

Sussex Learning Trust

(A Company Limited by Guarantee)

Annual Report and Financial Statements

Year ended 31 August 2017

**Company Registration Number:
07705100 (England and Wales)**

Sussex Learning Trust
Annual report and financial statements for the year ended 31 August 2017

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Reference and Administrative details

Members

S Carter	H Young
R Tapping	

Trustees / Directors registered at Companies House

J Ash-Edwards (Chairman)	J Packham
P Bradbury	J Pearman
M Caidan	R Tapping
E Gunter	P Todd
C Homer	S Watt
J Morris	

Headteacher, CEO & Accounting Officer	J Morris
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Company Secretary	J Howard
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Senior Management Team – Secondary Academy

Head of School (Lower)	P Chisholm
Head of School (Upper)	R Stoneley
Assistant Headteacher	R Atwell
Assistant Headteacher	K Fitzgerald
Assistant Headteacher	M Lowney
Assistant Headteacher	N Regan
Assistant Headteacher	N Simmons
Business & Finance Director & Assistant CEO	C Granlund

Senior Management Team – Warden Park Primary Academy

Headteacher WPPA & Assistant CEO	S Davis
Deputy Headteacher	E Conneely
Deputy Headteacher	E Walling

Senior Management Team – Northlands Wood Primary Academy

Headteacher NWPA	G Oulton
Deputy Headteacher	H Mitchell

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Reference and Administrative details (continued)

Principal and Registered Office	Broad Street Cuckfield Haywards Heath West Sussex RH17 5DP
Company Registration Number	07705100 (England and Wales)
Independent Auditor	Crowe Clark Whitehill LLP Riverside House 40-46 High Street Maidstone, Kent, ME14 1JH
Bankers	HSBC Bank Plc 38-40 South Road Haywards Heath West Sussex RH16 4LU
Solicitors	Browne Jacobson LLP 15th Floor 6 Bevis Marks London EC3A 7BA

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Trustees report

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2017. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The trust operates two primary academies and one secondary academy in Mid Sussex. The pupil capacity and number of students on roll as per the January 2017 census is detailed in the table below.

Academy	Pupil capacity	Number on roll (Jan 2017)
Warden Park School	1500	1504
Warden Park Primary Academy	420	322
Northlands Wood Primary Academy	360	333

Structure, Governance and Management

Constitution

Sussex Learning Trust is a company limited by guarantee and an exempt charity. It was established on 14 July 2011. Warden Park Secondary Academy converted to Academy status on 1 September 2011 and Heyworth Primary School joined the Academy Trust on 1 January 2012 changing its name on conversion to Warden Park Primary Academy. Northlands Wood Community Primary School joined the Academy Trust on 1 May 2017 changing its name on conversion to Northlands Wood Primary Academy.

The Charitable Company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust. The trustees of Sussex Learning Trust are also the directors of the charitable company for the purposes of company law. The charitable company is known as Sussex Learning Trust (SLT).

On 26 September 2016, the Trustees and Members approved new articles of association needed to facilitate a governance restructure. This governance structure is shown on page 1 of this report. Details of the trustees who served throughout the year except as noted are included in the Governance Statement.

The governors of the individual academies assist both the senior management team and the trustees in the effective management of the academies through their involvement both as part of the main board and through the work of the local governing bodies as outlined in the Governance Statement. Trustees are elected from the governing bodies of individual member academies.

Members' Liability

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

Principal Activities

The principal activities of the Academy Trust are to:

- advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing schools offering a broad and balanced curriculum.
- promote for the benefit of the inhabitants of Haywards Heath and the surrounding area the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving the condition of life of said inhabitants.

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Trustees report (continued)

Method of Recruitment and Appointment or Election of Trustees

Trustees are appointed by the Members or co-opted by the Board in accordance with the Trust's Articles of Association, having regard to the approved Role Description for Trustees. Any vacancies are openly advertised and consideration is given to the skills mix of the Board.

The formal requirement for parental representation is met by the presence of elected Parent Governors in each Local Governing Body, although there are current parents of children at Trust academies serving as Trustees.

Policies and Procedures Adopted for the Induction and Training of Trustees

New Trustees are inducted into the workings of the Academy Trust at briefing sessions held with the Chairman and Chief Executive Officer. These sessions cover both educational and business matters. Trustees are issued with appropriate background material and are subject to a Disclosure and Barring Service (DBS) check. Trustees are encouraged to attend both internal and external training sessions organised for the education sector. The Academy Trust subscribes to the Specialist Schools and Academies Trust and the Governor E-Learning (GEL) programme to facilitate this process.

Organisational Structure

The Trust has 5 members who appoint the Trust board, comprising 11 trustees. The Trust Board appoints its sub-committees and local governing bodies. A scheme of delegation sets out the specific roles and responsibilities of the trust board, sub committees and local governing bodies.

The Trustees have overall responsibility and ultimate decision making authority for all the work of the Trust, including the establishment and running of academies. The responsibilities of the Trustees are set out in the Scheme of Delegation with due adherence to the Articles of Association.

In order to discharge these responsibilities, the Trustees appoint people who are more locally based to serve on the Local Governing Body (LGB) which has been established to ensure the good governance of each academy. The LGB is formally a committee of the Trustees. The role of the LGB is an important one. LGBs carry out their functions on behalf of the Trustees and in accordance with the Trust's policies. The Trust wishes to avoid the duplication of governance and for decisions to be made as close to the impact of decision making as possible. The Trust therefore wishes LGBs to have considerable autonomy to act in the best interests of their academy, within the framework and support provided by the Trust.

The Trustees appoint a Chief Executive Officer (Accounting Officer) and two Assistant CEOs with responsibility for Business and Finance and Primary Education. The CEO line manages all the academy Headteachers on behalf of the LGB and Trustees ensuring all statutory duties are executed and standards are high and improving. The Trust bases its work on close collaboration between the academies in a spirit of working partnership. The Trust Officers are responsible for furthering this aim. The CEO is charged by the Trustees to ensure that the Trust fulfils its responsibilities to the region via liaison with the Regional Schools Commissioner. The CEO is also responsible for project managing any new schools joining the Trust or Free Schools being established under the auspices of the Trust.

The Scheme of Delegation and Articles of Association available on request.

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Trustees report (continued)

Organisational Structure (continued)

The CEO is appointed by the Trustees to manage the day-to-day operations of the Academy Trust in consultation with the Head Teachers of the Primary Academies. In order to facilitate effective operations, the CEO and Business and Finance Director have delegated authority within the terms approved by the Trustees for operational matters including educational, finance and employment matters.

The pay and remuneration of key management personnel is set in accordance with the Academy Trust's appraisal and pay policy. The salary range for all staff paid on the leadership spine will take into consideration the provisions of the STPCD together with any broader responsibilities that may be attached to the role. The CEO is responsible for the appraisal and pay awards for key management personnel subject to Trustee review and approval.

Related Parties and other Connected Charities and Organisations

The Academy Trust continues to have several successful partnerships with a number of local primary schools where it provided support for French. Support for ICT and Maths has also been made available to some of these schools.

The Academy Trust has also worked successfully with other schools through the Haywards Heath schools' locality network. Most recently our ACEO has taken a lead role in a locality based Pupil Premium review. The Trust continues to play an active role in the Bentswood Community Partnership (BCP).

These partnerships have enabled the Academy Trust to not only support education for other schools in the Haywards Heath area, but have also brought benefits to the education of the young people at our academies. For example, students at the secondary academy have had many opportunities to develop their leadership and team-building skills through their work with pupils in the primary schools.

The CEO of the Trust is a National Leader of Education and the WPSA is a National Support School. This has brought a wide range of CPD opportunities for the CEO and wider staff. The work of an NLE challenges the holder to find ways to support school improvement elsewhere but naturally encourages and stimulates initiatives that benefit the host school. The designation also attracts other schools to consider joining the Trust which naturally brings cost saving and other educational collaborative benefits.

Objects and Aims

Our mission is summarised by our maxims:

'The Best from All' and ***'Reach for the stars'*** and ***'Together we learn and grow'***

We aim to:

- Provide a happy, safe, secure, healthy, stimulating, well-resourced and caring learning environment for the whole community.
- Meet the needs of all learners including students, adult learners and staff as part of our commitment to inclusion and equal opportunity.
- Challenge all learners to: have high expectations; to broaden their horizons; embrace change; adopt a dynamic approach to their future life plans; achieve the highest standards and celebrate their success.

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Trustees report (continued)

Objects and Aims (continued)

- Offer a broad, balanced and differentiated curriculum relevant to the needs of our economy in which we celebrate cultural diversity and promote: creativity; a love of learning; independence; confidence; the flexibility needed for a rapidly changing world; international understanding and excellent communication skills.
- Encourage all teachers and support staff to attain the highest standards of teaching and support through high quality professional development and rigorous self-evaluation.
- Promote learners' self-confidence, self-respect, self-esteem, self-discipline and self-motivation in the context of encouraging them to develop their skills and valuing their achievements.
- Develop an awareness of others, in all members of the academy community, this leads to excellent interpersonal relationships and the ability to form friendships appropriately.
- Maintain strong partnerships with families, other schools, colleges and universities in Britain and overseas, local businesses and community organisations to promote excellence and progression in learning.
- Encourage and expect high standards of behaviour based on personal responsibility, good manners and courtesy, mutual respect and the peaceful resolution of conflict.
- Involve learners, families and staff in making a positive contribution to the school and wider community by: encouraging active citizenship; promoting sustainable development and supporting other people locally and overseas who may need our help.

In order to realise these aims, Trustees, Governors and staff of the Trust seek to:

- Promote excellence by working in close partnership with families to fulfil the potential of every learner to do their best as individuals and as members of teams.
- Foster the habits that will enable our students to enjoy learning for life.
- Encourage our students to respect themselves, other students, their families and their teachers within a safe, secure and caring environment.
- With the crucial support of families, develop healthy and hard-working young citizens with an international outlook who will play an active, responsible, creative and positive role in the academy and wider community.

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Trustees report (continued)

Public Benefit

The Trustees confirm that they have complied with their duty in Section 4 of the Charities Act 2006 to have due regard to public benefit guidance published by the Charity Commission for England & Wales. Trustees have referred to the guidance in the Charity Commission's general guidance on public benefit when reviewing the Academy Trust's objectives and aims and in planning future activities for the year. Trustees consider that the Academy Trust's aims are demonstrably to benefit the public, as the academies within the Trust meet the educational needs of young people living in the areas appropriately designated by the Local Authority and the needs of other young people who meet the agreed admission criteria should further places be available.

The Academy Trust includes a primary academy formerly in an OFSTED special measures category and engages in activities to support this academy and its wider community which is one of the most economically challenged neighbourhoods in the Mid-Sussex area.

Furthermore, the Academy Trust supports the teaching of French in a number of other local primary schools.

The Academy Trust has strengthened its links with other local schools through the Haywards Heath schools' locality network.

Objectives, Strategies and Activities

Below is a summary of the Trust's main priorities for 2017-18.

- By 2020 all three existing academies will be deemed 'outstanding' because of student achievement, behaviour & safety, leadership & management and teaching
- More schools will have joined to widen the impact and importance of the Trust locally and nationally
- We will be understood as a local Trust operating for the benefit of all children in the area
- We will be at the heart of collaboration within mid-Sussex and West Sussex schools helping to shape and deliver improvements for the children of the area
- The Quality of Teaching will be at least good or better
 - 55% 'outstanding'
 - Development of 'growth mindset' thinking across the schools
 - Flexible differentiation is standard
 - Questioning skills increase independence
 - Pupils involved with their own progress tracking
 - CPD for the teachers led by the teachers
- Attainment & Inclusion – for those children at risk of exclusion
 - Improve impact of interventions
 - Children will make at least expected progress
 - The trend will revert to continuing a 'closing of the gap' in attainment between PP pupils and non-PP pupils
- Attendance & behaviour for learning
 - 95.8% + attendance each term
 - Reduction of pupils with less than 85% attendance
 - Improved punctuality
 - Increase student voice and its impact

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Trustees report (continued)

Objectives, Strategies and Activities (continued)

- Curriculum & Assessment
 - Curriculum meets the needs of our demographic and national expectations
 - We will establish new methods of assessment post NC levels
 - Encourage parents to become more involved in learning
- Progress
 - Students are set targets that will ensure they exceed national expectations
 - All students will make at least good progress from early years to KS 2 (primary) and KS2 to KS4 (secondary)
- Achievement
 - Students are supported to achieve their full potential in all subjects
 - Opportunities are provided to students to support and enhance their learning
- Learning
 - Students learning experiences are engaging and enhanced by ICT
 - Parents and students engage with learning in and out of school
 - All programmes of study will be differentiated and will excite and engage all learners
 - Technology will be used to enhance learning and promote independence and e-confidence

Governance and consolidating the Trust

- Trust values and aims are thoroughly embedded. As other schools approach us to enquire about joining the Trust we are able to continually reassess our values and aspirations and ensure we remain compliant with all legislation and policy.
- Warden Park Primary Academy is well established in its community and making significant improvements to the outcomes and opportunities for its pupils. In 2015 the school received its first overall 'good' from OFSTED. This was a significant step for the school, community and the Trust and the Academy is making rapid progress towards an 'outstanding' judgement at the next inspection. It was this success that led to the Trustees re-establishing a 'stand-alone' LGB for it as part of our re-structure of Governance for the entire Trust.
- Academy freedoms have been exercised with respect to setting and reviewing our admissions policies.
- The policy review process is up-to-date ensuring stakeholders are continually reviewing policy & practice reflects the needs of our students and the educational and safe-guarding 'landscape'. The Trustees are working on ensuring our policies are 'future proof' as it appears the Trust will expand in the near future.
- The Trustees and Governors are content that safeguarding arrangements are exemplary, including the duties to address radicalisation and terrorism.

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Trustees report (continued)

Objectives, Strategies and Activities (continued)

Community

- The Trust continues to take a role in the Bentswood Community Association and WPPA continues to be widely used for community use.
- The CEO sits on the steering group for Haywards Heath Dementia Awareness campaign and there are excellent relationships with local support groups who run sessions or students surrounding deepening societal understanding into dementia.
- Partnerships with families at both academies are strong.
- Staff from the Warden Park Primary Academy and Northlands Wood Primary Academy play significant roles in supporting the collaborative work of the Haywards Heath group of primary schools. This has included hosting training activities for staff from other schools. Likewise the Secondary enjoys excellent links with many schools in West Sussex for shared CPD opportunities.

Admissions

- The secondary academy is at capacity and early indications for 2018 suggest we will continue to be significantly over-subscribed.
- Pupil numbers are well in advance of expectations at Warden Park Primary Academy and Northlands Wood Primary Academy. They are increasingly the schools of choice within their communities.

Standards of teaching and learning

- There have been marked improvements in achievement and attainment at the primary academy. The 'good' from OFSTED in the Summer Term 2015 was the first the school had received in decades. Leaders have taken the right actions so that teaching has improved significantly and many pupils are making rapid progress.
- Warden Park Secondary Academy. With the new forms of assessment from 2017 it is recognized as impossible to compare GCSE outcomes with previous years. Attainment 8 scores were 4% above national average and 3.4% above the LA average. Progress 8 was positive for the second consecutive year. Students achieving 9-5 and 9-4 passes in English and Maths were far in excess of local and national averages.
- In 2017 the academy was inspected. Overall it was judged as 'good' with outstanding grades given for Leadership, behavior and safety. Sporting and artistic achievements are outstanding at the secondary academy. A huge improvement to already good facilities is a full size 3G all weather pitch.
- Northlands Wood Primary Academy joined the Trust in May 2017. As such, the Trust is not responsible for standards prior to then. However, the Trust has been able to appoint a new, and outstanding, Headteacher along with a highly regarded Deputy Head. The 2017 SATS results (prior to joining the Trust) appear disappointing for the demographic of the academy. However, they are not fully representative due to mobility issues and the new leadership is demonstrably raising standards now.

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Trustees report (continued) Strategic report

Financial health

The financial health of the Trust remains sound particularly given the context of the national educational funding environment and the factors specific to the Trust outlined below.

- **Reserves**
The Trust started the year with a strong reserves position. It has not proved necessary to utilise the reserve in the year but it has been retained as a precaution against funding uncertainty and future cost pressures. Given the national funding position and the challenges of the increasing staff cost base, it will be necessary for those reserves to be used very carefully whilst awaiting the outcome of the Fairer Funding review which has been further delayed.
- **Expansion of Warden Park Primary academy and Northlands Wood Primary Academy**
The significant improvements in the performance of Warden Park Primary academy since conversion have resulted in a very positive impact on pupil numbers with increases in reception numbers and in year admissions. An increase in Pupil Admission Numbers (PAN) has been agreed in conjunction with WSCC. A similar increase in PAN for Northlands Wood Primary Academy was agreed with WSCC to address demand for primary places locally. The ESFA per pupil funding allocation is provided on a lagged basis using census data from the previous academic year. Some growth funding has been provided by WSCC during 2016-17 but this has not fully compensated for the shortfall in ESFA funding that both primary academies have suffered as a result of the rapid growth in pupil numbers.
- **Based on current projections, it is anticipated that the issue of lagged funding will continue to be a challenge for 2017-18 for both academies. In the medium term, the increase in the PAN will re-enforce the financial stability of the primary academies and contribute to the financial health of the Trust.**
- **Best use of resources and maximising income**
The Trust has continued to focus on ensuring value for money in all activities undertaken by maximising income and controlling costs as outlined in the Value for Money section of the Governance report.

Pupil Premium

Our use of Pupil Premium across the Academy Trust is consistent with the Department for Education's aim to eliminate barriers to learning and achievement based on home circumstances.

The Trust has fully engaged with the principles of Pupil Premium funding and has embedded those principles in planning and monitoring of attainment to ensure that these funds have the desired impact.

Full details of Pupil Premium grant expenditure, impact of the strategy and the strategy for 2016-17 can be found on the separate academies' websites.

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Trustees report (continued)

Key Performance Indicators

Warden Park Primary Academy

This is a school which continues to improve. Leaders have taken the right actions so that teaching has continued to improve and many more pupils are making rapid progress. Pupils get off to a much better start than they did in the past. The quality of provision is ensuring pupils are much better prepared for the next steps in their education. Teachers are committed to continuing the school's improvement journey towards outstanding overall effectiveness.

As a result of excellent teaching and learning and an on-going drive from all staff to provide the best opportunities for the children at Warden Park Primary Academy, 2017 saw the academy's best KS2 achievement to date. More pupils at WPPA reached the expected standard in all three of the key areas of reading, writing and maths than others nationally - 69% of WPPA pupils reached this level, compared with 61% nationally. A similarly strong picture is evident for pupils exceeding the expected standard, with results in all subjects exceeding national data.

Early Years Foundation Stage and Key Stage One data also demonstrates strong achievement with pupils in all year groups progressing well. Attainment in this year's Year 1 phonics check was particularly pleasing with 88% of WPPA pupils working at the expected standard. This represents a sustained upward trend in phonic achievement which now brings WPPA data above the national average.

The school continues to effectively identify gaps in pupils' knowledge and skills and provides additional support or, in the early years, direct teaching to fill these gaps.

In-school monitoring of learning and teaching shows that pupils are being challenged in lessons, with work in books showing good progress over time. More pupils are now reaching the expected attainment levels across all year groups. The most able pupils are challenged across the curriculum to think more deeply and produce a high standard of work and increasing proportions are exceeding age-related expectations.

Quantifying Improvements

Key Stage 2

- The combined reading, writing and maths attainment was high and significantly above national average. This data exceeds other sponsored academies nationally and other schools in the same IMD and IDACI groups.
- Attainment in reading, writing and maths combined demonstrates significant year-on-year improvement over three years
- **Attainment in reading, writing and maths was in line with national averages.**
- **The average scaled score achieved in reading and maths SATs test put the school in the top 30% of schools nationally.**
- **The average scaled score across all SATs tests demonstrates significant year-on-year improvement over three years.**
- **The increase in the proportion of pupils attaining at the expected standard from KS1 to KS2 puts the school in the top 20% of schools nationally.**
- **The school meets the floor standard for progress as the school achieves sufficient progress scores in all three subjects (at least -5 in English reading and -5 in mathematics and -7 in English writing).**
- Progress in reading and writing was above national figures for 2017.
- A number of pupils in the Y6 cohort had multiple and complex needs with many on the academy's register of special needs and being in receipt of PPG. The majority of these pupils did not meet the age-related expectation. A number of these pupils were disapplied from the SATs tests and as such achieved a negative progress score.

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Trustees report (continued)

Quantifying improvements (continued)

- 90% of pupils without SEN achieved the expected standard in reading, writing and maths.

Attainment	Reading		Writing		Maths		Reading, Writing & Maths	
	EXS	GDS	EXS	GDS	EXS	GDS	EXS	GDS
2017	72%	31%	72%	17%	72%	28%	69%	10%

Key Stage 1

- Pupils make consistently strong progress, developing secure knowledge, understanding and skills, considering their different starting points.
- **The increase in the proportion of pupils attaining at the expected standard from EYFS to KS1 puts the school in the top 15% of schools nationally. This figure is particularly high for maths with an increase of 19% and WPPA being in the top 2% of schools nationally.**
- The proportion of pupils attaining at the expected standard for reading, writing and maths combined (55%) is in line with national average.
- The progress of disadvantaged pupils and pupils who have special educational needs and/or disabilities currently on roll is close to or is improving towards that of other pupils with the same starting points.
- In terms of RWM combined attainment, the progress of disadvantaged pupils is average, as the gap between disadvantaged pupils and national other is in line with the national gap
- The attainment of almost all groups of pupils is broadly in line with national averages, if below these, it is improving rapidly.

Attainment	Reading	Writing	Maths	Reading, Writing & Maths
	EXS	EXS	EXS	EXS
2017	66%	58%	75%	55%

Y1 Phonics Check

- In terms of the teaching of phonics, pupils are well prepared for the next stage of their education.
- A very large majority of pupils in Year 1 achieve the expected standard in the national phonics check - 88% compared to 81% nationally.

Early Years

- **Children make at least typical progress and most children make progress that is better than this from their starting points. This includes children who have special educational needs and/or disabilities, disadvantaged children and the most able. Children develop the key skills needed to make a positive start to the next stage of their education.**
- **Where children's starting points are below those of other children of their age, assessment shows they are catching up quickly.**

The Early Years provision is much stronger than it has been in the past and, as a result, children are better prepared for Key Stage 1. The proportion of pupils achieving a good level of development (GLD) has increased by 46% since 2014 to 61%. Children make very good progress during the Reception year from very low starting points on entry to school.

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Trustees report (continued)

Quantifying improvements (continued)

The Early Years Leader has high expectations and their work to improve the setting and the quality of teaching has been impressive. Adults have high expectations of children, both when they are learning through play and when they are taking part in adult-led activities. Adults are tireless in their support of children's social skills, and support children as they play by encouraging them in their talking and decision making. Adult-led sessions are focused on developing important academic skills, and more formal classroom activities are pitched well so children enjoy learning and understand the way they need to behave in the classroom

Northlands Wood Primary Academy

This is a school which has recently undertaken significant changes, both in Senior Leadership, but also due to the fact that it became an academy in May 2017, whereby it joined the Sussex Learning Trust. The 2016 – 17 academic year saw outcomes which were inconsistent across the school and were lower in KS2 than is typically the case. Already, in the Autumn Term 2017, there has been robust analysis of data and clear measures have been put in place to address this underachievement. Northlands Wood is a school which should, and will, achieve consistently strong outcomes and demonstrate very good progress for all learners.

Writing was a key focus in Early Years and KS1, with leaders putting a significant amount of training and resources in place to improve the provision for these children. Talk 4 Writing clearly made a positive impact for the younger pupils, something which is apparent in their results as well as how they perform in lessons and the level of work which they produce. This was not adopted early enough in KS2, and coupled with expectations of the Writing Framework, unfortunately KS2 outcomes in writing were poor. In response to this, writing remains as a high priority for 2017 – 18, with the literacy leader spending regular time with her KS2 colleagues to embed proven strategies and plan collaboratively. This will hopefully allow Northlands Wood to replicate the success which was had in KS1 with that which is required in KS2.

Northlands Wood remains an inclusive, nurturing school which allows children to flourish from all different backgrounds. The SEN team have an extensive skillset and have significant experience of supporting children with a range of needs. Their work has focused on training up teachers and support staff so that a larger number of children can access the support which they need. The way in which staff understand the pupils allows for learning to be tailored to individual interests and scaffolded so they can access the curriculum, minimising barriers to their progress and achievement.

Pupils make a fantastic start to their learning thanks to the high quality provision in the Early Years setting. Pupils are much better prepared for the next steps in their education than they have been previously. Teachers and support staff are committed to continuing the school's improvement journey. The school is good at identifying gaps in pupils' knowledge and skills and providing additional support or, in the early years, direct teaching to fill these gaps.

The most able pupils are challenged across the curriculum to think more deeply and produce a high standard of work. This is something which requires a continual focus to ensure that their high rates of progress are sustained over time and they retain their natural desire to learn and attain.

Pupils from different ethnic groups, and boys and girls, make similar progress to each other throughout the school. Where the performance of a particular group dips, or a group outperforms their peers, this only appears in one year group and no overall pattern exists to suggest any group is performing significantly differently to others. Pupils with special educational needs make good progress because they are usually well supported in class through the additional help and support they receive. Additional reading and phonics sessions are proving particularly useful in helping these pupils become competent readers and writers.

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Trustees report (continued)

Key performance indicators (continued)

Pupil premium funding is being used effectively to accelerate the progress of eligible pupils. This improvement is noticeable across the school, with these pupils making very convincing progress, in both their attainment as well as how they approach learning and their attitudes towards this.

Quantifying Improvements

Key Stage 2

- Pupils make consistently strong progress in reading and maths, developing secure knowledge, understanding and skills, considering their different starting points.
- Gaps are closing overall, but some pupil progress is uneven over time.
- Prior low attainers made good progress in RWM which showed positive outcomes for the work which has been put in to address their low starting point.
- The school meets the floor standard for progress as the school achieves sufficient progress scores in all three subjects (at least -5 in English reading and -5 in mathematics and -7 in English writing).
- 2017 saw an increase in the Reading and Maths average scaled score from 103.4 in 2016, to 103.6 in 2017.
- Attainment in reading was above 2017 national figures, maths was broadly in line and attainment in writing was well below national figures (but mirroring a poor picture of writing attainment in West Sussex). The increased expectations of Y6 writers, particularly in regards of spelling, punctuation and grammar impacted negatively on the standards of attainment and progress in writing.
- Progress in reading was above national figures.
- There is a disappointing underachievement evident in 2017 Key Stage 2 data. This means that, despite the accelerated progress made by many children, the cohort in Y6 left with some remaining underachievement, particularly in writing.
- The combined reading, writing and maths attainment was uncharacteristically low. This is a particularly low-attaining cohort, with attainment at KS1 being below national average.

Attainment	Reading	Writing	Maths	Reading, Writing & Maths
	EXS	EXS	EXS	EXS
2017	74%	64%	74%	50%

Key Stage 1

- Pupils make consistently strong progress, developing secure knowledge, understanding and skills, considering their different starting points.
- In maths, boys and girls are achieving the same outcomes at KS1. In reading, girls are significantly higher performing than boys – achieving **92%** at expected, compared to the boys who are achieving in line with National at **71%**. Writing is a similar picture to reading, with girls achieving **79%**, whilst boys achieved **63%**.
- The progress of disadvantaged pupils and pupils who have special educational needs and/or disabilities currently on roll is close to or is improving towards that of other pupils with the same starting points.
- In reading, writing and maths, the progress from different starting points of the very large majority of disadvantaged pupils is similar to or improving in relation to other pupils nationally.
- Whilst only a small number of pupils, our disadvantaged girls are outperforming disadvantaged boys at KS1.
- The attainment of almost all groups of pupils is broadly in line with national averages, if below these, it is improving rapidly.

Sussex Learning Trust
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Trustees report (continued)

Quantifying Improvements (continued)

Attainment	Reading	Writing	Maths	Reading, Writing & Maths
	EXS	EXS	EXS	EXS
2017	81%	71%	67%	60%

Y1 Phonics Check

- In terms of the teaching of phonics, pupils are well prepared for the next stage of their education.
- In 2017, **84%** of pupils in Year 1 achieved the expected standard in the national phonics check.

Early Years

- Children make at least typical progress and most children make progress that is better than this from their starting points. This includes children who have special educational needs and/or disabilities, disadvantaged children and the most able. Children develop the key skills needed to make a positive start to the next stage of their education.
- Where children's starting points are below those of other children of their age, assessment shows they are catching up quickly.

The Early Years provision in Northlands Wood is very strong and, as a result, children are better prepared for Key Stage 1. The proportion of pupils achieving a good level of development (GLD) has increased from **63%** in 2015 to **82%** in 2017. Children make very good progress during the Reception year from increasingly low starting points on entry to school. -

The Early Years Leader has high expectations and their work to improve the setting and the quality of teaching has been impressive. All adults have high expectations of children, both when they are learning through play and when they are taking part in adult-led activities. Adults are tireless in their support of children's social skills, and support children as they play by encouraging them in their talking and decision making. Adult-led sessions are focused on developing important academic skills, and more formal classroom activities are pitched well so children enjoy learning and understand the way they need to behave in the classroom and other learning environments. We are further developing our use of the outside provision to engage children in a different context and using a wider range of resources. This is something which pupils are responding well to and is having a positive impact on their development.

Warden Park Secondary

Headline areas	2016	2017		
	School	School	National	Local Authority
Progress 8 - overall	0.13	0.03	0.0	0.03
Attainment 8 - overall	55.9	50.1	44.2	46.5
Basics – Grade 5+ in both English and maths	na	56%	39.1%	44.8%
Basics – Grade 4+ in both English and maths (C+ in 2016)	82%	76%	63.3%	65.4%
Entering Ebacc	81%	46%	34.9%	37.2%
Achieving the Ebacc at Grade 5/C+	na	30%	19.5%	21.0%
Achieving the Ebacc at Grade 4/C+	53%	31%	23.5%	23.3%
Attendance	95.5%	95.2%	tbc	tbc

*2017 data remains provisional until approx. January 2018

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Trustees report (continued)

Warden Park Secondary KPI (continued)

Progress 8 measures the progress students have made in eight GCSE subjects: English; Maths; 3 from Biology, Chemistry, Physics, Computer Science, French, German, Spanish, History and Geography; any 3 other GCSEs. The national Progress 8 score is always 0.0 and a positive Progress 8 score indicates that students made more progress than would have been expected given their prior attainment whilst a negative score indicates that students made less progress than expected.

Attainment 8 measures the average GCSE points score achieved by students across the eight GCSE subjects that contribute to the Progress 8 score.

In 2017 WPSA students' attainment was significantly above the national and Local Authority average with Progress being above the national average and in line with that achieved within the Local Authority.

WPSA was overall pleased with the achievement of its year 11 students in the year of significant curriculum and assessment overhaul. The attainment and progress in English and Maths was very impressive. The unvalidated data is shown in the table below, however, that does not factor in subsequent remarks that have been received in many subjects (i.e 70 students in Art going up at least 1 grade) which will lead to a P8 score closer to +0.1. There were disappointments in core Science and Languages for which robust improvement plans are well under way of being implemented. The access to Ebacc has reduced due to changes in the curriculum model although access and achievement at Ebacc is still in excess of national and local data.

Going Concern

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

Reserves Policy

At 31 August 2017, the trust has total funds of £31,811,000 (2016: £25,098,000) and fixed asset funds at the same date totally £33,076,000 (2016: £27,196,000). At 31 August 2017, the Restricted General Fund had a deficit balance of £2,045,000 (2016: £2,787,000). The deficit has arisen as a result of recording the liability in respect of the Local Government Pension Scheme deficit of £2,000,000 (2016: £2,613,000) and the underfunding particularly in respect of WPPA. For its own purposes, the Academy Trust excludes the FRS102 Section 28 calculated liability when calculating free reserves but has given careful consideration to the cash flow implications that may arise from the accounting disclosure in terms of increased contributions. Trustees have approved a plan to work towards holding a reserve of £500,000 at the end of 2017/18. This level of reserve will allow the Trust to undertake some development activity, manage funding uncertainty and provide some security against unexpected issues or events.

The Academy Trust has £780,000 in the Unrestricted General Fund as at 31 August 2017 (2016: £689,000). This reserve has been generated over a number of years through academy commercial activity such as catering and letting and from fundraising activities. This fund is freely available for its general purposes and has been held as an accumulating fund for major capital projects to enhance teaching and learning facilities in accordance with the Academy Development Plan as well as supporting core activities in the current funding environment.

Sussex Learning Trust

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Trustees report (continued)

Investment Policy

In the year ended 31 August 2017, higher interest deposit accounts have been used to achieve a more favourable return on funds where appropriate.

Risk Management

The Trustees have assessed the key risks to which the Academy Trust may be exposed, in particular those relating to pupil numbers, educational outcomes, the challenges of recruiting and retaining staff in shortage subjects, the development of our facilities, academy funding, finance and Trust expansion. Trustees have implemented a number of systems to assess and mitigate the risks that the Academy Trust faces in relation to all the areas mentioned above.

As part of a long term strategic approach to risk management; the Trustees have developed and will maintain a risk register identifying the major areas of risk to which the Academy Trust and its member academies are exposed. The register identifies actions and procedures to mitigate those risks. This register is being developed and monitored by the CEO, Business and Finance Director, Head of Finance and by Board of Trustees and via the Local Governing bodies and Audit committee. The principal risks facing the Academy Trust at a strategic level are outlined below in the principal risks and uncertainties section; those facing the Academy at an operational level are addressed by its systems and by internal financial and other controls; for further details see the Governance Statement below.

Principal risks and uncertainties

The risks below are risks faced by independent Academy Trusts and are not specific to Sussex Learning Trust.

External

- Changes in Government policy with respect to academies.
- Additional cost pressures which are not funded such as a change to financial legislation affecting the employment of staff such as minimum wage levels or pension and national insurance contributions
- Reductions in Government spending (such reductions would be likely to apply in a similar way to all schools).
- Demographic changes affecting the number of children requiring educational provision in the Mid-Sussex area.
- Neighbouring schools increasing their roll.
- More academies operating in Mid-Sussex with better facilities - possibly sponsored by large organisations.

Legal

- Operating outside the Academy Trust's charitable objects.
- Health and safety infringements.
- Falling foul of employment law.

Governance

- Trustees acting in their own interests and not in the interests of the Academy Trust.
- The Board as a whole lacking the skill set required to run the Academy Trust successfully.
- Management information being insufficiently robust for effective decision making.
- Failure to respond to changes in external compliance requirements.

Sussex Learning Trust Annual report and financial statements for the year ended 31 August 2017

Trustees report (continued)

Risk management (continued)

The Trustees have identified the following potential risks and uncertainties as applying specifically to the Sussex Learning Trust:

- **Falling rolls.** This is seen to be highly unlikely. Response to the conversion to academy status has showed no diminution in student and parental enthusiasm at the Secondary Academy and a marked increase in local support for Warden Park Primary Academy. In September 2017, Warden Park Secondary Academy continued to demonstrate a highly successful recruitment programme to year 7 and was significantly oversubscribed. Interest is strong for September 2018 admissions. The Secondary Academy's increased control over its admissions is leading to efficiencies and optimisation of its roll. Numbers in both Warden Park Primary Academy and Northlands Wood Primary Academy are increasing in line with expectations.
- **Branding/reputation.** Our reputation remains strong as evidenced by high and increasing levels of interest and applications at each of our academies.
- **Decrease in income affecting provision.** Given the UK public sector economic outlook, political and policy uncertainty, changes in NI and pension contribution rates and changes in formula funding, there is considerable uncertainty over funding levels in the near future. The budget strategy for 2016/17 provides for some contingency against unwelcome future developments but this remains a key area of risk and focus for management and board of trustees
- **Lagged funding.** As outlined in the financial health section above, lagged funding represents a significant risk and challenge to both Warden Primary Academy and Northlands Wood Primary Academy.

Financial risks

- **Bank balances and investments.** There is no significant risk other than a financial institution ceasing to trade. The Academy is therefore seeking a prudent spread for future investment over a number of very reliable and / or government-backed institutions.
- **Bad debts.** There are no material debtors which are not government backed institutions.
- **Credit rating.** The Academy Trust's credit rating is not in jeopardy and there has been no need as yet for advanced credit facilities since conversion.
- **Cashflow.** If the funding position does not improve, there will be increasing pressure on academy cashflow in future years which will require careful management.

Effective risk management involves three types of action:

Transferring the risk

Insurance is a means of transferring those risks the Academy decides not to accept. It limits the Trust's exposure to risk but it is not a substitute for active risk management. To the extent that the Trust manages its risks effectively, its insurance premiums will be lower, providing better value for money.

Reducing the probability of risk

The Academy will seek to identify the risks to Trust funds, property and people using their premises, collect them in a risk register and assess the potential frequency and severity of each risk, where possible based on careful analysis or recent experience. Action will be taken to prevent or reduce the probability of risk, particularly of those risks identified as high frequency and/or high severity.

Sussex Learning Trust Annual report and financial statements for the year ended 31 August 2017

Trustees report (continued)

Limiting the impact of risk

The Trust will continue to complete and review the risk register as a formal record of problems that could occur in the future which will impact on day to day operations.

Effective monitoring of Academy Trust operations by the Trustees and leadership teams in each academy will contribute to mitigate risks. This monitoring includes an annual review of the Risk Register and adhoc reporting of newly identified risks.

The Academy Trust will continue to develop an Emergency / Critical Incident Procedure aimed at both protecting personal health and safety and minimising the disruption to normal operations that an unforeseen emergency would cause. Where necessary, the Academy Trust will continue to develop contingency plans for particular risks identified as high frequency and/or high severity.

The Academy Trust operates systems, including operational procedures and internal financial controls in order to minimise risk.

The key controls used by the Academy Trust include:

- formal agendas for all Trustees' meetings
- detailed terms of reference for all committees
- formal written policies that are subject to regular and systematic review
- strategic planning, budgeting and management accounting according to a rigorous agreed timetable
- clear authorisation and approval levels as well as clearly defined purchasing guidelines.

Plans for the future

Without repeating the aims and objectives above:

1. The Trust intends that each of its existing 3 academies will be outstanding by 2020. To this end each academy has an established Improvement Plan which includes ways in which the Trust can work collaboratively to realise this ambition
2. From September 2017 the Trust has separated the role of CEO and Headteacher of the Secondary Academy allowing for dedicated work on both this significant aspects of the Trust's work.
3. As a result of 2 there is dedicated Academy Improvement work across the Trust. Heads meeting bi-weekly to discuss and plan cross-trust initiatives including staff development, pupil and student projects such as literacy, sport and citizenship and a highly successful Trust wide conference on building trust and working together has opened a rich new vein of potential cross-phase working.
4. Planning for our new Free-school, Hurst Farm Primary Academy, is well underway. From September 2017 the CEO will project manage this exciting new initiative for the Trust and Town.
5. The achievement of dis-advantaged pupils and students remains a priority for each academy, and therefore, the Trust. Inclusion staff from each academy are meeting to share and prioritise successful strategies. The Trust will bid for MAT Development Funding in 2018 to increase capacity and expertise in this area.
6. Discussions are on-going with other schools and the RSC regarding widening the Trust's work to incorporate more schools. Trustees are open to this prospect if they can see tangible gains in the provision for our current pupils and students in collaborative school improvement initiatives. Trustees will also so want to appreciate improved economies of scale to the benefit of learning and teaching.

Sussex Learning Trust
Annual report and financial statements for the year ended 31 August 2017

Trustees report (continued)

The Trustees wish to acknowledge the following:

- The leadership provided by the CEO, the Head Teachers and their senior leadership teams as Trustees seek to develop and expand the Academy Trust
- The commitment of all of the staff, teaching and support, for the manner in which they have continued to deliver an increasingly effective learning and support environment for our learners
- The parent teachers associations for their continued enthusiasm and commitment to fund raising to provide additional opportunities and facilities for our learners
- The continued support of West Sussex County Council and Mid-Sussex District Council
- The strong support from pupils, families and the whole community

The Trustees' thanks go to all, for their part in the continued success of the Academy Trust.

Auditor

In so far as the trustees are aware:

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

This report, incorporating the strategic report, was approved by order of the members of the Board of Trustees on 13 December 2017 and signed on its behalf by:



J Ash-Edwards

Chair

Sussex Learning Trust Annual report and financial statements for the year ended 31 August 2017

Governance Statement

Scope of Responsibility

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

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

Governance

The information on governance included here supplement that described in the Trustees' Report and in the Statement of Trustees' responsibilities. The board has formally met 8 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustees	Meetings attended Out of a possible	
J Ash-Edwards (Chairman)	8	8
P Bradbury	6	8
M Caidan	7	8
E Gunter	6	8
C Homer (Appointed 1/5/17)	3	3
J Morris (CEO & Head Teacher of WPSA until 31 August 2017)	8	8
J Packham	6	8
J Pearman	7	8
R Tapping	6	8
P Todd	7	8
S Watt (Vice chair)	5	8

The Local governing bodies for Warden Park Secondary and Warden Park Primary Academy both met 6 times in the year. The local governing bodies have delegated responsibilities as set out in the Scheme of Delegation (see SLT website) in respect of governance, finance and contracts, curriculum and standards, safeguarding, behaviour and attendance, ad

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Governance Statement (continued)

Warden Park secondary local governing body attendance at meetings in the year was as follows:

Governor	Meetings Attended	Out of a possible
J Ash-Edwards	6	6
M Caidan	6	6
S Carter	6	6
N Dyson	3	3
S Hamilton	2	2
A Lickorish	6	6
K Markham	3	4
J Meadows	4	5
J Morris	5	6
R Tapping	5	6
J Thompson	4	6
S Watt	4	6
H Young	5	6

Warden Park Primary local governing body attendance at meetings in the year was as follows:

Governor	Meetings Attended	Out of a possible
J Ash-Edwards	6	6
S Carter	3	3
S Davis	6	6
E Gunter	6	6
S Hyde	4	5
C Jarratt	4	5
B Newman	2	2
J Packham	5	6
J Pearman	6	6
E Walling	5	6

Audit committee attendance at meetings in the year was as follows:

Governor	Meetings Attended	Out of a possible
R Tapping	1	2
J Thompson	2	2
P Todd	2	2
S Watt	1	2

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Governance Statement (continued)

Governance (continued)

Warden Park Primary local governing body attendance at meetings in the year was as follows:

Governor	Meetings Attended	Out of a possible
I Bateman	2	2
S Dann	2	2
C Homer (Chair)	2	2
L Hother	2	2
K James	2	2
M McCourt	1	2
K McNeil	2	2
J Newton	2	2
T Parker	2	2
C Roe	2	2
R Stevens	2	2

Review of Value for Money

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

The accounting officer considers how the Trust's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data where available. The accounting officer for the Academy Trust has delivered improved value for money during the year by:

- Performing a review of all software and licenses that the Trust uses to fully evaluate their operational impact and product capability. As a result of this process there has been an ongoing rationalisation process. We have been able to reduce the number of different software products that the Trust uses thus achieving both cost savings and better integration between applications. Specific examples in 2016/17 include; the introduction of (Orovia) a powerful budgeting, planning and monitoring software package developed specifically for the education sector. The software has made Sussex Learning Trust budgeting, scenario planning and monitoring more effective across our Trust by integrating with other applications. We have also introduced Go 4 schools a powerful, agile, joined-up online system that supports whole-academy improvement in a way which makes it easy to capture, analyse and share student data in real time, allowing our staff, students and parents to make better decisions. As the Trust develops we will be able to achieve economies of scale on future licensing which includes the purchase of Management Information Systems (MIS) that encompasses whole Trust activity and performance.
- The implementation of a new Trust wide payroll system and provider including a superior management system in October 2016 has resulted in a more efficient payroll service. This has enabled us to have greater control of staffing changes and costs due to the additional level of accuracy over and above the previous payroll system which the Trust had used since conversion. The new system is also yielding strong employee engagement and offers additional HR functions which offer greater areas for efficiency.

Sussex Learning Trust

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Governance Statement (continued)

Review of Value for Money (continued)

- Performing detailed reviews of key contracts prior to renewal to ensure best value in both financial and non-financial terms. Specific examples include the choice of utilities contracts in order to keep costs under control by accessing a power purchasing consortium, Zenergi which offers competitive prices and a superior service to those provided by WSCC for a lower overall annual cost to the Trust.

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Warden Park Academy Trust for the year ended 31 August 2017 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the year ending 31 August 2017 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board.

The Risk and Control Framework

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

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

The Board of Trustees considered the need for a specific internal audit function and decided not to appoint an internal auditor but agreed that the FD of a local academy would perform peer review. The work programme included testing of payroll systems, testing of purchase systems and testing of key control accounts / reconciliations and did not identify any significant issues. On conclusion of the review, a report was presented to the Audit committee for their consideration and approval.

**Sussex Learning Trust
Annual report and financial statements for the year ended 31 August 2017**

Governance Statement (continued)

Review of Effectiveness

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


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

No material weaknesses have been identified through the above review. The Accounting Officer and management are committed to a process of continuous improvement and will continue to review and assess the system of internal control going forward in light of any changes to the Trust or developments in best practice.

Approved by order of the members of the Board of Trustees on 13 December 2017 and signed on its behalf by:



J Ash-Edwards
Chair



J Morris
Accounting Officer

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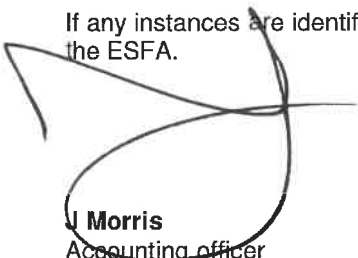
Statement on Regularity, Propriety and Compliance

As accounting officer of Sussex Learning Trust I have considered my responsibility to notify the academy trust board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, 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 2016.

I confirm that I and the academy trust board of trustees are able to identify any material irregular or improper use of all funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2016.

I confirm that no instances of material irregularity, impropriety or funding non-compliance have been discovered to date.

If any instances are identified after the date of this statement, these will be notified to the board of trustees and the ESFA.



J Morris
Accounting officer

13 December 2017

Sussex Learning Trust

Annual report and financial statements for the year ended 31 August 2017

Statement of trustees' responsibilities

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

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

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017
- make judgments and accounting estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards [FRS 102] have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business

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

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

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

Approved by order of the members of the board of trustees on 13 December 2017 and signed on its behalf by:



J Ash-Edwards
Chair of Trustees

Sussex Learning Trust
Annual report and financial statements for the year ended 31 August 2017

Independent Auditor's Report to the Members of Sussex Learning Trust Limited

We have audited the financial statements of Sussex Learning Trust Limited for the year ended 31 August 2017 which comprise the Statement of Financial Activities incorporating the Summary Income and Expenditure Account, the Balance Sheet, the Cash Flow Statement and the related notes numbered 1 to 31.

The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Annual Accounts Direction 2017 issued by the Education Funding Agency.

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 the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of governors and auditor

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Trustees' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Sussex Learning Trust
Annual report and financial statements for the year ended 31 August 2017

Independent Auditor's Report to the Members of Sussex Learning Trust Limited
(continued)

Opinion on financial statements

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 2017 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, including the Annual Accounts Direction 2017 issued by the Education Funding Agency;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Academies Accounts Direction 2016 to 2017 issued by the ESFA.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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

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



Darren Rigden

Senior Statutory Auditor

For and on behalf of

Crowe Clark Whitehill LLP

Statutory Auditor

Riverside House

40-46 High Street

Maidstone

ME14 1JH

Date: 20 December 2017

Sussex Learning Trust
Annual report and financial statements for the year ended 31 August 2017

Independent Auditor's Report on Regularity to the Trustees of Sussex Learning Trust Limited and the Education and Skills Funding Agency

In accordance with the terms of our engagement letter dated 25 August 2013 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2016 to 2017, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by the academy trust during the period 1 September 2016 to 31 August 2017 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Sussex 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 Sussex 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 Sussex Learning Trust and the ESFA, for our work, for this report or for the conclusion we have formed.

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

The accounting officer is responsible, under the requirements of Sussex Learning Trust's funding agreement with the Secretary of State for Education dated 1 September 2011 and the Academies Financial Handbook, extant from 1 September 2016, 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 2016 to 2017. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2016 to 31 August 2017 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2016 to 2017 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 to our conclusion includes a review of the design and implementation of the Academy's internal controls and review processes on regularity, supported by detailed tests on samples of costs incurred by the academy and specific transactions identified from our review.

Sussex Learning Trust
Annual report and financial statements for the year ended 31 August 2017

Independent Reporting Accountant's Assurance Report on Regularity to Sussex Learning Trust and the Education and 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 period 1 September 2016 to 31 August 2017 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Darren Rigden

Senior Statutory Auditor

For and on behalf of

Crowe Clark Whitehill LLP

Statutory Auditor

Riverside House

40-46 High Street

Maidstone

ME14 1JH

Date: 20 December 2017

Sussex Learning Trust
Annual report and financial statements for the year ended 31 August 2017

Statement of Financial Activities for the year ended 31 August 2017
(including Income and Expenditure Account and Statement of Total Recognised Gains and losses)

	Note	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total 2017 £000	Total 2016 £000
Income and endowments from:						
Balances on conversion	4	-	47	4,462	4,509	-
Donations and capital grants	4	341	120	1,749	2,210	575
<i>Charitable activities:</i>						
. Funding for the Academy's educational operations	7	454	8,960	-	9,414	8,809
Other trading activities	5	52	-	-	52	60
Investments	6	-	-	-	-	-
Total incoming resources		847	9,127	6,211	16,185	9,444
Expenditure on:						
Balances on conversion	31	-	149	-	149	-
Raising funds	8	49	-	-	49	48
<i>Charitable activities:</i>						
. Academy's educational operations	9	351	9,624	382	10,357	9,695
Total resources expended	8	400	9,773	382	10,555	9,743
Net incoming resources before transfers		447	(646)	5,829	5,630	(299)
Transfers						
Gross transfers between funds	19	(356)	305	51	-	-
Net income/(expenditure) for the year		91	(341)	5,880	5,630	(299)
Other recognised gains and losses						
Actuarial gains / (losses) on defined benefit pension schemes	29	-	1,083	-	1,083	(1,048)
Net movement in funds		91	742	5,880	6,713	(1,347)

Sussex Learning Trust
Annual report and financial statements for the year ended 31 August 2017

Statement of Financial Activities for the year ended 31 August 2017
(including Income and Expenditure Account and Statement of Total Recognised Gains and losses) (continued)


	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total 2017 £000
Reconciliation of funds				
Total funds brought forward at 1 September 2016	689	(2,787)	27,196	25,098
Total funds carried forward at 31 August 2017	780	(2,045)	33,076	31,811

Sussex Learning Trust (Company number: 07705100)
Annual report and financial statements for the year ended 31 August 2017

Balance sheet as at 31 August 2017

	Notes	2017 £000	2017 £000	2016 £000	2016 £000
Fixed assets					
Tangible assets	13		33,044		27,185
Total fixed assets			33,044		27,185
Current assets					
Stock	14	6		6	
Debtors	15	338		309	
Cash at bank and in hand		1,272		1,054	
Total current assets		1,616		1,369	
Liabilities:					
Creditors: Amounts falling due within one year	16	(665)		(665)	
Net current assets		951		704	
Total assets less current liabilities			33,995		27,889
Creditors: Amounts falling due after one year	17	(184)		(178)	
Net assets excluding pension liability			33,811		27,711
Pension scheme liability			(2,000)		(2,613)
Net assets including pension liability			31,811		25,098
Funds of the academy:					
Restricted income funds					
. Fixed asset fund(s)	19		33,076		27,196
. General fund(s)	19		(45)		(174)
. Pension reserve	19		(2,000)		(2,613)
Total restricted funds			31,031		24,409
Unrestricted funds					
. General fund(s)	19		780		689
Total unrestricted funds			780		689
Total Funds			31,811		25,098

The financial statements on pages 31 to 56 were approved by the Board of Trustees and authorised for issue on 13 December 2017 and signed on their behalf by:


J Ash-Edwards
 Chair

Sussex Learning Trust
Annual report and financial statements for the year ended 31 August 2017

Cash flow statement for the year ended 31 August 2017

		2017 £000	2016 £000
Net cash inflow from operating activities	22	258	497
Returns on investments and servicing of finance	23	-	-
Capital expenditure	24	(40)	(110)
Increase / (decrease) in cash in the year	25	218	387
Reconciliation of net cash flow to movement in net funds			
Net funds at 1 September		1,054	667
Net funds at 31 August		1,272	1,054

Sussex Learning Trust

Annual report and financial statements for the year ended 31 August 2017

Notes to the Financial statements

1. Company information

Sussex Learning Trust is company limited by guarantee incorporated in England and Wales (company registration number 07705100). The principal activity is that of provision of primary and secondary school education.

Its registered address is at:-

Broad Street
Cuckfield
Haywards Heath
West Sussex
RH17 5DP

2. Accounting Policies

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

Basis of Preparation

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2016 to 2017 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Sussex Learning Trust meets the definition of a public benefit entity under FRS 102.

Going Concern

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

Incoming Resources

All incoming resources are recognised when the Academy Trust has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

- **Grants receivable**

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of 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 year for which it is receivable and any unspent amount is reflected as a balance in the restricted fund.

Sussex Learning Trust
Annual report and financial statements for the year ended 31 August 2017

Notes to the Financial statements (continued)

- **Grants receivable (continued)**

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

- **Donations**

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

- **Other income**

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

- **Donated Services and gifts in kind**

The value of donated services and gifts in kind provided to the Academy Trust are recognised at their open market value in the period in which they are receivable as incoming resources, where the benefit to the Academy Trust can be reliably measured. An equivalent amount is included as expenditure under the relevant heading in the Statement of Financial Activities, except where the gift in kind was a fixed asset in which case the amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with Academy Trust's policies.

Resources Expended

All expenditure is recognised in the period in which a liability is incurred and has been classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

- **Costs of generating funds**

These are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

- **Charitable activities**

These are costs incurred on the Academy Trust's educational operations.

- **Governance Costs**

These include the costs attributable to the Academy Trust's compliance with constitutional and statutory requirements, including audit, strategic management and Governor's meetings and reimbursed expenses.

All resources expended are inclusive of irrecoverable VAT.

Sussex Learning Trust
Annual report and financial statements for the year ended 31 August 2017

Notes to the Financial statements (continued)

2. Accounting Policies (continued)

Tangible Fixed Assets

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

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. 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 such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Academy Trust's depreciation policy.

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

Long leasehold buildings	125 years
Leasehold improvements	20 years
Fixtures, fittings and equipment	5 – 10 years
ICT equipment	4 years
Motor Vehicles	5 years

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

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.

Leased Assets

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

Stock

Catering stocks are valued at the lower of cost or net realisable value.

Taxation

The Academy Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Academy Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by 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.

Sussex Learning Trust
Annual report and financial statements for the year ended 31 August 2017

Notes to the Financial statements (continued)

2. Accounting Policies (continued)

Pensions Benefits

Retirement benefits to employees of the Academy Trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes, are contracted out of the State Earnings-Related Pension Scheme ('SERPS'), and the assets are held separately from those of the Academy Trust.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in Note 26, the TPS is a multi-employer scheme and the Academy Trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

The LGPS is a funded scheme and the assets are held separately from those of the Academy Trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit 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 gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the Statement of Financial Activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The expected return on assets and the interest cost are shown as a net finance amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in other gains and losses.

Fund Accounting

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

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

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

It is the Academy Trust's policy to transfer any amounts in the Unrestricted Fund that have been spent on capitalised fixed assets to the Restricted Fixed Asset Fund. This policy has been formally approved, minuted and adopted by the Governing Body.

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.

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

Sussex Learning Trust
Annual report and financial statements for the year ended 31 August 2017

Notes to the Financial statements (continued)

2. Accounting Policies (continued)

Critical accounting estimates and assumptions:

i) Pension scheme: 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 29, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2013 has been used by the actuary in valuing the pensions liability at 31 August 2016. 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.

ii) Tangible fixed assets: the trustees annually assess both the residual value of these assets and the expected useful life of such assets based on experience

iii) Building valuations: The basis for valuing buildings transferred to the Trust on conversion is to use the most recent valuation provided by the Local Authority. In the case of Northlands Wood Primary academy, the valuation used in note 31 was prepared on 1 April 2013 which the trustees consider to be reasonable.

3. General Annual Grant (GAG)

Under the funding agreement with the Secretary of State the academy trust was subject to limits at 31 August 2017 on the amount of GAG that could be carried forward from one year to the next. An amount equal to 12% of GAG could be carried forward, of which up to 2% could be used for general recurrent purposes, with any balance being available for premises/capital purposes.

The academy trust has not exceeded these limits during the year ended 31 August 2017.

4. Donations and capital grants

	Unrestricted Funds £000	Restricted Funds £000	2017 Total £000	2016 Total £000
Balances on conversion	-	4,509	4,509	-
Capital grants	-	36	36	-
Donated fixed assets	-	1,713	1,713	65
Other Donations	341	120	461	510
	341	6,378	6,719	575

5. Other trading activities

	Unrestricted Funds £000	Restricted Funds £000	2017 Total £000	2016 Total £000
Hire of Facilities	52	-	52	60
	52	-	52	60

Sussex Learning Trust
Annual report and financial statements for the year ended 31 August 2017

Notes to the Financial statements (continued)

			2017 Total £000	2016 Total £000
6. Investment income				
Bank interest			-	-
7. Funding for Academy's educational operations				
	Unrestricted Funds £000	Restricted Funds £000	Total 2017 £000	Total 2016 £000
DfE / ESFA revenue grants				
. General Annual Grant (GAG)	-	8,191	8,191	7,739
Start up grants	-	25	25	-
. Other DfE / ESFA grants	-	532	532	465
NCTL grants	-	18	18	-
	-	8,766	8,766	8,204
Other Government grants				
. Local authority capital grants	-	194	194	167
	-	194	194	167
Catering income	454	-	454	438
	454	8,960	9,414	8,809

8. Resources Expended

	Staff Costs 2017 £000	Premises 2017 £000	Non Pay Expenditure 2017 £000	Total 2017 £000	Total 2016 £000
Expenditure on raising funds	49	-	-	49	48
Academy's educational operations					
. Direct costs	6,428	335	914	7,677	7,269
. Allocated support costs	1,299	47	1,334	2,680	2,426
	7,776	382	2,248	10,406	9,743

Net Incoming/outgoing resources for the year include:

	2017 £000	2016 £000
Operating leases	223	111
Fees payable to auditor – Statutory audit	13	10
- other services	-	1
Profit/(loss) on disposal of fixed assets	-	-

Sussex Learning Trust
Annual report and financial statements for the year ended 31 August 2017

Notes to the Financial statements (continued)

9 Charitable Activities

	2017 Total £000	2016 Total £000
Direct costs – educational operations	7,677	7,269
Support costs – educational operations	2,680	2,426
	10,357	9,695

	Unrestricted funds £000	Restricted funds £000	2017 Total £000	2016 Total £000
Analysis of support costs				
Support staff costs	-	1,262	1,262	1,195
Depreciation	-	47	47	71
Technology costs	-	61	61	37
Premises costs	-	597	597	452
Other support costs	351	300	651	625
Governance costs	-	62	62	46
	351	2,329	2,680	2,426

10. Staff costs

	Total 2017 £000	Total 2016 £000
Staff costs during the period were:		
Wages and salaries	6,121	5,883
Social security costs	566	468
Other pension costs	1,074	1,017
	7,761	7,368
Supply teacher costs	7	72
Other agency staff	-	8
Staff restructuring costs	8	-
	7,776	7,448

Included in staff restructuring costs is a non-contractual severance payment of £4k (2016: £nil).

Sussex Learning Trust
Annual report and financial statements for the year ended 31 August 2017

Notes to the Financial statements (continued)

10. Staff costs (continued)

The average number of persons (including senior management team) employed by the Academy during the year expressed as full time equivalents was as follows:

	2017	2016
	No.	No.
Charitable Activities		
Teachers	108	91
Administration and support	98	87
Management	11	9
	217	187

The number of employees whose emoluments fell within the following bands was:

	2017	2016
	No.	No.
£60,000 - £70,000	1	3
£70,001 - £80,000	2	2
£80,001 - £90,000	2	0
£110,001 - £115,000	1	1

The 5 of the 6 above employees participated in the Teachers' Pension Scheme with the other employee participating in the LGPS.

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £934,000 (2016: £856,000).

11. Related Party Transactions - Trustees' remuneration and expenses

One trustee has been paid remuneration or has received other benefits from an employment with the academy trust. The CEO / headteacher of WPSA has only received remuneration in respect of services they provided undertaking the role of CEO / headteacher under their contracts of employment.

J Morris (CEO / headteacher and trustee): Remuneration £110,000 - £115,000 (2016: £110,000 - £115,000)
Employer's pension contributions paid £10,000 - £15,000 (2016: £10,000 - £15,000)

During the year ended 31 August 2017, travel and subsistence expenses for trustees totalled £430 were reimbursed or paid directly to 2 trustees (2016: £73 to 1 trustee).

Related party transactions involving the trustees are set out in note 30.

12. Directors' and Officers' Insurance

In accordance with normal commercial practice the Academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2017 was £240 (2016: £240).

Sussex Learning Trust
Annual report and financial statements for the year ended 31 August 2017

Notes to the Financial statements (continued)

13. Tangible Fixed Assets

	Long leasehold land	Long leasehold building	Leasehold improvements	Furniture & equipment	Computer equipment	Motor vehicles	Total
Cost	£000	£000	£000	£000	£000	£000	£000
At 1 September 2016	14,177	11,016	2,458	1,330	271	51	29,303
Additions	-	1,613	51	75	50	-	1,789
Transfer on conversion	765	3,686		149	52		4,652
Disposals	-	-	-	-	(63)	-	(63)
At 31 August 2017	14,942	16,315	2,509	1,554	310	51	35,681
Depreciation							
At 1 September 2016	-	436	332	1,067	236	46	2,117
Transfer on conversion	-	-	-	149	52		201
Charge	-	103	124	124	26	5	382
Disposals	-	-	-	-	(63)	-	(63)
At 31 August 2017	-	539	456	1,340	251	51	2,637
NBV							
As at 31/08/2017	14,942	15,776	2,053	214	59	-	33,044
As at 1/09/2016	14,177	10,580	2,126	263	35	5	27,185

14. Stock

	2017 £000	2016 £000
Catering	<u>6</u>	<u>6</u>

Stock recognised in resources expended during the year as an expense was £343k (2016: £336k).

The difference between purchase price and their replacement cost is not material.

Sussex Learning Trust
Annual report and financial statements for the year ended 31 August 2017

Notes to the Financial statements (continued)

15. Debtors

	2017	2016
	£000	£000
VAT recoverable	161	223
Other debtors	38	5
Prepayments & accrued income	139	81
	<u>338</u>	<u>309</u>

16. Creditors: amounts falling due within one year

	2017	2016
	£000	£000
Trade creditors	-	34
Other taxation and social security	152	134
Other creditors	287	240
Accruals and deferred income	226	257
	<u>665</u>	<u>665</u>

Included within other creditors is a loan of £22k (2016: £22k) from SALIX which is an interest free loan for energy efficiency improvements.

Deferred income

	£000
Deferred income at 1 September 2016	(76)
Amounts released from previous years	76
Resources deferred in year	(184)
Deferred income at 31 August 2017	<u>(184)</u>

Deferred income relates to funding for UIFSM for 2017-18 received in advance from the ESFA and growth funding received in advance from West Sussex County Council.

17. Creditors: amounts falling due in over one year

	2017	2016
	£000	£000
Other creditors	184	178
	<u>184</u>	<u>178</u>

18. Creditors: amounts falling due in over 5 years

	2017	2016
	£000	£000
Other creditors	55	59
	<u>55</u>	<u>59</u>

The balances above relates to a loan from SALIX which is an interest free loan for energy efficiency improvements and a £21k (2016: £21k) loan from CIF at an interest rate of 1.75%.

Sussex Learning Trust
Annual report and financial statements for the year ended 31 August 2017

Notes to the Financial statements (continued)

19. Funds

	Balance at 31-Aug-16 £000	Incoming Resources £000	Resources Expended £000	Gains, losses & transfers £000	Balance at 31-Aug-17 £000
Restricted general funds					
General Annual Grant (GAG)	(174)	8,239	(8,382)	305	(12)
Start up Grant	-	25	(25)	-	-
Other DfE/ ESFA grants	-	550	(550)	-	-
Other voluntary income (restricted)	-	313	(346)	-	(33)
Pension reserve	(2,613)	-	(470)	1,083	(2,000)
	(2,787)	9,127	(9,773)	1,388	(2,045)
Restricted fixed asset funds					
Fixed assets donated on conversion	24,651	4,451	(313)	-	28,789
Fixed asset additions	331	-	(69)	51	313
DfE/ESFA capital grants	1,946	1,760	-	-	3,706
Capital expenditure from GAG / unrestricted funds	268	-	-	-	268
	27,196	6,211	(382)	51	33,076
Total restricted funds	24,409	15,338	(10,155)	1,439	31,031
Unrestricted funds					
Unrestricted funds	689	847	(400)	(356)	780
Total unrestricted funds	689	847	(400)	(356)	780
Total funds	25,098	16,185	(10,555)	1,083	31,811

Restricted Fixed Asset Funds

Represents the value of fixed asset held by the academy trust, with the exception of funds either of an inherently capital nature, or allocated by the governing body for future capital spend, that remain unspent at the year end.

Transfers

These relate to monies spent from GAG or Unrestricted Funds to purchase capitalised assets in during the year.

Sussex Learning Trust
Annual report and financial statements for the year ended 31 August 2017

Notes to the Financial statements (continued)

19. Funds (continued)

	Balance at 31-Aug-15 £000	Incoming Resources £000	Resources Expended £000	Gains, losses & transfers £000	Balance at 31-Aug-16 £000
Restricted general funds					
General Annual Grant (GAG)	53	7,739	(7,966)	-	(174)
Other DfE/ EFA grants	-	465	(465)	-	-
Other voluntary income (restricted)	-	337	(337)	-	-
Pension reserve	(1,415)	-	(150)	(1,048)	(2,613)
	(1,362)	8,541	(8,918)	(1,048)	(2,787)
Restricted fixed asset funds					
Fixed assets donated on conversion	25,092	-	(441)	-	24,651
Fixed asset additions	331	-	-	-	331
DfE/EFA capital grants	1,881	65	-	-	1,946
Capital expenditure from GAG / unrestricted funds	147	-	-	121	268
	27,451	65	(441)	121	27,196
Total restricted funds	26,089	8,606	(9,359)	(927)	24,409
Unrestricted funds					
Unrestricted funds	356	838	(384)	(121)	689
Total unrestricted funds	356	838	(384)	(121)	689
Total funds	26,445	9,444	(9,743)	(1,048)	25,098

Sussex Learning Trust
Annual report and financial statements for the year ended 31 August 2017

Notes to the Financial statements (continued)

Analysis of academies by fund balance

Fund balances at 31 August 2017 were allocated as follows:

	Total
	£000
Warden Park Secondary Academy	731
Warden Park Primary Academy	(15)
Northlands Wood Primary Academy	19
Total before fixed assets and pension reserve	735
Restricted fixed asset fund	33,076
Pension reserve	(2,000)
Total	31,811

Warden Park Primary Academy has negative reserves as a result of the lagged funding received from the ESFA at a time of rapid increase in pupil numbers resulting from an increase in planned admission numbers, raising standards and demographic factors. The Trust is committed to continue to work with the ESFA to obtain a fairer funding settlement for Warden Park Primary Academy so it is no longer necessary for the Trust to support the Primary academy in this way.

	Teaching & Educational support staff costs	Other support staff costs	Educational supplies	Other costs (excluding depreciation)	Total
	£000	£000	£000	£000	£000
Warden Park Secondary Academy	5,032	1,154	193	1,762	8,141
Warden Park Primary Academy	1,070	121	28	213	1,432
Northlands Wood Primary Academy	326	36	3	86	451
Academy Trust	6,428	1,311	224	2,061	10,024

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Notes to the Financial statements (continued)

19. Analysis of net assets between funds

Fund balances at 31 August 2017
are represented by:

	Unrestricted general funds	Restricted general funds	Restricted fixed asset funds	Total funds 2017
	£000	£000	£000	£000
Tangible fixed assets	-	-	33,044	33,044
Current assets	780	804	32	1,616
Current liabilities	-	(665)	-	(665)
Non-current liabilities	-	(184)	-	(184)
Pension scheme liability	-	(2,000)	-	(2,000)
Total net assets	780	(2,045)	33,076	31,811

Fund balances at 31 August 2016
are represented by:

	Unrestricted general funds	Restricted general funds	Restricted fixed asset funds	Total funds 2016
	£000	£000	£000	£000
Tangible fixed assets	-	-	27,185	27,185
Current assets	689	669	11	1,369
Current liabilities	-	(665)	-	(665)
Non-current liabilities	-	(178)	-	(178)
Pension scheme liability	-	(2,613)	-	(2,613)
Total net assets	689	(2,787)	27,196	25,098

20 Capital commitments

	2017 £000	2016 £000
Contracted for, but not provided in the financial statements	-	-

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Notes to the Financial statements (continued)

21 Financial commitments

Operating leases

The charitable company had the following future minimum lease payments under non-cancellable operating leases for each of the following periods:

	2017	2016
	£000	£000
Due not later than one year	3	37
Due between 1 and 5 years	147	17
Due more than 5 years	88	-
	<u>238</u>	<u>54</u>

	2017	2016
	£000	£000
22 Reconciliation of net income to net cash inflow from operating activities		
Net expenditure	5,629	(299)
Depreciation (note 13)	382	411
Capital grants from the ESFA	(36)	(65)
Assets received on conversion	(4,451)	-
Donated assets from Local Authority	(1,712)	-
Defined benefit deficit inherited on conversion	116	-
Surplus of other liabilities on conversion	33	-
(Increase)/decrease in debtors	(30)	87
(Decrease)/increase in creditors	(27)	183
FRS 102 Finance interest cost	298	54
FRS 102 Pension cost	56	96
Net cash inflow from operating activities	<u>258</u>	<u>497</u>

	2017	2016
	£000	£000
23 Returns on investments and servicing of finance		
Interest received	-	-
Net cash inflow from returns on investment and servicing of finance	<u>-</u>	<u>-</u>

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Notes to the Financial statements (continued)

	2017	2016
	£000	£000
24 Capital expenditure and financial investment		
Purchase of tangible fixed assets	(76)	(175)
Capital grants from DfE/ESFA/ LA	36	65
Net cash outflow from capital expenditure and financial investment	(40)	(110)

	At 1	Cash flows	At 31
	September		August
	2016	£000	2017
	£000	£000	£000
Cash in hand and at bank	1,054	218	1,272
	1,054	218	1,272

	2017	2016
	£000	£000
26 Financial instruments		
Financial assets measured at amortised cost	1,309	1,058
Financial liabilities measured at amortised cost	512	633

Financial assets measured at amortised cost comprise cash at bank, trade debtors and other debtors.

Financial liabilities measured at amortised cost comprise other loans, trade creditors, other creditors and accruals.

27 Contingent Liabilities

Sussex Learning Trust Limited had no contingent liabilities as at 31 August 2017 (2016: nil).

28 Members' Liability

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

Sussex Learning Trust

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Notes to the Financial statements (continued)

29 Pension and similar obligations

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

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS was 31 March 2012 and of the LGPS 31 March 2016.

Contributions amounting to £147,000 (2016 £125,000) were payable to the schemes at 31 August 2017 and are included in creditors.

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors.

The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 16.48% of pensionable pay (including a 0.08% employer administration charge (currently 14.1%))
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%.

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Notes to the Financial statements (continued)

29 Pension and similar obligations (continued)

During the previous year the employer contribution rate was 14.1%. The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The next valuation of the TPS is currently underway based on April 2016 data, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The pension costs paid to TPS in the period amounted to £688,000 (2016: £574,000).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website. Under the definitions set out in FRS 102, the TPS is a multi-employer pension scheme. The trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The trust has set out above the information available on the scheme.

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2017 was £492,000 (2016:£443,000) of which employer's contributions totalled £390,000 (2016: £352,000) and employees' contributions totalled £102,000 (2016: £91,000). The agreed contribution rates for future years are 22.8% for employers and between 5.5% and 12.5% for employees.

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

Principal Actuarial Assumptions

	At 31 August 2017	At 31 August 2016
Rate of increase in salaries	3.1%	3.6%
Rate of increase for pensions	2.4%	2.1%
Discount rate	2.5%	2.0%
Commutation of pensions to lump sums	50% - 75%	50% - 75%

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Notes to the Financial statements (continued)

29 Pension and similar obligations (continued)

Local Government Pension Scheme (continued)

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

	At 31 August 2017	At 31 August 2016
<i>Retiring today</i>		
Males	23.6	24.4
Females	25.0	25.8
<i>Retiring in 20 years</i>		
Males	26.0	26.9
Females	27.8	28.5

The academy's share of the assets and liabilities in the scheme and the expected rates of return were:

	Fair value at 31 August 2017 £000	Fair value at 31 August 2016 £000
Equities	2,875	2,939
Bonds	2,045	644
Property	442	322
Cash	166	121
	<u>5,528</u>	<u>4,026</u>
Total market value of assets		

The actual return on the scheme assets was £87,000 (2016: £115,000).

The expected rates of return are set equal to the discount rate.

Total expenditure recognised in the Statement of Financial Activities

	2017 £000	2016 £000
Current service cost (net of employee contributions)	688	448
Past service cost	-	-
Total operating charge	<u>688</u>	<u>448</u>

Sussex Learning Trust
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Notes to the Financial statements (continued)

29 Pension and similar obligations (continued)

Local Government Pension Scheme (continued)

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

	2017	2016
	£000	£000
At 1 September	6,639	4,325
Transfer on conversion	437	-
Current service cost	688	448
Interest cost	143	169
Employee contributions	102	91
Actuarial (gains) / losses	(424)	1,636
Benefits paid	(57)	(30)
Curtailments and settlements	-	-
At 31 August	7,528	6,639

	2017	2016
	£000	£000
Opening fair value of fair value of employer assets	4,026	2,910
Transfer on conversion	321	-
Interest income	87	115
Return on plan assets	659	588
Actuarial gains / (losses)	-	-
Employer contributions	390	352
Employee contributions	102	91
Benefits paid	(57)	(30)
At 31 August	5,528	4,026

30 Related Party Transactions

Owing to the nature of the Academy's operations and the composition of the board of trustees being drawn from local public and private sector organisations, it is inevitable that transactions will take place with organisations in which a member of the board of trustees may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy's financial regulations and normal procurement procedures. There are no related party transactions in the year (2016: nil).

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Notes to the Financial statements (continued)

31 Conversion to an academy trust

On 1 May 2017, Northlands Wood Primary Academy (formerly Northlands Wood Community Primary School) converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Sussex Learning Trust from West Sussex County Council for £nil consideration.

The transfer has been accounted for using the acquisition method. The assets and liabilities transferred were valued at their fair value and recognised in the Balance sheet under appropriate headings with corresponding amounts in the Statement of financial activities as balances on conversion. The basis for valuing buildings transferred to the Trust on conversion is to use the most recent valuation provided by the Local Authority. The valuation for Northlands Wood Primary Academy was prepared by WSCC on 1 April 2013 which the trustees consider to be reasonable.

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

	Unrestricted general funds	Restricted general funds	Restricted fixed asset funds	Total funds 2017
	£000	£000	£000	£000
Freehold land and buildings	-	-	4,451	4,451
Budget surplus on LA funds	-	47	11	58
Community room loan from WSCC	-	(33)	-	(33)
LGPS pension surplus / (deficit)	-	(116)	-	(116)
Total net assets	-	(102)	4,462	4,360