. Analysis of net assets between funds

	Unrestricted funds 2019 £000	Restricted general funds 2019 £000	Restricted fixed asset funds 2019 £000	Restricted pension funds 2019 £000	Total funds 2019 £000
Tangible fixed assets	-	-	593,018	-	593,018
Trade investments	9,068	-	-	-	9,068
Current assets	105	24,920	9,354	-	34,379
Creditors due within one year	(3,851)	(24,626)	(814)	-	(29,291)
Provisions for liabilities and charges	-	-	-	(102,651)	(102,651)
	<u>5,322</u>	<u>294</u>	<u>601,558</u>	<u>(102,651)</u>	<u>504,523</u>

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2018 £000</i>	<i>Restricted general funds 2018 £000</i>	<i>Restricted fixed asset funds 2018 £000</i>	<i>Restricted pension funds 2018 £000</i>	<i>Total funds 2018 £000</i>
Tangible fixed assets	-	-	508,736	-	508,736
Trade investments	8,796	-	-	-	8,796
Current assets	135	19,803	13,158	-	33,096
Creditors due within one year	(2,625)	(19,803)	(1,881)	-	(24,309)
Provisions for liabilities and charges	-	-	-	(42,562)	(42,562)
	<u>6,306</u>	<u>-</u>	<u>520,013</u>	<u>(42,562)</u>	<u>483,757</u>

21. Reconciliation of net movement in funds to net cash flow from operating activities

	2019 £000	2018 £000
Net income for the year (as per Statement of Financial Activities)	56,133	44,530
Adjustment for:		
Depreciation charges	15,237	15,343
Revaluation of fixed asset investments	(130)	(348)
Dividends, interest and rents from investments	(348)	(273)
(Profit)/loss on the sale of fixed assets	(3)	12
(Profit)/loss on the sale of fixed asset investments	94	(63)
Decrease in debtors	5,044	2,377
Increase/(decrease) in creditors	1,956	(2,232)
Capital grants from DfE and other capital income	(7,592)	(16,617)
Defined benefit pension scheme obligation inherited	14,219	4,454
Defined benefit pension scheme cost less contributions payable	9,120	6,679
Defined benefit pension scheme finance cost	1,383	1,432
Assets transferred on conversion	-	(31,662)
Assets transferred from other trusts	(85,616)	(24,546)
Net cash provided by/(used in) operating activities	<u>9,497</u>	<u>(914)</u>

UNITED LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

22. Analysis of cash and cash equivalents

	2019 £000	2018 £000
Cash in hand and at bank	16,690	6,799
Total	16,690	6,799

23. Conversion to an academy status and transfers in of existing academies

On the dates shown, Blackbird Academy Trust, Salford Academy Trust, The Silver Birch Academy and Avonbourne International Business And Enterprise Academy Trust, existing multi-academy trusts, joined United Learning Trust. The following tables set out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the Statement of Financial Activities.

	Unrestricted funds £000	Restricted general funds £000	Restricted pension funds £000	Restricted fixed asset funds £000	Total funds £000
Blackbird Academy Trust					
Leasehold buildings	-	-	-	11,286	11,286
Plant and equipment	-	-	-	128	128
Current assets	48	694	-	6	748
Creditors due in less than one year	-	(465)	-	-	(465)
LGPS pension deficit	-	-	(2,892)	-	(2,892)
Net (liabilities) / assets	48	229	(2,892)	11,420	8,805

	Unrestricted funds £000	Restricted general funds £000	Restricted pension funds £000	Restricted fixed asset funds £000	Total funds £000
Salford Academy Trust					
Leasehold buildings	-	-	-	15,722	15,722
Plant and equipment	-	-	-	530	530
Current assets	-	990	-	-	990
Creditors due in less than one year	(526)	(990)	-	-	(1,516)
LGPS pension deficit	-	-	(2,691)	-	(2,691)
Net (liabilities) / assets	(526)	-	(2,691)	16,252	13,035

UNITED LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

	Unrestricted funds £000	Restricted general funds £000	Restricted pension funds £000	Restricted fixed asset funds £000	Total funds £000
The Silver Birch Academy					
Leasehold buildings	-	-	-	24,543	24,543
Plant and equipment	-	-	-	124	124
Current assets	805	-	-	12	817
Creditors due in less than one year	(778)	-	-	-	(778)
Creditors due in more than one year	(14)	-	-	-	(14)
LGPS pension deficit	-	-	(2,533)	-	(2,533)
Net (liabilities) / assets	<u>13</u>	<u>-</u>	<u>(2,533)</u>	<u>24,679</u>	<u>22,159</u>
	Unrestricted funds £000	Restricted general funds £000	Restricted pension funds £000	Restricted fixed asset funds £000	Total funds £000
Avonbourne International Business And Enterprise Academy Trust					
Freehold buildings	-	-	-	33,032	33,032
Plant and equipment	-	-	-	469	469
Current assets	37	1,281	-	-	1,318
Creditors due in less than one year	(37)	(1,189)	-	-	(1,226)
Creditors due in more than one year	-	(92)	-	-	(92)
LGPS pension deficit	-	-	(6,103)	-	(6,103)
Net (liabilities) / assets	<u>-</u>	<u>-</u>	<u>(6,103)</u>	<u>33,501</u>	<u>27,398</u>

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	Unrestricted funds £000	Restricted general funds £000	Restricted pension funds £000	Restricted fixed asset funds £000	Total funds £000
Total net assets/(liabilities) from above transfers					
Blackbird Academy Trust - 1 September 2018	48	229	(2,892)	11,420	8,805
Salford Academy Trust - 1 February 2019	(526)	-	(2,691)	16,252	13,035
The Silver Birch Academy - 1 April 2019	13	-	(2,533)	24,679	22,159
Avonbourne International Business And Enterprise Academy Trust - 1 August 2019	-	-	(6,103)	33,501	27,398
Total	<u>(465)</u>	<u>229</u>	<u>(14,219)</u>	<u>85,852</u>	<u>71,397</u>

24. Capital commitments

At 31 August 2019, the Charitable Company had capital commitments amounting to £659k (2018: £4,909k).

NOTES TO THE FINANCIAL STATEMENTS
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25. Pension commitments

The Charitable Company operates defined contribution schemes for the benefit of its employees. The assets of these schemes are managed and held externally on behalf of the scheme members in funds independent from those of the Charitable Company. Employer contributions payable to the schemes during the year amounted to £355,310 (2018: £238,667).

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

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

Contributions amounting to £2,251,051 were payable to the schemes at 31 August 2019 (2018: £2,538,822) and are included within creditors.

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS or scheme) is a statutory, unfunded, defined benefit occupational scheme, governed by the Teachers' Pensions Regulations 2010 (as amended), and the Teachers' Pension Scheme Regulations 2014 (as amended). These regulations apply to teachers in schools and other educational establishments, including academies, in England and Wales that are maintained by local authorities. In addition, teachers in many independent and voluntary-aided schools and teachers and lecturers in some establishments of further and higher education may be eligible for membership. Membership is automatic for full-time teachers and lecturers and, from 1 January 2007, automatic too for teachers and lecturers in part-time employment following appointment or a change of contract. Teachers and lecturers are able to opt out of the TPS.

The Teachers Pension Budgeting and Valuation Account

Although members may be employed by various bodies, their retirement and other pension benefits are set out in regulations made under the Superannuation Act (1972) and Public Service Pensions Act (2013) and are paid by public funds provided by Parliament. The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – contributions from members, along with those made by employers, are credited to the Exchequer under arrangements governed by the above Acts.

The Teachers' Pensions Regulations 2010 require an annual account, the Teachers' Pension Budgeting and Valuation Account, to be kept of receipts and expenditure (including the cost of pension increases). From 1 April 2001, the Account has been credited with a real rate of return, which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return.

Valuation of the Teachers' Pension Scheme

The latest valuation of the Teachers' Pension Scheme has now taken place, in line with directions issued by HM Treasury and using membership data as at 31 March 2016. As a result of this valuation TPS employers will pay an increased contribution rate of 23.68% from September 2019 (this includes the administration levy of 0.8%). The timing of the implementation is to align its introduction with employers' budget planning cycles. Until then, employers will pay the current rate of 16.48%.

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

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NOTES TO THE FINANCIAL STATEMENTS
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25. Pension commitments (continued)

The employer's pension costs paid to TPS in the period amounted to £14.6 million (2018: £13.2 million).

Teachers' Pension Scheme Changes

The arrangements for a reformed Teachers' Pension Scheme, in line with the recommendations made by Lord Hutton, in particular the introduction of a Career Average Revalued Earnings (CARE) scheme, were implemented from 1 April 2015.

In December 2018, the Court of Appeal held that transitional protection provisions contained in the reformed judicial and firefighter pension schemes, introduced as part of public service pension reforms in 2015, gave rise to direct age discrimination and were therefore unlawful. The Supreme Court, in a decision made in June 2019, have rejected the Government's application for permission to appeal the Court of Appeal's ruling. The case will now be referred to an Employment Tribunal for a decision regarding the remedy which will need to be offered to those members of the two schemes who were subject of the age discrimination.

HM Treasury are clear that the ruling has implications for the other public service schemes, including the Teachers' Pension Scheme. Those implications are currently being considered and any impact on scheme costs is expected to be looked at within the next scheme valuation, which is currently scheduled to be based on April 2020 data and implemented in April 2023.

Local Government Pension scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2019 was £10.3 million (2018: £8.1 million), of which employer's contributions totalled £7.9 million (2018: £6.1 million) and employees' contributions totalled £2.4 million (2018: £2.0 million). The agreed contribution rates for future years are 10.2 - 20.5% for employers and 5.5 - 7.5% for employees.

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

Principal actuarial assumptions:

	2019	2018
Discount rate for scheme liabilities	1.85 %	2.77 %
Rate of increase in salaries	3.23 %	3.34 %
Rate of increase for pensions in payment / inflation	2.20 %	2.27 %
Inflation assumption (CPI)	2.19 %	2.28 %

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

	2019	2018
Retiring today		
Males	20.6 - 24.5	21.5 - 24.5
Females	23.1 - 27.2	23.9 - 27.2
Retiring in 20 years		
Males	22.0 - 26.8	23.1 - 26.8
Females	24.7 - 29.4	26.0 - 29.4

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

25. Pension commitments (continued)

Sensitivity analysis	At 31 August 2019 £000	At 31 August 2018 £000
Discount rate +0.1%	(7,498)	(4,401)
Discount rate -0.1%	7,578	4,425
Mortality assumption - 1 year increase	3,694	2,106
Mortality assumption - 1 year decrease	(3,461)	(2,034)
CPI rate +0.1%	6,429	3,848
CPI rate -0.1%	(6,381)	(3,611)

The Charitable Company's share of the assets in the scheme was:

	Fair value at 31 August 2019 £000	Fair value at 31 August 2018 £000
Equities	104,508	82,979
Bonds	31,954	24,981
Property	14,819	11,525
Cash	6,693	5,102
Other assets	10,612	6,913
Total market value of assets	168,586	131,500

The actual return on scheme assets was £10.7 million (2018 - £7.4 million).

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

	2019 £000	2018 £000
Interest cost	(1,383)	(1,432)
Benefit changes, gain/(loss) on curtailment and gain/(loss) on settlement	-	(28)
Administration expenses	(63)	(46)
Current service cost	(13,664)	(12,698)
Past service cost	(3,254)	-
Total	(18,364)	(14,204)

UNITED LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

25. Pension commitments (continued)

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

	2019 £000	2018 £000
Opening defined benefit obligation	174,062	160,124
Current service cost	13,664	12,698
Interest cost	5,450	4,427
Employee contributions	2,436	1,980
Benefits paid	(2,036)	(2,446)
Plan introductions, benefit changes, curtailments and settlements	-	28
Past service cost	3,254	-
Actuarial losses/(gains)	41,983	(17,204)
Liabilities assumed in a business combination	32,424	14,455
	<u>271,237</u>	<u>174,062</u>

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

	2019 £000	2018 £000
Opening fair value of scheme assets	131,500	108,519
Assets acquired in a business combination	18,205	10,001
Interest income	4,067	2,995
Employer contributions	7,861	6,093
Employee contributions	2,436	1,980
Benefits paid	(2,036)	(2,446)
Actuarial gains	6,616	4,404
Administration expenses	(63)	(46)
	<u>168,586</u>	<u>131,500</u>

The Charitable Company expects to contribute £8.0 million to the LGPS in the year ending 31 August 2020.

26. Operating lease commitments

At 31 August 2019 the total of the Charitable Company's future minimum lease payments under non-cancellable operating leases was:

	2019 £000	2018 £000
Amounts payable:		
Within 1 year	3,076	2,939
Between 1 and 5 years	9,655	9,833
After more than 5 years	14,314	15,927
	<u>27,045</u>	<u>28,699</u>

UNITED LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

27. Related party transactions

Owing to the nature of the Charitable Company and the composition of the Board of Directors being drawn from local public and private sector organisations, transactions may take place with organisations in which the Directors 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 Charitable Company's financial regulations and normal procurement procedures relating to connected and related party transactions.

United Church Schools Trust ("UCST") is the sole member of United Learning Trust.

UCST provided central services to the Charitable Company as described in Note 11. The total amount charged during the year amounted to £9,561k (2018: £8,314k), and was computed so as to equal the actual cost incurred on a per pupil basis. UCST has provided a statement of assurance confirming this. In entering into this transaction, the Trust has complied with the requirements of the Academies Financial Handbook 2018.

At the year end date, balances amounting to £375k (2018: £379k) were due to the Charitable Company, and balances amounting to £2,981k (2018: £568K) were due from the Charitable Company, by other entities in the Charitable Group of which United Church Schools Foundation Limited is the ultimate parent. These balances arise as a result of direct recharges of costs where resources are centrally procured, with the underlying transactions not therefore representing related party transactions.

28. Post balance sheet events

On 1 September 2019, the Charitable Company welcomed the five academies from the former Cambridge Academic Partnership, The John Roan School in London and Ham Dingle Primary School in Stourbridge.

The Charitable Company is awaiting guidance regarding any implications of recent legal cases relating to Guaranteed Minimum Pensions and any related impact on disclosed pension scheme liabilities. At this point, the Trustees are unable to quantify the extent, if any, of adjustments to be made to pension figures included in these financial statements.

29. Ultimate parent undertaking and controlling party

The Directors consider that the ultimate parent undertaking of the Charitable Company is United Church Schools Foundation Limited (Company number 00018582), which is the sole member of United Church Schools Trust (Company number 02780748), which is the parent company of United Learning Trust by virtue of being the sole member.

In the opinion of the Directors, there is no ultimate controlling party.

The largest group of undertakings for which group accounts have been drawn up is that headed by United Church Schools Foundation Limited. Copies of the group accounts can be obtained from Worldwide House, Thorpe Wood, Peterborough, PE3 6SB.

UNITED LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

30. Member's liability

The member of the Charitable Company undertakes to contribute to the assets of the Charitable Company in the event of it being wound up whilst a member, or within one year after it ceases to be a member, such amount as may be required, not exceeding £10, for the debts and liabilities contracted before it ceases to be a member.

31. Agency Arrangements

The Charitable Company acts as an agent distributing 16-19 bursary funds from the Education and Skills Funding Agency ("ESFA"). Payments received from the ESFA and subsequent disbursements to students are excluded from the Statement of Financial Activities as the Charitable Company does not have control over the charitable application of the funds. The Charitable Company can use up to 5% of the allocation towards its own administration costs and this is recognised in the Statement of Financial Activities.

In the year ended 31 August 2019, the Charitable Company received £509k (2018: £932k) and disbursed £430k (2018: £880k) from the fund. An amount of £541k (2018: £462k) is included in other creditors relating to undistributed funds that are repayable to the ESFA if not disbursed.

The Charitable Company acts as an agent distributing bursary funds from the former National College for Teaching & Leadership ("NCTL") which has now been subsumed into the Department for Education. Payments received from the NCTL and subsequent disbursements to students are excluded from the Statement of Financial Activities as the Charitable Company does not have control over the charitable applications of the funds.

In the year ended 31 August 2019, the Charitable Company received £1,392k (2018: £644k) and disbursed £1,402k (2018: £725k) from the fund. An amount of £4k is included in other debtors (2018: £6k included in other creditors) relating to funds that are owed by or to the Department for Education if not disbursed.

UNITED LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

32. Teaching school trading account

	2019 £000	2019 £000	2018 £000	2018 £000
Income				
Direct income				
Funding received	1,303		683	
	<u> </u>		<u> </u>	
Total income		1,303		683
		<u> </u>		<u> </u>
Expenditure				
Direct expenditure				
Staff costs	611		383	
Other expenditure	304		238	
	<u> </u>		<u> </u>	
Total direct expenditure	915		621	
Total expenditure		915		621
		<u> </u>		<u> </u>
Surplus from all sources		388		62
Teaching school balances at 1 September 2018		(94)		(156)
		<u> </u>		<u> </u>
Teaching school balances at 31 August 2019		<u>294</u>		<u>(94)</u>
		<u> </u>		<u> </u>

The Teaching School surplus of £294k was represented wholly by restricted general funds (2018: deficit of £94k represented wholly by unrestricted funds).