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**FLAGSHIP LEARNING TRUST**

(A company limited by guarantee)

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**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE PERIOD ENDED 31 AUGUST 2020**

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**FLAGSHIP LEARNING TRUST**  
**(A company limited by guarantee)**

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**REFERENCE AND ADMINISTRATIVE DETAILS**

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	N Evans J Cornock S Knight C Brierley A Grafton
<b>Trustees</b>	J Larrigan (appointed 19 November 2018) C Brierley (appointed 19 November 2018) N Beischer, Chief Executive (appointed 3 February 2020) A Chicken (appointed 4 July 2019) C Bicknell (appointed 3 July 2019) R Redmond (appointed 3 July 2019) M Haworth, Head Teacher (appointed 4 February 2020) R Foakes (appointed 19 November 2018, resigned 15 January 2020)
<b>Company registered number</b>	11683714
<b>Company name</b>	Flagship Learning Trust
<b>Principal and registered office</b>	Abbey Hey Lane Gorton Manchester M18 8RL
<b>Company secretary</b>	V Duffy
<b>Chief executive officer</b>	N Beischer
<b>Trust Senior Management Team</b>	N Beischer, Chief Executive Officer M Haworth, Head of School L Elkes, Chief Financial Officer V Duffy, Chief Operating Officer
<b>Independent auditor</b>	Crowe U.K. LLP 3rd floor The Lexicon Mount Street Manchester M2 5NT
<b>Bankers</b>	Lloyds Bank 42-46 Market Street Manchester M1 1PW
<b>Solicitors</b>	Stone King LLP 13 Queen Square Bath BA1 2HJ

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**FLAGSHIP LEARNING TRUST**  
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**TRUSTEES' REPORT**  
**FOR THE PERIOD ENDED 31 AUGUST 2020**

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The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the period 1 November 2019 (date of conversion) to 31 August 2020. The annual report serves the purposes of both a Trustees' report and a directors' report under company law.

The trust currently operates one secondary academy in Manchester admitting students aged 11 to 16 years, with a student capacity of 1,800 age 11 to 16 years and had a roll of 1,829 students in the school census in October 2019.

On 1st November 2019 the school Wright Robinson College converted to an academy and was transferred into the Flagship Learning Trust. The Trust's admissions policy can be found on its website.

### **Structure, governance and management**

#### **a. Constitution**

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

The charitable company's memorandum and articles of association are the primary governing documents of the Academy Trust.

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

The charitable company is known as Flagship Learning Trust.

The Trustees of Flagship Learning Trust are also the directors of the charitable company for the purposes of company law. Details of the Trustees who served during the period, and to the date these accounts are approved are included in the Reference and administrative details on page 1.

#### **b. Members' liability**

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

#### **c. Trustees' indemnities**

The Academy has purchased indemnity insurance to protect trustees, governors and officers from claims arising in connection with academy business. The insurance provides governors liability up to £10,000,000 on any one loss and any one membership year. This is purchased through the risk protection arrangement (RPA) provided by the Department for Education.

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

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**Structure, governance and management (continued)**

**d. Method of recruitment and appointment or election of Trustees**

The first Trustees are those persons named in the statement delivered pursuant to sections 9 and 12 of the Companies Act 2006. Future Trustees shall be appointed or elected, as the case may be, under the Academy Articles.

Trustees are nominated and appointed by the Board of Trustees, with appointments being agreed by Members. Recommendations are made by the CEO or Chair of Trustees for interested professionals who will subscribe to the Mission and Vision of the Flagship Learning Trust, i.e. making a difference to the lives of all children. CVs/Profiles are submitted to the Trustees for consideration. If the Board considers the candidate suitable, the appointment is ratified. The Company Secretary will advise Companies House and the ESFA of the appointment.

The total number of Trustees including the Chief Executive Officer if they so choose to act as Trustee under Article 57 who are employees of the Academy Trust shall not exceed one third of the total number of Trustees.

**e. Policies adopted for the induction and training of Trustees**

The training and induction provided for new trustees will depend on their existing experience. All trustees are provided with access to academy documentation on appointment. Ongoing training is provided through the Trust's central team, legal team and other appropriate providers.

The clerk to the Trust will disseminate relevant legal and educational updates regularly. The trustees will undertake an annual skills audit. The audit results provide a clear picture of training requirements. Appropriate internal and external training is organised to strengthen the trustees' skills.

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

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**Structure, governance and management (continued)**

**f. Organisational structure**

The trust is governed by the Board of Trustees, whose members are directors of the charitable company for the purposes of the Companies Act 2006, trustees for the purposes of charity legislation and governors of the academy trust. The organisational structure of the trust consists of four levels: Members, Board of Trustees, Local Governing Body and the Senior Leadership Team. The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels.

The Members oversee the achievement of the objectives of the company, take part in annual and extraordinary general meetings, and have the power to ultimately to remove the trustees.

The Board of Trustees is responsible for setting key policies and the strategic direction of the trust. The Trustees are responsible for holding school leaders to account and driving forward improvements in performance, attainment and progress.

Local Governing Bodies are the local leaders of the trust. The Board of Trustees has established a Local Governing Body for the current academy, with a view to implementation for any subsequent Academies who join the Academy Trust. Its role is to exercise leadership on behalf of the trust in the running of each individual academy. In line with the overall vision, strategy, ethos and broad policy framework of the trust the Local Governing Body sets the direction for each academy, acts as a critical friend and holds leaders to account for the pace and rate of improvement, the achievement of all students, and meets the needs of parents and the wider local community.

The Trust Board will appoint the majority of Governors and the Chair of each Local Governing Body. Parents elect parent Governors and the staff in each academy elects staff Governors.

The Chief Executive is also the Accounting Officer. The Accounting Officer has the responsibility for financial and administrative matters and is personally responsible to the Board of Trustees for Regularity (dealing with all items of income and expenditure in accordance with legislation and any applicable delegated authority), propriety (operating appropriate standards of conduct, behaviour and corporate governance including fairness, integrity, avoidance of conflict of interest, even-handedness and open competition) and value for money (efficient and effective use of available resources, avoidance of waste and extravagance, prudent and economical administration of the financial affairs of the academy including the day to day organisation, staffing and management of the academy).

The Chief Financial Officer is responsible for the maintenance of effective systems of internal financial control including the development of appropriate financial regulations to control, disburse and monitor academy trust funds. The management of financial processes including the buying and ordering of academy trust supplies and services to ensure value for money is achieved; the management of the academy trusts financial position at a strategic and operational level, including the development of an annual budget and forecasts for future years as part of the academy trust's three-year plan.

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

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**Structure, governance and management (continued)**

**g. Arrangements for setting pay and remuneration of key management personnel**

The Trust Board approves pay policies for all employees annually. Pay recommendations for the Chief Executive are approved by the board.

Performance management reviews are conducted by the chief executive, or delegated, via the Scheme of Delegation, annually for the senior management personnel.

The Trust has a process of annual performance review, appraisal, for all staff. Pay is linked to the outcome of the appraisals to the level indicated on the teaching and support staff contracts and terms and conditions.

**h. Related parties and other connected charities and organisations**

The Trust is presently made up of one academy and does not formally work with any other organisations but is developing links with other schools, academies, colleges and other businesses where these partnerships assist in the Trust's objectives.

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

The Trust is committed to ensuring equality of opportunity for all who learn and work here. We respect and value positive differences in race, gender, sexual orientation, ability, class and age. We strive vigorously to remove conditions which place people at a disadvantage and we actively combat bigotry.

The Trust considers all application forms from disabled persons, bearing in mind the aptitudes of the individuals concerned. Where an existing employee becomes disabled, every effort is made to ensure that employment with the Trust continues. The Trust's policy is to provide training, career development and opportunities for promotion, which are, as far as possible, identical to those for other employees.

The Trust works with employee trade unions and professional associations across all our academies and engages in consultation, as required to ensure that all aspects of the Charitable Company affecting its employees, including financial and economic factor, is discussed, conveyed and consulted on with them.

**Objectives and activities**

The Trust's principal activities are to advance for the public benefit education in the United Kingdom. Additionally, the trust promotes for the benefit of the inhabitants of the areas in which the main academy school is situated, 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 the said inhabitants.

The Trust focus for the period was the development of the central team, supporting the academy during the Covid-19 pandemic, development of trust policies and achieving good Key Stage 4 outcomes for the Trust students.

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

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**Objectives and activities (continued)**

**a. Objects and aims**

The principal object and activity of the trust is to advance education in the UK for the public benefit, in particular by establishing, maintaining, carrying on, managing and developing its academies, offering a broad curriculum. The Flagship Learning Trust is fully committed to inspiring its students to achieve academic excellence, good character and resilience. This will enable our students to be instrumental in contributing to and shaping British Society in an internationally competitive world.

**b. Our Vision**

The aim of the Flagship Learning Trust is to improve the academic performance and physical, social and emotional well-being of the students attending our Trust schools. The Trust aims to **inspire** every student to **believe** in themselves in order to **achieve**.

The main aims of the Trust are:

- To ensure that leadership and management at all levels focus on ensuring all students have the learning environment, culture and resources to achieve their full potential. This will be achieved through a clear set of principles that underpin all we do. There will be the opportunity for all leaders to engage in continuous professional development that will enable them to gain a wide range of leadership skills and be self-reflective practitioners.
- To ensure that the curriculum provides all students with a broad range of opportunities that allows them to have the right qualification for further education and employment. It should ensure that the curriculum and extra curriculum opportunities develop the spiritual, moral, social and cultural development of all students.
- To develop teaching and learning that is creative, engaging and inspiring for all students, The learning experience for all students should enable them to acquire knowledge and develop the learning skills for life-long learning and employability.
- To develop a pastoral system across the trust that provides students with a secure and supportive place to learn and develop. It should focus on the needs of the individuals and allow for students to express themselves as unique individuals whilst upholding the core values of the trust.

**c. Public benefit**

The Academy Trust Board have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers or duties.

**Strategic report**

**Achievements and performance**

The academy school converted on 1 November 2019 and there have been no Ofsted judgements over the period since conversion.

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

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**Strategic report (continued)**

**Achievements and performance (continued)**

**a. Key performance indicators**

GCSE Results for the summer of 2020 are provided in the table below. Due to the Covid pandemic, the DfE confirmed prior to the August 2020 GCSE results day that results would not be published. A college Attainment 8 score of 52.76 is above national average. In addition, the percentages of pupils achieving the Basics standards of 5+ and 4+ in English and Maths are both above national average and are evidence of the continuee excellent outcomes that the college and Trust are delivering.

School	Y11 Cohort	Progress 8	Attainment 8	English & Maths 5+	English and Maths 4+	EBacc APS
Wright Robinson College	353	n/a	52.76	54.40%	77.60%	4.77

**Progress 8:** Progress 8 is calculated as the average of students' Progress 8 scores across 8 subjects, to give an indication of whether, as a group, students in the school made above or below average progress compared to similar students in other schools. A score of 0.0 is exactly expected progress compared to national benchmarks.

**Attainment 8:** A school attainment 8 score is the average achievement (point scores) of students across 8 qualifications.

**English and Maths 5+:** Indicates the percentage of students who achieved a grade 5 or above in both English and Maths.

**English and Maths 4+:** Indicates the percentage of students who achieved a grade 4 or above in both English and Maths.

**EBacc APS:** The average points that students achieved across their EBacc subjects.

**Attendance**

Due to the Covid Pandemic and National Lockdown of 20 March 2020 the attendance has been provided for Half Terms 1-3.

Period: 02/09/2019 to 14/02/2020

Group	% Attendance
Year 7	97.3
Year 8	96.5
Year 9	96.2
Year 10	96.2
<b>Totals</b>	<b>96.5</b>

The college remains above National Average for attendance for the 8th consecutive year.

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**TRUSTEES' REPORT (CONTINUED)**  
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**Strategic report (continued)**

**Achievements and performance (continued)**

**b. 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 given the level of free reserves which provide sufficient headroom for the Trust. For this reason, it continues to adopt the going concern basis in preparing these financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

**Financial review**

**a. Results for the period**

The majority of the Trust's income is obtained from the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the period ended 31 August 2020 and the associated expenditure are shown as restricted funds in the statement of financial activities.

Expenditure for the Trust is typical for the education sector with the main area of expenditure being staffing costs.

During the period ended 31 August 2020, total expenditure of £10,638,784 was covered by recurrent grant funding together with other incoming resources. The excess of income over expenditure for the period (excluding restricted fixed asset funds & pension deficits) was £2,019,449.

The deficits in the Local Government Pension Scheme (GMPF) which were inherited on conversion in November 2019 are recognised on the balance sheet in accordance with the provisions of FRS 102.

**Land and Buildings**

The leasehold for the land and buildings at Wright Robinson College are occupied under a 125-year lease from the local Authority. As a PFI school at the end of the 25-year PFI term the Trust will be given the Freehold of the land and buildings. This will transfer on 22 April 2032.

Fixed assets held by the Trust outside of the PFI totalled £266,689 and have been included in the balance sheet, of which £8,000 was obtained on conversion.

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

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**b. Reserves policy**

The policy of the trust is to carry forward a prudent level of resources designed to meet the long-term cyclical needs of renewal and any other unforeseen contingencies. As the current school under the Trust is a PFI, the renewal costs in relation to the building are covered through the Project Agreement under a lifecycle agreement except for accepted and additional assets.

All individual academies currently and going forward are expected to produce at least breakeven budgets each year. The current forecast for the next three years, based on our current delivery model, shows an overall surplus position for 20/21, 21/22 and 22/23.

The reserves of the academy are broken down into Fixed Asset Reserves (restricted), Unrestricted Reserves (free reserves); Restricted General Reserves and the Pension reserves.

Total funds are a deficit of £3.35m, caused by the pension deficit of £5.6m. Fixed asset reserves total £267k.

Combined Reserves

The combined reserves of the trust for restricted income funds and unrestricted income funds (excluding pension deficits) are £2.0m.

The Trust is committed to ensuring that the reserves held give a buffer to safeguard for any unforeseen conditions and sustain the Trusts' effective delivery model. The reserves will be monitored on an annual basis as part of the budget planning process and a formal target range or level is currently being considered.

The Trust has a target level of free reserves of £750k. This is to cover at least one month's payroll and/or any unforeseeable situations. The Trustees consider this to be appropriate due to the funding model of the Trust with the majority of funding received from the Government on a monthly basis.

Forecasts indicate that the reserves needed over the next three years will reduce our current free reserves position to our target level. This is due to current Academy within the Trust being at capacity for pupils, and known staffing cost increases and annual increases in the PFI charges.

The pension deficit reserve of £5.6m represents an inherited deficit on conversion in respect of the Local Government Pension Scheme (GMPF). The trust does not have an obligation to settle the full liability immediately and there are no indications that it will crystallise in the foreseeable future. In addition in July 2013, the Department for Education gave a guarantee concerning LGPS liabilities if an academy were to close.

**c. Investment Policy**

A formal investment policy has not yet been adopted by the Flagship Learning Trust, however the Trust is looking to adopt a policy in Spring 2021.

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

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**d. Principal risks and uncertainties**

The Trustees have assessed the major risks to which the Trust is exposed, in particular those relating to teaching, provision of facilities and other operational areas of the Trust, and its finances. The key risks have been categorised with four broad headings

- Student/parent experience: for example, risks associated with student attainment/ progression/quality of teaching and learning.
- Sustainability: for example, uncertainty in future funding levels, ability to recruit appropriately skilled staff, potential changes in pension deficit due to the demographic risks, mortality and market conditions.
- Regulatory legal: for example, risks associated with potential failure to comply with legislation, including health and safety legislation.
- Market/reputational: for example, risks which may be associated with the Trust receiving negative reports through the media e.g. safeguarding issue reported in the media.

The Trustees have implemented a number of systems to assess risks that the Trust faces, especially in the operational areas (e.g. in relation to teaching and health and safety) and in relation to the control of finance. There are systems in place to minimise risks, including operational procedures (e.g. vetting of new staff and visitors, supervision of school grounds) and internal financial controls. The risks are formally reviewed by the Audit and Risk Committee and trustees termly. Where significant financial risk still remains the trustees have ensured they have adequate insurance cover.

The internal financial systems are based on the Academies Financial Handbook and are documented in the academy trust's manual of financial procedures. The systems are based on a framework of segregation of duties, schemes of delegation which include authorisation and approval. Financial management information is provided to the Chief Executive Officer on a regular basis and the Board of Trustees on a termly basis.

**Fundraising**

The Trust has not undertaken any fundraising activities to generate income for the Trust nor worked with any commercial participators/professional fundraisers.

**Plans for future periods**

Flagship Learning Trust will continue to work to enhance the educational outcomes of students. Improving the life chances of the students is central to the strategic direction of the academy trust.

The Trust aims to provide the highest educational opportunities for all children as well as providing professional development for all teaching and support staff so that each academy continues to be self-developing and self-supporting in the future.

**Disclosure of information to auditor**

Insofar as the Trustees are aware:

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

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

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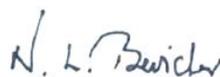
**Auditor**

As this was the first period of account, Crowe U.K. LLP were appointed. Crowe U.K. LLP has indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditor at a meeting of the Trustees.

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 18 January 2021 and signed on its behalf by:



**J Larrigan**  
Chair of Trustees



**N Beischer**  
Accounting Officer

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**FLAGSHIP LEARNING TRUST**  
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**GOVERNANCE STATEMENT**

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**Scope of responsibility**

As Trustees, we acknowledge we have overall responsibility for ensuring that Flagship 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.

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

The Board of Trustees has delegated the day-to-day responsibility to the Chief Executive, 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 Flagship 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 supplements that described in the Trustees' report and in the statement of trustees' responsibilities. The Board of Trustees has formally met 5 times during the period.

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

Trustee	Meetings attended	Out of a possible
J Larrigan, Chair	5	5
N Beischer, Chief Executive	5	5
C Bicknell	4	5
C Brierley	5	5
A Chicken	5	5
R Foakes	0	0
M Haworth, Head Teacher	5	5
R Redmond	3	5

The trustees acknowledge their responsibility to ensure the trust has an effective system to evaluate and monitor the trustees' governance. This included completing the Trust's first financial management and governance self-assessment in December 2019, the outcomes of which were also reported to the Education Funding Agency. At the time of the review, several actions were outstanding, due to the Trust's recent conversion; however these have since been rectified during 2021.

The CFO conducts a monthly meeting with the Chair of the Trust Board, prior to updating the full Trust Board termly, as a minimum.

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**FLAGSHIP LEARNING TRUST**  
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**GOVERNANCE STATEMENT (CONTINUED)**

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**Review of value for money**

As accounting officer, the Chief Executive 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 Academy Trust's use of its resources has provided good value for money during each academic year, and reports to the Board of Trustees where value for money can be improved, including the use of benchmarking data where appropriate. The accounting officer for the Academy Trust has delivered improved value for money during the period by:

- Changing the Broadband contract to a reduced rate, but higher functionality.
- Engaged with the government scheme, under Tablet Academy, to source reduced cost laptops on an old equipment exchange scheme in order to facilitate remote learning.
- Purchasing the IRIS platform to support teacher CPD.
- Purchasing of the National College online CPD platform at an annual cost of £750 to replace the Virtual College platform at an annual cost of £3,450.

**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 Flagship Learning Trust for the period 1 November 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements.

**Capacity to handle risk**

Upon incorporation, the risks were identified and the key risks to which the academy is exposed together with the operating, financial and compliance controls have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period 1 November 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

**The risk and control framework**

The 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 of Trustees
- regular reviews by the Trust of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes
- delegation of authority and segregation of duties
- clearly defined purchasing (asset purchase or capital investment) guidelines
- identification and management of risks

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**GOVERNANCE STATEMENT (CONTINUED)**

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**The risk and control framework (continued)**

The Board of Trustees is considering the need for a specific internal audit function, however this has been delayed due to the Covid pandemic. The CEO and CFO are working to appoint a responsible officer in early 2021 to undertake this function.

It is envisaged, subject to Board ratification, that the responsible officer's role will include giving advice on financial matters and performing a range of checks on the academy trust's financial systems. In particular, the checks carried out in the current period included:

- Bank & Corporate Card Reconciliations
- Payroll & HR
- Income
- Budgetary control and accuracy of management accounting information

The officer will report to the board of trustees, through the risk and audit committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

**Review of effectiveness**

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

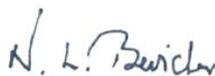
- the work of the external auditor;
- the financial management and governance self-assessment process;
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the Board of Trustees on 18 January 2021 and signed on their behalf by:



**J Larrigan**  
Chair of Trustees



**N Beischer**  
Accounting Officer

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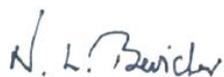
**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

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As accounting officer of Flagship Learning Trust I have considered my responsibility to notify the Academy Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy, under the funding agreement in place between the Academy and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2019.

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

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



**Mr N Beischer**  
Accounting Officer  
Date: 18 January 2021

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**FLAGSHIP LEARNING TRUST**  
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**STATEMENT OF TRUSTEES' RESPONSIBILITIES**  
**FOR THE PERIOD ENDED 31 AUGUST 2020**

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the Board of Trustees on 18 January 2021 and signed on its behalf by:



**J Larrigan**  
Chair of Trustees

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**FLAGSHIP LEARNING TRUST**  
**(A company limited by guarantee)**

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

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**Opinion**

We have audited the financial statements of Flagship Learning Trust (the 'academy') for the period ended 31 August 2020 which comprise the Statement of financial activities, the balance sheet, the statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

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

**Basis for opinion**

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

**Conclusions relating to going concern**

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

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

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**FLAGSHIP LEARNING TRUST**  
**(A company limited by guarantee)**

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**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
FLAGSHIP LEARNING TRUST (CONTINUED)**

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**Other information**

The Trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Other information includes the Reference and administrative details, the Trustees' report including the Strategic report, and the Governance statement. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

**Opinion on other matters prescribed by the Companies Act 2006**

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

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

**Matters on which we are required to report by exception**

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

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

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

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**FLAGSHIP LEARNING TRUST**  
**(A company limited by guarantee)**

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**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
FLAGSHIP LEARNING TRUST (CONTINUED)**

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**Responsibilities of trustees**

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

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

**Auditor's responsibilities for the audit of the financial statements**

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

**Use of our report**

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

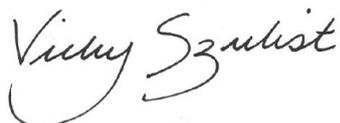
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**FLAGSHIP LEARNING TRUST**  
**(A company limited by guarantee)**

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**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
FLAGSHIP LEARNING TRUST (CONTINUED)**

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**Vicky Szulist (senior statutory auditor)**

for and on behalf of

**Crowe U.K. LLP**

Statutory Auditor

3rd floor

The Lexicon

Mount Street

Manchester

M2 5NT

25th January 2021

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**FLAGSHIP LEARNING TRUST**  
**(A company limited by guarantee)**

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

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In accordance with the terms of our engagement letter dated 9 October 2020 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Flagship Learning Trust during the period 1 November 2019 to 31 August 2020 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

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

The accounting officer is responsible, under the requirements of Flagship Learning Trust's funding agreement with the Secretary of State for Education dated 24 October 2019 and the Academies Financial Handbook, extant from 1 September 2019, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2019 to 2020. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 November 2019 to 31 August 2020 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

**Approach**

We conducted our engagement in accordance with the Academies Accounts Direction 2019 to 2020 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

**Conclusion**

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the period 1 November 2019 to 31 August 2020 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

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**FLAGSHIP LEARNING TRUST**  
**(A company limited by guarantee)**

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

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*Crowe UK LLP*

Reporting Accountant  
**Crowe U.K. LLP**

Statutory Auditor

Date: 25th January 2021

**FLAGSHIP LEARNING TRUST**  
(A company limited by guarantee)

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

	Note	Unrestricted funds period ended 31 August 2020 £	Restricted funds period ended 31 August 2020 £	Restricted fixed asset funds period ended 31 August 2020 £	Total funds period ended 31 August 2020 £	Total funds 31 October 2019 £
<b>Income from:</b>						
Donations and capital grants	4	-	-	34,443	34,443	-
Charitable activities		12,137	10,805,563	-	10,817,700	-
Other trading activities		290,627	-	-	290,627	-
<b>Total income</b>		<b>302,764</b>	<b>10,805,563</b>	<b>34,443</b>	<b>11,142,770</b>	<b>-</b>
<b>Expenditure on:</b>						
Charitable activities:	8					
Educational operations		-	11,042,784	70,732	11,113,516	-
Deficit on conversion		(1,844,883)	3,727,000	(8,000)	1,874,117	-
<b>Total expenditure</b>		<b>(1,844,883)</b>	<b>14,769,784</b>	<b>62,732</b>	<b>12,987,633</b>	<b>-</b>
<b>Net income/(expenditure)</b>		<b>2,147,647</b>	<b>(3,964,221)</b>	<b>(28,289)</b>	<b>(1,844,863)</b>	<b>-</b>
Transfers between funds	18	(294,978)	-	294,978	-	-
<b>Net movement in funds before other recognised gains/(losses)</b>		<b>1,852,669</b>	<b>(3,964,221)</b>	<b>266,689</b>	<b>(1,844,863)</b>	<b>-</b>
<b>Other recognised gains/(losses):</b>						
Actuarial losses on defined benefit pension schemes	25	-	(1,502,000)	-	(1,502,000)	-
<b>Net movement in funds</b>		<b>1,852,669</b>	<b>(5,466,221)</b>	<b>266,689</b>	<b>(3,346,863)</b>	<b>-</b>
<b>Reconciliation of funds:</b>						
Net movement in funds		1,852,669	(5,466,221)	266,689	(3,346,863)	-
<b>Total funds carried forward</b>		<b>1,852,669</b>	<b>(5,466,221)</b>	<b>266,689</b>	<b>(3,346,863)</b>	<b>-</b>

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**FLAGSHIP LEARNING TRUST**  
**(A company limited by guarantee)**

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

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

The notes on pages 28 to 49 form part of these financial statements.

**FLAGSHIP LEARNING TRUST**  
**(A company limited by guarantee)**  
**REGISTERED NUMBER: 11683714**

**BALANCE SHEET**  
**AS AT 31 AUGUST 2020**

	Note	2020 £	2019 £
<b>Fixed assets</b>			
Tangible assets	14	266,689	-
		<u>266,689</u>	<u>-</u>
<b>Current assets</b>			
Debtors	15	223,623	-
Cash at bank and in hand		2,623,416	-
		<u>2,847,039</u>	<u>-</u>
Creditors: amounts falling due within one year	16	(827,591)	-
		<u>2,019,448</u>	<u>-</u>
<b>Net current assets</b>			
		<u>2,286,137</u>	<u>-</u>
<b>Total assets less current liabilities</b>			
<b>Net assets excluding pension liability / asset</b>			
		<u>2,286,137</u>	<u>-</u>
Defined benefit pension scheme liability / asset	25	(5,633,000)	-
		<u>(3,346,863)</u>	<u>-</u>
<b>Total net assets/(liabilities)</b>			
		<u><u>(3,346,863)</u></u>	<u><u>-</u></u>
<b>Funds of the Academy</b>			
<b>Restricted funds:</b>			
Fixed asset funds	18	266,689	-
Restricted income funds	18	166,779	-
		<u>433,468</u>	<u>-</u>
Restricted funds excluding pension asset	18	433,468	-
Pension reserve	18	(5,633,000)	-
		<u>(5,199,532)</u>	<u>-</u>
<b>Total restricted funds</b>			
<b>Unrestricted income funds</b>	18	1,852,669	-
		<u>1,852,669</u>	<u>-</u>
<b>Total funds</b>			
		<u><u>(3,346,863)</u></u>	<u><u>-</u></u>

The financial statements on pages 23 to 49 were approved by the Trustees, and authorised for issue on 18 January 2021 and are signed on their behalf, by:

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**FLAGSHIP LEARNING TRUST**  
**(A company limited by guarantee)**  
**REGISTERED NUMBER: 11683714**

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**BALANCE SHEET (CONTINUED)**  
**AS AT 31 AUGUST 2020**

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**J Larrigan**

The notes on pages 28 to 49 form part of these financial statements.

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**FLAGSHIP LEARNING TRUST**  
**(A company limited by guarantee)**

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**STATEMENT OF CASH FLOWS**  
**FOR THE PERIOD ENDED 31 AUGUST 2020**

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	<b>Note</b>	<b>period ended 31 August 2020 £</b>	<i>31 October 2019 £</i>
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	20	<b>2,883,951</b>	-
<b>Cash flows from investing activities</b>			
Cash flows from investing activities	21	<b>(260,535)</b>	-
<b>Change in cash and cash equivalents in the period</b>		<b>2,623,416</b>	-
<b>Cash and cash equivalents at the end of the period</b>	22, 23	<b>2,623,416</b>	-

The notes on pages 28 to 49 form part of these financial statements

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**FLAGSHIP LEARNING TRUST**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 AUGUST 2020**

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**1. General information**

Flagship Learning Trust is a private company limited by guarantee, incorporated in England and Wales. Further information regarding the entity can be found on the 'Reference and Administrative Details' page.

**2. Accounting policies**

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

**2.1 Basis of preparation of financial statements**

The financial statements of the Academy, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2019 to 2020 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

This is the Trust's first period of active account and to fall into line with ESFA regulations, the period was 10 months to 31 August 2020 with the Trust receiving it's first Academy on 1 November 2020.

**2.2 Going concern**

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

As detailed in the Trustees' Report , the nature of the Trust's funding and the level of free reserves mean that the Trustees are confident that there is sufficient headroom given the cost base of the Trust.

Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

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**FLAGSHIP LEARNING TRUST**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 AUGUST 2020**

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**2. Accounting policies (continued)**

**2.3 Income**

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

• **Grants**

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

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

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

• **Transfer on conversion**

Where assets and liabilities are received by the Academy on conversion to an academy, the transferred assets are measured at fair value and recognised in the balance sheet at the point when the risks and rewards of ownership pass to the Academy. An equal amount of income is recognised as a transfer on conversion within 'Income from Donations and Capital Grants' to the net assets received.

**2.4 Expenditure**

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

• **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

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**FLAGSHIP LEARNING TRUST**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 AUGUST 2020**

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**2. Accounting policies (continued)**

**2.5 Tangible fixed assets**

Assets costing £2,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

Depreciation is provided on the following basis:

Land	-	not depreciated
Long-term leasehold property	-	2%
Computer equipment	-	25%

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.

**2.6 Debtors**

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

**2.7 Cash at bank and in hand**

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

**2.8 Liabilities**

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

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**FLAGSHIP LEARNING TRUST**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 AUGUST 2020**

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**2. Accounting policies (continued)**

**2.9 Financial instruments**

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

*Financial assets* - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 15. Prepayments are not financial instruments.

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

*Financial liabilities* - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 16. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

**2.10 Operating leases**

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

**2.11 Pensions**

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

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

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

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

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**FLAGSHIP LEARNING TRUST**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 AUGUST 2020**

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**2. Accounting policies (continued)**

**2.12 Conversion to an academy trust**

The conversion from a state maintained school to an Academy involved the transfer of identifiable assets and liabilities and the operation of the school for £NIL consideration. The substance of the transfer is that of a gift and it has been accounted for on that basis as set out below.

The assets and liabilities transferred on conversion from [name of predecessor school] to the Academy have been valued at their fair value. The fair value has been derived based on that of equivalent items. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in Income from Donations and Capital Grants in the statement of financial activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds.

Further details of the transaction are set out in note 24.

**2.13 Fund accounting**

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

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

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

**3. Critical accounting estimates and areas of judgment**

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 25, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

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**4. Income from donations and capital grants**

	<b>Restricted fixed asset funds period ended 31 August 2020 £</b>	<b>Total funds period ended 31 August 2020 £</b>
Grants	34,443	<b>34,443</b>

**5. Funding for the Academy's educational operations**

	<b>Unrestricted funds period ended 31 August 2020 £</b>	<b>Restricted funds period ended 31 August 2020 £</b>	<b>Total funds period ended 31 August 2020 £</b>
<b>DfE/ESFA grants</b>			
General Annual Grant (GAG)	-	9,103,052	<b>9,103,052</b>
Other DfE/ESFA grants	-	1,471,938	<b>1,471,938</b>
	-	10,574,990	<b>10,574,990</b>
<b>Other Government Grants</b>			
Local authority grants	-	143,635	<b>143,635</b>
Coronavirus Job Retention Scheme grant	-	86,938	<b>86,938</b>
	-	230,573	<b>230,573</b>
<b>Other Funding</b>			
Other funding	12,137	-	<b>12,137</b>
	12,137	-	<b>12,137</b>
<b>Total 2020</b>	<b>12,137</b>	<b>10,805,563</b>	<b>10,817,700</b>

The academy furloughed some of its leisure centre staff under the government's CJRS. The funding received of £87k relates to staff costs in respect of 18 staff which are included within the staff costs note.

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**6. Income from other trading activities**

	<b>Unrestricted funds period ended 31 August 2020 £</b>	<b>Total funds period ended 31 August 2020 £</b>
Leisure Centre Activities	290,627	<b>290,627</b>

**7. Expenditure**

	<b>Staff Costs period ended 31 August 2020 £</b>	<b>Premises period ended 31 August 2020 £</b>	<b>Other period ended 31 August 2020 £</b>	<b>Total period ended 31 August 2020 £</b>
Educational Operations:				
Direct costs	6,422,061	-	1,331,782	<b>7,753,843</b>
Allocated support costs	1,339,968	283,289	3,610,533	<b>5,233,790</b>
<b>Total 2020</b>	<b>7,762,029</b>	<b>283,289</b>	<b>4,942,315</b>	<b>12,987,633</b>

**8. Analysis of expenditure on charitable activities**

**Summary by fund type**

	<b>Unrestricted funds period ended 31 August 2020 £</b>	<b>Restricted funds period ended 31 August 2020 £</b>	<b>Total funds period ended 31 August 2020 £</b>
Educational Operations	(1,844,883)	14,832,516	<b>12,987,633</b>

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**9. Analysis of expenditure by activities**

	<b>Activities undertaken directly period ended 31 August 2020 £</b>	<b>Support costs period ended 31 August 2020 £</b>	<b>Total funds period ended 31 August 2020 £</b>
Educational Operations	7,753,843	5,233,790	<b>12,987,633</b>

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**9. Analysis of expenditure by activities (continued)**

**Analysis of support costs**

	<b>Total funds period ended 31 August 2020 £</b>
Staff costs	1,339,968
Depreciation	36,289
Educational supplies	9,077
Insurance	27,375
Other support costs	1,901,042
Professional fees	15,476
Legal fees	11,624
Governance costs	18,822
Transfer in of deficit/(surplus)	1,874,117
<b>Total 2020</b>	<b>5,233,790</b>

**10. Net income/(expenditure)**

Net income/(expenditure) for the period includes:

	<b>2020 £</b>	<b>2019 £</b>
Operating lease rentals	7,787	-
Depreciation of tangible fixed assets	31,727	-
Fees paid to auditor for:		
- audit	14,000	-
- other services	4,300	-
	<b>58,814</b>	<b>-</b>

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**11. Staff**

**a. Staff costs**

Staff costs during the period were as follows:

	<b>period ended 31 August 2020 £</b>	<i>31 October 2019 £</i>
Wages and salaries	5,460,471	-
Social security costs	544,362	-
Pension costs	1,659,394	-
	<u>7,664,227</u>	<u>-</u>
Agency staff costs	97,802	-
	<u>7,762,029</u>	<u>-</u>

**b. Staff numbers**

The average number of persons employed by the Academy during the period was as follows:

	<b>period ended No. 2020 No.</b>	<i>31 October 2019 No.</i>
Teachers	104	-
Educational Support	53	-
Admin & Clerical	14	-
Community	21	-
	<u>192</u>	<u>-</u>

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**11. Staff (continued)**

**c. Higher paid staff**

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

	<b>period ended 31 August 2020 No.</b>	<i>31 October 2019 No.</i>
In the band £60,001 - £70,000	<b>1</b>	-
In the band £70,001 - £80,000	<b>2</b>	-
In the band £80,001 - £90,000	<b>1</b>	-
In the band £100,001 - £110,000	<b>1</b>	-
In the band £120,001 - £130,000	<b>1</b>	-
In the band £130,001 - £140,000	<b>1</b>	-
In the band £140,001 - £150,000	<b>1</b>	-

The numbers included above are based on annualised salaries.

**d. Key management personnel**

The key management personnel of the Academy comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy was £418,945.

**12. Trustees' remuneration and expenses**

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

		<b>period ended 31 August 2020 £</b>	<i>31 October 2019 £</i>
N Beischer, Chief Executive (appointed 3 February 2020)	Remuneration	<b>110,000 - 115,000</b>	-
	Pension contributions paid	<b>0 - 5,000</b>	-
	Other benefits	<b>0 - 5,000</b>	-
M Haworth, Head Teacher (appointed 4 February 2020)	Remuneration	<b>155,000 - 160,000</b>	-

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**12. Trustees' remuneration and expenses (continued)**

Pension contributions paid	<b>35,000 - 40,000</b>
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The Trustee above received remuneration for their role as Chief Executive Officer of the Academy. None of the Academies Trustees' received remuneration or benefits for their role as Trustees.

During the period ended 31 August 2020, expenses totalling £547 were reimbursed or paid directly to 1 Trustee.

**13. Trustees' and Officers' insurance**

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

**14. Tangible fixed assets**

	Land £	Long-term leasehold property £	Computer equipment £	Total £
<b>Cost or valuation</b>				
Additions	8,000	34,739	260,239	302,978
At 31 August 2020	8,000	34,739	260,239	302,978
<b>Depreciation</b>				
Charge for the period	-	4,967	31,322	36,289
At 31 August 2020	-	4,967	31,322	36,289
<b>Net book value</b>				
At 31 August 2020	8,000	29,772	228,917	266,689
At 31 October 2019	-	-	-	-

Land to the value of £8,000 was obtained on the conversion of the predecessor school to an Academy. The valuation was carried out by the management of the Trust.

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**15. Debtors**

	2020 £	2019 £
<b>Due within one year</b>		
Trade debtors	33,779	-
Other debtors	189,844	-
	223,623	-

**16. Creditors: Amounts falling due within one year**

	2020 £	2019 £
Trade creditors	33,145	-
Other taxation and social security	168,362	-
Other creditors	508,504	-
Accruals and deferred income	117,580	-
	827,591	-

**17. Financial instruments**

	2020 £	2019 £
<b>Financial assets</b>		
Financial assets measured at amortised cost	2,552,555	-
	2020 £	2019 £
<b>Financial liabilities</b>		
Financial liabilities measured at amortised cost	541,649	-

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

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

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**18. Statement of funds**

	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
<b>Unrestricted funds</b>					
General Funds	302,764	1,844,883	(294,978)	-	1,852,669
<b>Restricted general funds</b>					
General Annual Grant (GAG)	9,120,152	(8,953,373)	-	-	166,779
Pupil Premium	806,045	(806,045)	-	-	-
Other DfE / ESFA Grants	533,381	(533,381)	-	-	-
LA Growth Fund	143,635	(143,635)	-	-	-
Other Government Grants	86,938	(86,938)	-	-	-
Rates relief	115,412	(115,412)	-	-	-
Pension reserve	-	(4,131,000)	-	(1,502,000)	(5,633,000)
	<u>10,805,563</u>	<u>(14,769,784)</u>	<u>-</u>	<u>(1,502,000)</u>	<u>(5,466,221)</u>
<b>Restricted fixed asset funds</b>					
Devolved Formula Capital	34,443	(34,443)	-	-	-
Capital Expenditure from GAG	-	(36,289)	294,978	-	258,689
Land transferred on conversion	-	8,000	-	-	8,000
	<u>34,443</u>	<u>(62,732)</u>	<u>294,978</u>	<u>-</u>	<u>266,689</u>
<b>Total Restricted funds</b>	<u>10,840,006</u>	<u>(14,832,516)</u>	<u>294,978</u>	<u>(1,502,000)</u>	<u>(5,199,532)</u>
<b>Total funds</b>	<u>11,142,770</u>	<u>(12,987,633)</u>	<u>-</u>	<u>(1,502,000)</u>	<u>(3,346,863)</u>

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

**General Annual Grant**

Under the funding agreement with the Secretary of State, the academy trust must be used for the normal running expenses of the School and any amounts carried forward at the end of a financial period must be used in accordance with the terms of the Funding Agreement.

**Other DfE/ESFA Grants**

Comprise additional funding received for the furtherance of education, which must be used in accordance with the specific terms of each grant.

**Other Government Grants**

Comprise additional funding received for the furtherance of education, which must be used in accordance

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**18. Statement of funds (continued)**

with the specific terms of each grant.

The transfers from unrestricted funds to the restricted fixed asset fund relates to the funding used to purchase capital items in the period using unrestricted funds.

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

**19. Analysis of net assets between funds**

**Analysis of net assets between funds - current period**

	<b>Unrestricted funds 2020 £</b>	<b>Restricted funds 2020 £</b>	<b>Restricted fixed asset funds 2020 £</b>	<b>Total funds 2020 £</b>
Tangible fixed assets	-	-	266,689	<b>266,689</b>
Current assets	2,680,260	166,779	-	<b>2,847,039</b>
Creditors due within one year	(827,591)	-	-	<b>(827,591)</b>
Provisions for liabilities and charges	-	(5,633,000)	-	<b>(5,633,000)</b>
<b>Total</b>	<b>1,852,669</b>	<b>(5,466,221)</b>	<b>266,689</b>	<b>(3,346,863)</b>

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

	period ended 2020 £	2019 £
Net (expenditure)/income for the period (as per statement of financial activities)	<b>(1,844,863)</b>	-
<b>Adjustments for:</b>		
Fixed assets gained on conversion	(8,000)	-
Depreciation	36,289	-
Capital grants from DfE and other capital income	(34,443)	-
Defined benefit pension scheme obligation inherited	3,727,000	-
Defined benefit pension scheme cost less contributions payable	336,000	-
Defined benefit pension scheme finance cost	68,000	-
Decrease/(Increase) in debtors	(223,623)	-
(Decrease)/Increase in creditors	827,591	-
<b>Net cash provided by operating activities</b>	<b>2,883,951</b>	-

**21. Cash flows from investing activities**

	2020 £	2019 £
Purchase of tangible fixed assets	(294,978)	-
Capital grants from DfE Group	34,443	-
<b>Net cash (used in)/provided by investing activities</b>	<b>(260,535)</b>	-

**22. Analysis of cash and cash equivalents**

	2020 £	2019 £
Cash in hand	2,623,416	-
<b>Total cash and cash equivalents</b>	<b>2,623,416</b>	-

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**23. Analysis of changes in net debt**

	Cash flows £	At 31 August 2020 £
Cash at bank and in hand	2,623,416	2,623,416
	2,623,416	2,623,416

**24. Conversion to an academy trust**

On 1 November 2019 Wright Robinson College converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Flagship Learning Trust from Manchester City Council for £NIL consideration.

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

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

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
<b>Tangible fixed assets</b>				
Freehold land and buildings	-	-	8,000	<b>8,000</b>
<b>Current assets</b>				
Cash - representing budget surplus on LA funds	1,844,883	-	-	<b>1,844,883</b>
<b>Non-current liabilities</b>				
LGPS	-	(3,727,000)	-	<b>(3,727,000)</b>
<b>Net assets/(liabilities)</b>	1,844,883	(3,727,000)	8,000	<b>(1,874,117)</b>

**25. Pension commitments**

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 Greater Manchester Pension Fund. Both are multi-employer defined benefit schemes.

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**25. Pension commitments (continued)**

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

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

**Teachers' Pension Scheme**

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

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

**Valuation of the Teachers' Pension Scheme**

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

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

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

The employer's pension costs paid to TPS in the period amounted to £934,912.

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

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

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**25. Pension commitments (continued)**

**Local Government Pension Scheme**

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the period ended 31 August 2020 was £429,000, of which employer's contributions totalled £317,000 and employees' contributions totalled £112,000. The agreed contribution rates for future years are 18.5 per cent for employers and a range of percentages for employees.

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

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

**Principal actuarial assumptions**

Greater Manchester Pension Fund

	<b>2020</b>	<i>2019</i>
	%	%
Rate of increase in salaries	<b>3</b>	
Rate of increase for pensions in payment/inflation	<b>2.2</b>	
Discount rate for scheme liabilities	<b>1.7</b>	

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

	<b>2020</b>	<i>2019</i>
	Years	Years
<i>Retiring today</i>		
Males	<b>20.5</b>	
Females	<b>22.0</b>	
<i>Retiring in 20 years</i>		
Males	<b>23.1</b>	
Females	<b>25.0</b>	

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**25. Pension commitments (continued)**

**Sensitivity analysis**

	<b>2020</b>	<i>2019</i>
	<b>£000</b>	<i>£000</i>
Discount rate -0.1%	<b>315</b>	-
CPI rate +0.1%	<b>245</b>	-
	<u><u>          </u></u>	<u><u>          </u></u>

**Share of scheme assets**

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

	<b>period ended 2020</b>	<i>2019</i>
	<b>£</b>	<i>£</i>
Equities	<b>3,040</b>	-
Bonds	<b>716</b>	-
Property	<b>313</b>	-
Cash	<b>402</b>	-
	<u>          </u>	<u>          </u>
<b>Total market value of assets</b>	<b><u><u>4,471</u></u></b>	<b><u><u>-</u></u></b>

The actual return on scheme assets was £76,000.

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

	<b>period ended 2020</b>	<i>2019</i>
	<b>£</b>	<i>£</i>
Current service cost	<b>336,000</b>	-
Interest income	<b>(76,000)</b>	-
Interest cost	<b>144,000</b>	-
	<u>          </u>	<u>          </u>
<b>Total amount recognised in the Statement of financial activities</b>	<b><u><u>404,000</u></u></b>	<b><u><u>-</u></u></b>

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**25. Pension commitments (continued)**

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

	2020 £	2019 £
Conversion of academy trusts	7,852,000	-
Interest cost	144,000	-
Employee contributions	112,000	-
Actuarial losses/(gains)	1,343,000	-
Current service cost	653,000	-
<b>At 31 August</b>	<b>10,104,000</b>	<b>-</b>

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

	2020 £	2019 £
Conversion of academy trusts	4,125,000	-
Interest income	76,000	-
Actuarial (losses)/gains	(159,000)	-
Employee contributions	112,000	-
Employer contributions	317,000	-
<b>At 31 August</b>	<b>4,471,000</b>	<b>-</b>

**26. Operating lease commitments**

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

	2020 £
Not later than 1 year	1,374,325
Later than 1 year and not later than 5 years	5,817,594
Later than 5 years	12,879,711
	<b>20,071,630</b>

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**27. Members' liability**

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

**28. Related party transactions**

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