

Company Registration No. 08339345 (England and Wales)

PARTNERSHIP LEARNING
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2021

PARTNERSHIP LEARNING

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PARTNERSHIP LEARNING

REFERENCE AND ADMINISTRATIVE DETAILS

Members

L Graham (removed 28/04/21)
H Flint
D Singleton (appointed 28/04/21)
D Reedy
J Plush
S Mubashar

Directors

A Lazell
R Leighton (Accounting Officer)
S Mubashar (Chair of Trustees)
P McPartland (OBE)
L Long (Chair of Audit)
A Cameron (Chair of Finance)
D Chandrasekaran (Appointed 18 November 2020)
M Lishomwa (Appointed 18 November 2020 and resigned 27 August 2021)

Senior management team

R Leighton	- Chief Executive
K Sayers	- Director of Operations
L Medlock	- Director of Finance
H Williams	- Director of Educational Standards
M Parvez	- Director of Achievement and Compliance
M Auden	- Director of Assets
M Junnix	- Director of ICT

Company secretary

M Brand

Company registration number

08339345 (England and Wales)

Registered office

Parsloes Avenue
Dagenham
Essex
RM9 5QS
United Kingdom

Academies operated

George Mitchell School
Harrow Lodge Primary School
Southchurch High School
Riverside Bridge School
Riverside Primary School
Eastbury Primary School
Riverside School
The Sydney Russell School
Thames View Junior School
Hornchurch High School
Greatfields School
James Cambell Primary School

Location

Waltham Forest
Havering
Southend
Barking and Dagenham
Havering
Barking and Dagenham
Barking and Dagenham

Headteacher

S Hussain
L Searle
S Reynolds
K Cerri
S Kinnaird
L Shepherd
A Roberts
C Cross
H Williams
V Masson
R Paul
J Wilson

PARTNERSHIP LEARNING

REFERENCE AND ADMINISTRATIVE DETAILS

Independent auditor Azets Audit Services
Greytown House
221-227 High Street
Orpington
Kent
BR6 0NZ
United Kingdom

Bankers Lloyds Bank plc
11 Station Parade
Barking
Essex
IG11 8ED
United Kingdom

Solicitors Browne Jacobson
30 Finsbury Circus
London
EC2M 7DT
United Kingdom

PARTNERSHIP LEARNING

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 AUGUST 2021

The Directors present their annual report together with the accounts and independent auditor's reports of the charitable company for the period 1 September 2020 to 31 August 2021. The annual report serves the purposes of both a governors' report, and a directors' report under company law.

The Trust operates twelve academies serving catchment areas in the London Borough of Barking & Dagenham, the London Borough of Havering, the London Borough of Waltham Forest and the Borough of Southend.

- The Sydney Russell School, 4-18 mainstream all through school
- Riverside School, 11-18 mainstream secondary school
- Thames View Junior School, 7-11 mainstream junior school
- Riverside Bridge School, 4-16 special school
- Riverside Primary School, 4-11 primary school
- Eastbury Primary School, 4-11 primary school
- Hornchurch High School, 11-16 mainstream secondary school
- Greatfields School, 11-18 mainstream secondary school
- James Cambell Primary School, 4-11 primary school
- Harrow Lodge Primary School, 4-11 primary school
- Southchurch High School, 11-16 mainstream secondary modern school
- George Mitchell School, 4-16 mainstream all-through school

Structure, governance and management

Constitution

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust.

The Directors are the trustees of Partnership Learning and are also the directors of the charitable company for the purposes of company law. Details of the Directors who served during the year are included in the Reference and Administrative Details on page 1.

The Partnership Learning Trust was incorporated on 21 December 2012. The company changed its name from The Partnership Learning Trust to Partnership Learning on 4 December 2014.

Members' liability

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

Principal activities

The principal activity of Partnership Learning is to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing, by establishing, maintaining, carrying on, managing and developing schools offering a broad and balanced curriculum ("the mainstream Academies") or educational institutions which are principally concerned with providing full-time or part-time education for children of compulsory school age who, by reason of illness, exclusion from school or otherwise, may not for any period receive suitable education unless alternative provision is made for them ("the alternative provision Academies") or 16 to 19 Academies offering a curriculum appropriate to the needs of its students ("the 16 to 19 Academies") or schools specially organised to make special educational provision for pupils with Special Educational Needs ("the Special Academies").

Directors' indemnities

Directors and Governors liability is covered under the Risk Protection Arrangement with the ESFA.

PARTNERSHIP LEARNING

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Method of recruitment and appointment or election of Directors

Members

The Members of the Academy Trust shall comprise:

- a. the members of the company on the date of the adoption of the articles (23rd June 2016); and
- b. any person appointed under Article 15A – (“The Members may agree by passing a special resolution to appoint such additional Members as they think fit”) - provided that at any time the minimum number of Members shall not be less than three. An employee of the Academy Trust cannot be a Member of the Academy Trust.

Directors/Trustees

The number of Trustees shall be not less than three but (unless otherwise determined by ordinary resolution) shall not be subject to any maximum.

The Academy Trust shall have the following Trustees:

- up to 7 Trustees, appointed under Article 50 (“The Members may appoint by ordinary resolution up to 7 Trustees”);

- any Co-opted Trustee appointed under Article 58 (“The Trustees may appoint Co-opted Trustees. A ‘Co-opted Trustee’ means a person who is appointed to be a Trustee by being Co-opted by Trustees who have not themselves been so appointed. The Trustees may not co-opt an employee of the Academy Trust as a Co-opted Trustee if thereby the number of Trustees who are employees of the Academy Trust would exceed one third of the total number of Trustees including the Chief Executive Officer to the extent he or she is a Trustee.”).

Providing that the Chief Executive Officer agrees so to act, the Members may by ordinary resolution appoint the Chief Executive Officer as a Trustee.

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

The term of office for any Trustee shall be four years, save that this time limit shall not apply to any post which is held ex officio. Subject to remaining eligible to be a particular type of Trustee, any Trustee may be re-appointed or re-elected at an Annual General Meeting.

Policies and procedures adopted for the induction and training of Directors

All new Directors receive an induction. Directors will also be provided with adequate opportunities to undertake and receive suitable training so as to enable them to undertake their role more effectively.

Organisational structure

The structure consists of the following connected elements: the Directors, the Chief Executive, the Local Governing Bodies and the Headteachers.

The Directors are responsible for setting general Trust policy, adopting an annual Trust plan and budget, monitoring the Academies, budget monitoring and making major decisions about the direction of the Academy Trust, capital expenditure and senior staff appointments.

The Chief Executive is the Accounting Officer and is responsible to the Board of Directors for the overall performance of the Trust and its constituent schools.

Local Governing Bodies are responsible for the strategic direction and financial oversight of their schools and holding their Headteacher to account for the performance of the school.

Headteachers are responsible for the overall performance of their schools and meeting the objectives set for them by their Local Governing Body and the Directors.

PARTNERSHIP LEARNING

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Arrangements for setting pay and remuneration of key management personnel

Directors/Trustees receive no pay or remuneration for acting as Directors/Trustees, only approved expenses.

The pay and remuneration of the Chief Executive and Trust central senior management team is set by the Board of Trustees' Personnel and Remuneration Committee, which takes account of market intelligence and benchmarking against similar roles.

The pay and remuneration of Headteachers and senior school staff is set by Local Governing Boards, following the requirements of the School Teachers Pay and Conditions Document.

Engagement with employees

The Trust actively promotes good relations with its recognised trade unions and the CEO meets monthly with local representatives to discuss issues of mutual interest. Headteachers engage regularly with school-based trade union representatives.

The Trust seeks to ensure that every employee, without exception, is treated equally and fairly and that all employees are aware of their obligations under the Equality Act 2010. Our policies and procedures fully support those with disabilities. We encourage and support a wide diversity of applicants at the recruitment stage and all successful candidates undergo a health screening process to objectively advise line managers on workplace adjustments. For those colleagues with existing disabilities or those who become disabled during their time with the partnership, we work with them to make reasonable adjustments to working practices and/or environment in order to keep the employee safe, and effective. We endeavour to ensure that the recruitment, training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

Engagement with suppliers, customers and others in a business relationship with the academy trust

The Trust recognises that as a public service educational provider it needs to engage with its external stakeholders, which include suppliers, service providers and most importantly its parents, children and wider communities, in strict accordance with the Seven Principles of Public Life.

Objectives and activities

Objects and aims

The Principal Guiding Aim is to ensure that each student within the Trust's schools has an equal opportunity to experience a whole curriculum that is balanced, relevant and broadly based and which will promote the intellectual, cultural, moral, spiritual, aesthetic and physical development of the individual to the benefit of his or herself, the school and the wider community.

Vision

The Trust's Vision is to maximise social mobility and personal and community well-being by giving pupils in all its schools the same opportunities as their most favoured peers:

- consistently good teaching;
- schools organised around the aptitude profile and potential of their pupils; and
- wide-ranging enrichment activities to develop confidence, oracy and resilience;

ensuring all pupils achieve the best possible outcomes and successful transitions to further study and working life.

The main objective of Partnership Learning during the year to 31 August 2021 was to continue to develop its role as a Multi-Academy Trust and work towards achieving its vision.

PARTNERSHIP LEARNING

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Public benefit

The Directors have complied with their duty to have due regard to the guidance on public benefit issued by the Charity Commission in exercising their powers and duties. In particular, the Directors consider how planned activities will contribute to the aims and objectives they have set.

Admissions arrangements

Partnership Learning's mainstream schools adhere to the admissions criteria of the London Borough of Barking & Dagenham for its schools based in Barking and Dagenham, to the admissions criteria of the London Borough of Havering for its schools based in Havering, to the admissions criteria of the London Borough of Waltham Forest for its school based in Waltham Forest and to the admissions criteria of the Borough of Southend for its school based in Southend - the main entry criterion in all cases in the event of over subscription being distance from home to school.

For admission to Partnership Learning's Special School (Riverside Bridge School) all applications must come via the EHCP Team of the London Borough of Barking and Dagenham - direct applications to the school are not considered – which ensures that every child has their individual case considered.

Strategic report

Achievements and performance

Partnership Learning has high aspirations for its students and a drive for continuous improvement. The Trust's analysis of examination/test performance is thorough, and much use is made of performance and benchmarking data from a range of sources.

Current pupil assessments show that the Trust's schools are on track to meet their targets in all main achievement measures.

Key performance indicators

Key performance indicators for the Trust include:

Financial:

- Projected in-year surplus/(deficit) as % of projected total income
- Projected End of Year balance as % of projected total income
- Projected staff costs as % of projected total income

Other:

- KS4 and KS2 Progress Score descriptors – aiming for 'Average' or better
- School Ofsted outcomes – aiming for 'Good' or better

Going concern

After making appropriate enquiries, the board of directors has a reasonable expectation that the academy trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, the board of directors continues to adopt the going concern basis in preparing the accounts. Further details regarding the adoption of the going concern basis can be found in the statement of accounting policies.

PARTNERSHIP LEARNING

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Protecting the success of the academy trust

As directors of the charitable company, the Trustees have considered the interests of the Trust and its stakeholders in decision making. Trustees are highly cognisant of their role and the role of the schools in their communities as agents of transformation.

Stakeholders including members of the local community and parents are consulted on specific policy decisions through their involvement in Local Governing Boards.

The Trust Board is robust in its commitment to its own code of conduct and that of its staff. It is aware of the potential for conflicts of interest and puts in place mechanisms to counter these where they apply. The Trustees place a high premium on ethical practice, and making decisions that are right for the communities and children they serve. During the year, this included ensuring appropriate due diligence was conducted around trust capacity before considering the possible addition of a new school to the trust, and overseeing the development of the central team structure.

Financial review

Most of the Academy Trust's income is obtained from the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, some of which are restricted to particular purposes. The grants received from the ESFA during the year ended 31 August 2021 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The Academy Trust also receives grants for fixed assets from the ESFA. In accordance with the Charities Statement of Recommended Practice, 'Accounting and Reporting by Charities' (SORP 2019), such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

During the year ended 31 August 2021, total expenditure of £74,717k (2020: £68,348k) was met by recurrent grant funding from the ESFA together with other incoming resources. The excess of expenditure over income for the year (excluding transfers to restricted fixed asset funds) was £1,751k (2020: £1,971k).

At 31 August 2021 the net book value of fixed assets was £174,529k (2020: £176,264k). Movements in tangible fixed assets are shown in Note 13 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy Trust's schools.

The Local Government Pension Funds, in which the Academy Trust participates, showed a deficit of £20,614k (2020:£15,360k) at 31 August 2021.

The Trust faces a number of principal risks and uncertainties the nature and impact of which are set out on pages 8 and 9. The most significant event that has impacted upon the Trust during 2020/21 is the pandemic, which is discussed in more detail on page 9.

Reserves policy

The Directors review the reserve levels of the Trust annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Directors have determined that the appropriate level of unrestricted funds should be equivalent to 5% of budgeted income, approximately £3,594k (2020: £3,353k).

The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance. The Academy Trust's current level of unrestricted funds of £4,057k (2020: £3,665k) (total funds less the amount held in fixed assets and restricted funds).

The current level of unrestricted balances is above the 5% target and Trustees will keep this under review during the year ahead.

PARTNERSHIP LEARNING

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Investment policy

Under the Memorandum and Articles of Association, the Academy Trust has the power to invest funds not immediately required for its own purposes, in any way the Directors see fit. The organisation has a positive cash balance to cover eventualities and unforeseen expenses. The banking facilities are reviewed on a regular basis.

Financial position

The Academy Trust held fund balances at 31 August 2021 of £159,037k (2020:£165,061k) comprising £154,980k (2020: £161,396k) of restricted funds and £4,057k (2020: £3,665k) of unrestricted general funds. Of the restricted funds £174,529k (2020: £176,264k) is represented by tangible fixed assets, £590k (2020: £891k) unspent DfE capital grants, (£292k) (2020: (£547k)) loans with the local authority and ESFA and £767k (2020: £148k) of general restricted funds.

The pension reserve which is considered part of restricted funds was £20,614k (2020: £15,360k) in deficit.

Principal risks and uncertainties

The Directors have assessed the major risks to which the Academy Trust is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the Academy Trust, and its finances. The Directors have implemented a number of systems to assess risks that its schools face, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and school trips) and in relation to the control of finance. The Directors have introduced systems, including operational procedures and internal financial controls in order to minimise risk. Where significant financial risk still remains they have ensured they have adequate insurance cover. The Academy Trust has an effective system of internal financial controls and this is explained in more detail in the Governance Statement.

The principal risks and uncertainties that Partnership Learning faces are:

1. School inspection/School performance risk: A Trust school receives an Ofsted rating less than Good and/or fails to secure outcomes in line with the expected improvement trajectory.

Mitigation: Directors ensure rigorous monitoring and data collection processes are in place to alert them to any signs of deteriorating standards of achievement in their schools. A team of School Improvement Advisers works with schools to ensure a programme of continuous improvement. The programme consists of support provided centrally from Partnership Learning, school to school support from the Trust's schools and brokered external support if needed. The schools in the Trust work together to raise standards for all pupils in order to ensure they attain the very best outcomes.

2. Individual school or Trust-wide in-year and/or cumulative deficit: Reduced income (usually caused by reduced pupil numbers) and/or increased costs push individual schools or the Trust as a whole into in-year and/or cumulative deficit

Mitigation: Implement Trust growth strategy to benefit from economies of scale. Optimise strategies for pupil recruitment to schools. Continually review expenditure to ensure value for money. Restructure staffing as needed. Review robust monthly management accounts to ensure early identification of any financial risks.

3. Management Letter Risk: Risk of high priority issues being raised in annual Audit Management Letter, affecting the Trust's reputation with the ESFA/DfE

Mitigation: Chief Finance Officer to ensure any items raised in management Letter are resolved before next audit and Internal Auditors to carry out thorough annual review of financial processes and controls to prevent emergence of new or recurring issues.

PARTNERSHIP LEARNING

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Financial and risk management objectives and policies

The financial risks which Partnership Learning is exposed to relate primarily to

- change in government and legislation
- potential of reduced funding and cash flow
- reduction in student numbers

A risk arises in relation to the defined benefit pension scheme, due to the fact that there is a deficit of £20,614k (2020: £15,360k).

COVID19

The COVID19 pandemic has of course had a significant impact on the activities of the Trust. In particular, schools have had to develop and continually update risk mitigation measures, documented in Risk Assessments. These Risk Assessments have been based upon templates produced by local authorities, Public Health England and the Department for Education, to ensure compliance with best practice, and have been subject to on-going consultation with staff and the representatives of the recognised trade unions.

The main impacts for schools have been around staff unavailability for work due to shielding or self-isolation and the requirement for individual pupils or groups of pupils to self-isolate. The implications of staff and students being unavailable to be on site has necessitated the rapid development of remote working and online or blended online/face to face learning.

There have been some additional costs associated with mitigations, but in the main these have either been met by additional special funding from the government or have not been significant enough to impact severely on school budgets. There has also been some loss of income, for instance from lettings of school premises or the provision of Leisure Centre services, but again these have generally been relatively minor or offset by cutting casual staffing levels.

It is difficult to accurately predict the full impact of the measures adopted to mitigate against the effects of the pandemic on pupils. There has clearly been loss of learning during periods of school closure or pupil self-isolation, but schools are doing all they can to make up lost ground through additional catch-up teaching. Staff have been affected most of all through additional workload and potential increased workplace stress, but schools are doing their best to mitigate this through sensitive approaches to workload and adjusting normal demands.

Trustees do not anticipate that the pandemic will have any material implications for any existing or potential defined benefit pension liability and investments the academy trust holds nor any impact on the academy trust's reserves policy, level of reserves and any change to funds set aside for future commitments

The Trust is confident that it can continue to mitigate against any other potential significant risks that the pandemic may have an impact on over the coming year.

PARTNERSHIP LEARNING

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Streamlined energy and carbon reporting

Energy consumption

	kWh	kWh
Aggregate of energy consumption in the year		
- Gas consumption	6,215,004	
- Electricity consumption	4,743,101	
		10,958,105

Emissions of CO2 equivalent

	metric tonnes	metric tonnes
Scope 1 - direct emissions		
- Gas combustion	1,208.00	
- Fuel consumed for owned transport	-	
		1,208.00
Scope 2 - indirect emissions		
- Electricity purchased		2,611.00
Scope 3 - other indirect emissions		
- Fuel consumed for transport not owned by the academy trust		-
Total gross emissions		3,819.00

Intensity ratio

Tonnes CO2e per pupil		0.41
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Quantification and reporting methodology

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2021 UK Government's Conversion Factors for Company Reporting.

Intensity measurement

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO2 equivalent per pupil, the recommended ratio for the sector.

Measures taken to improve energy efficiency

We have carried out a number of roof, window, boiler and LED lighting replacement works during the year which have contributed to improving energy efficiency.

Plans for future periods

Partnership Learning will work to maintain the performance of its students at all levels. Additionally, it will continue its efforts to improve the achievements of its students, not only in academic subjects but also in extra-curricular activities and in essential life skills; so as to increase the number of opportunities open to its students when they move on to higher education and ultimately employment. Directors recognize that through good financial management they wish to be able to maintain and improve the quality of the built environment of the Trust's schools including staff and student facilities. A planned maintenance programme will be developed and implemented to maintain and improve the Trust's schools' facilities.

The Trust has been approved to open four additional new free schools over the next three years: Greatfields Primary School (primary) Mallard Primary School (primary) Beam High School (secondary) and Oxlow Bridge School (special).

PARTNERSHIP LEARNING

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Auditor

In so far as the Directors are aware:

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

The directors' report, incorporating a strategic report, was approved by order of the board of directors, as the company directors, on 22 December 2021 and signed on its behalf by:

S Mubashar

Chair of Trustees

PARTNERSHIP LEARNING

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2021

Scope of responsibility

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

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

Governance

The information on governance included here supplements that described in the Directors' Report and in the Statement of Directors' Responsibilities. The board of directors has formally met seven times during the year. Attendance during the year at meetings of the board of directors was as follows:

Directors	Meetings attended	Out of possible
A Lazell	6	6
R Leighton (Accounting Officer)	7	7
S Mubashar (Chair of Trustees)	7	7
P McPartland (OBE)	7	7
L Long (Chair of Audit)	7	7
A Cameron (Chair of Finance)	7	7
D Chandrasekaran (Appointed 18 November 2020)	4	5
M Lishomwa (Appointed 18 November 2020 and resigned 27 August 2021)	4	5

During the year the Board of Trustees carried out a self-review of governance as part of a day-long strategic review. The review determined that the current Board structures and working methods were broadly appropriate and effective but that membership needed to be strengthened, in particular with the appointment of further expertise from the education sector, given that other recent appointments had in the main been from the finance, commerce or governance sectors. The Board intends to commission an external review of governance during the 2021-22 academic year.

The Finance Committee is a sub-committee of the main board of directors. Its purpose is to oversee Financial Management & Policies and General Financial Matters and provide financial scrutiny and oversight.

Attendance at meetings in the year was as follows:

Directors	Meetings attended	Out of possible
S Mubashar (Chair of Trustees)	4	4
P McPartland (OBE)	4	4
A Cameron (Chair of Finance)	4	4
D Chandrasekaran (Appointed 18 November 2020)	2	3

The Audit and Risk Committee is a sub-committee of the main board of directors. Its purpose is to oversee External Audit, the Internal Controls Framework (including Internal Audit) and the Trust Risk Register.

PARTNERSHIP LEARNING

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Attendance at meetings in the year was as follows:

Directors	Meetings attended	Out of possible
P McPartland (OBE)	4	4
L Long (Chair of Audit)	4	4
A Cameron (Chair of Finance)	4	4
M Lishomwa (Appointed 18 November 2020 and resigned 27 August 2021)	3	3

Review of value for money

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

The Board of Directors are committed to achieving 'Value for Money' in all decisions made. The Board of Directors use the principles of 'Value for Money' as they commit to securing continuous improvement across the trust through:

- Regularly reviewing the functions of the Trust and its schools, challenging how and why services are provided and setting targets and performance indicators for improvement;
- Monitoring outcomes and comparing performance within the Trust, both between schools in the Trust and with other schools;
- Consulting appropriate stakeholders before major decisions are made, in line with the scheme of financial delegation;
- Promoting fair competition through quotations and tenders to ensure that goods and services are procured in the most economic, efficient and effective way.

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 Partnership Learning for the period 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

The board of directors has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of directors 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 September 2020 to 31 August 2021 and up to the date of approval of the annual report and accounts. This process is regularly reviewed by the board of directors.

PARTNERSHIP LEARNING

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

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 directors;
- regular reviews by the finance and general purposes committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties;
- identification and management of risks.

The board of directors has considered the need for a specific internal audit function and has decided not to appoint a responsible officer. However the Directors have appointed Juniper as Internal Auditor (IA).

The checks carried out in the period included:

- testing of payroll systems
- testing of purchase systems
- testing of control account/ bank reconciliations

The internal auditor will be providing reports to the Board of Directors on financial matters and performing a range of checks on the Academy Trust's financial systems. The internal auditor will be providing on a twice yearly basis; the internal auditor reports to the Board of Directors on the operation of the systems of control and on the discharge of the Board of Director's financial responsibilities.

The internal auditors have delivered their schedule of work as planned. A number of recommendations were made to further improve internal controls and effective remedial actions have been put in place to implement these recommendations.

The Trust has also carried out the following reviews during the year:

- Health and safety
- Premises reviews including playground and plant room inspections

Review of effectiveness

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

- the work of the internal auditor;
- 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.

PARTNERSHIP LEARNING

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

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 board of directors on 22 December 2021 and signed on its behalf by:

R Leighton
Accounting Officer

S Mubashar
Chair of Trustees

PARTNERSHIP LEARNING

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

FOR THE YEAR ENDED 31 AUGUST 2021

As accounting officer of Partnership Learning, I have considered my responsibility to notify the academy trust board of directors 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 trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2020.

I confirm that I and the academy trust's board of directors are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2020.

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

R Leighton
Accounting Officer

22 December 2021

PARTNERSHIP LEARNING

STATEMENT OF DIRECTORS' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2021

The directors (who also act as trustees for Partnership Learning) are responsible for preparing the Directors' report and the accounts in accordance with the Academies Accounts Direction 2020 to 2021 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 Directors to prepare accounts for each financial year. Under company law, the Directors must not approve the accounts 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 accounts, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the board of directors on 22 December 2021 and signed on its behalf by:

S Mubashar
Chair of Trustees

PARTNERSHIP LEARNING

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PARTNERSHIP LEARNING

FOR THE YEAR ENDED 31 AUGUST 2021

Opinion

We have audited the accounts of Partnership Learning for the year ended 31 August 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the accounts, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021.

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 accounts' section of our report. We are independent of the academy trust in accordance with the ethical requirements that are relevant to our audit of the accounts in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the academy trust's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

Other information

The Directors are responsible for the other information, which comprises the information included in the annual report other than the accounts and our auditor's report thereon. Our opinion on the accounts 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 accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts 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 accounts 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.

PARTNERSHIP LEARNING

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PARTNERSHIP LEARNING (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Opinions 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 Directors' report including the incorporated strategic report for the financial year for which the accounts are prepared is consistent with the accounts; and
- the Directors' report including the incorporated strategic report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report, including the incorporated 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 accounts are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Directors

As explained more fully in the statement of Directors' responsibilities, the Directors are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the Directors are responsible for assessing the academy trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the charitable company, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the accounts

Our objectives are to obtain reasonable assurance about whether the accounts 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 accounts.

PARTNERSHIP LEARNING

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PARTNERSHIP LEARNING (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of senior leadership, Governors/Trustees and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the company through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations including compliance with the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency;
- Performing audit work over the recognition of grant income and the allocation of expenditure to funds;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

A further description of our responsibilities for the audit of the accounts is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

PARTNERSHIP LEARNING

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PARTNERSHIP LEARNING (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Use of our report

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

**Catherine Cooper (Senior Statutory Auditor)
for and on behalf of Azets Audit Services**

22 December 2021

**Chartered Accountants
Statutory Auditor**

Greytown House
221-227 High Street
Orpington
Kent
United Kingdom
BR6 0NZ

PARTNERSHIP LEARNING

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

FOR THE YEAR ENDED 31 AUGUST 2021

In accordance with the terms of our engagement letter dated 2 July 2021 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Partnership Learning during the period 1 September 2020 to 31 August 2021 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 Partnership Learning and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Partnership Learning 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 Partnership Learning and ESFA, for our work, for this report, or for the conclusion we have formed.

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

The accounting officer is responsible, under the requirements of Partnership Learning's funding agreement with the Secretary of State for Education dated 20 July 2013 and the Academies Financial Handbook, extant from 1 September 2020, 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 2020 to 2021. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2020 to 31 August 2021 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

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

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

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

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

Our work included identification and assessment of the design and operational effectiveness of the controls, policies and procedures that have been implemented to ensure compliance with the framework of authorities including high level financial control areas and areas assessed of presenting a higher risk of impropriety. We undertook detailed testing, based on our assessment of risk of material irregularity, where such controls, policies and procedures apply to classes of transactions. This work was integrated with our audit on the financial statements to the extent evidence from the conduct of that audit supports the regularity conclusion as well as additional testing based on our assessment of risk of material irregularity.

PARTNERSHIP LEARNING

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

FOR THE YEAR ENDED 31 AUGUST 2021

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2020 to 31 August 2021 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Reporting Accountant

Azets Audit Services
Greytown House
221-227 High Street
Orpington
Kent
BR6 0NZ
United Kingdom

Dated: 22 December 2021

PARTNERSHIP LEARNING

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	Unrestricted funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total 2021 £'000	Total 2020 £'000
Income and endowments from:						
Donations and capital grants	3	74	-	2,392	2,466	8,370
Charitable activities:						
- Funding for educational operations	4	-	66,367	-	66,367	59,659
- Funding for scitt	31	-	1,261	-	1,261	981
Other trading activities	5	1,341	-	-	1,341	1,458
Investments	6	1	-	-	1	5
Total		<u>1,416</u>	<u>67,628</u>	<u>2,392</u>	<u>71,436</u>	<u>70,473</u>
Expenditure on:						
Charitable activities:						
- Educational operations	9	1,024	68,594	3,922	73,540	67,435
- SCITT	31	-	1,177	-	1,177	913
Total	7	<u>1,024</u>	<u>69,771</u>	<u>3,922</u>	<u>74,717</u>	<u>68,348</u>
Net income/(expenditure)		392	(2,143)	(1,530)	(3,281)	2,125
Transfers between funds	18	-	365	(365)	-	-
Other recognised gains/(losses)						
Actuarial (losses)/gains on defined benefit pension schemes	21	-	(2,743)	-	(2,743)	2,039
Net movement in funds		392	(4,521)	(1,895)	(6,024)	4,164
Reconciliation of funds						
Total funds brought forward		3,665	(15,468)	176,864	165,061	160,897
Total funds carried forward		<u>4,057</u>	<u>(19,989)</u>	<u>174,969</u>	<u>159,037</u>	<u>165,061</u>

PARTNERSHIP LEARNING

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2021

Comparative year information Year ended 31 August 2020	Notes	Unrestricted	Restricted funds:		Total
		funds £'000	General £'000	Fixed asset £'000	2020 £'000
Income and endowments from:					
Donations and capital grants	3	139	-	8,231	8,370
Charitable activities:					
- Funding for educational operations	4	-	59,659	-	59,659
- Funding for scitt	31	-	981	-	981
Other trading activities	5	1,458	-	-	1,458
Investments	6	5	-	-	5
Total		<u>1,602</u>	<u>60,640</u>	<u>8,231</u>	<u>70,473</u>
Expenditure on:					
Charitable activities:					
- Educational operations	9	919	62,381	4,135	67,435
- SCITT	31	-	913	-	913
Total	7	<u>919</u>	<u>63,294</u>	<u>4,135</u>	<u>68,348</u>
Net income/(expenditure)		683	(2,654)	4,096	2,125
Transfers between funds	18	(96)	230	(134)	-
Other recognised gains/(losses)					
Actuarial gains on defined benefit pension schemes	21	-	2,039	-	2,039
Net movement in funds		587	(385)	3,962	4,164
Reconciliation of funds					
Total funds brought forward		3,078	(15,083)	172,902	160,897
Total funds carried forward		<u>3,665</u>	<u>(15,468)</u>	<u>176,864</u>	<u>165,061</u>

PARTNERSHIP LEARNING

BALANCE SHEET

AS AT 31 AUGUST 2021

		2021		2020	
	Notes	£'000	£'000	£'000	£'000
Fixed assets					
Tangible assets	13		174,529		176,264
Current assets					
Debtors	14	4,450		2,552	
Cash at bank and in hand		8,199		8,568	
		<u>12,649</u>		<u>11,120</u>	
Current liabilities					
Creditors: amounts falling due within one year	15	<u>(7,499)</u>		<u>(6,710)</u>	
Net current assets			5,150		4,410
Total assets less current liabilities			179,679		180,674
Creditors: amounts falling due after more than one year	16		<u>(28)</u>		<u>(253)</u>
Net assets before defined benefit pension scheme liability			179,651		180,421
Defined benefit pension scheme liability	21		<u>(20,614)</u>		<u>(15,360)</u>
Total net assets			<u>159,037</u>		<u>165,061</u>
Funds of the academy trust:					
Restricted funds	18				
- Fixed asset funds			174,969		176,864
- Restricted income funds			625		(108)
- Pension reserve			<u>(20,614)</u>		<u>(15,360)</u>
Total restricted funds			154,980		161,396
Unrestricted income funds	18		<u>4,057</u>		<u>3,665</u>
Total funds			<u>159,037</u>		<u>165,061</u>

The accounts were approved by the Directors and authorised for issue on 22 December 2021 and are signed on their behalf by:

S Mubashar
Chair of Trustees

Company Number 08339345

PARTNERSHIP LEARNING

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	2021 £'000	£'000	2020 £'000	£'000
Cash flows from operating activities					
Net cash (used in)/provided by operating activities	22		(341)		788
Cash flows from investing activities					
Dividends, interest and rents from investments		1		5	
Capital grants from DfE Group		2,093		1,520	
Capital funding received from sponsors and others		-		6,711	
Purchase of tangible fixed assets		(1,887)		(7,720)	
Net cash provided by investing activities			207		516
Cash flows from financing activities					
Repayment of long term bank loan		(255)		(305)	
Finance costs		20		(8)	
Net cash used in financing activities			(235)		(313)
Net (decrease)/increase in cash and cash equivalents in the reporting period			(369)		991
Cash and cash equivalents at beginning of the year			8,568		7,577
Cash and cash equivalents at end of the year			8,199		8,568

PARTNERSHIP LEARNING

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

Partnership Learning is a charitable company. The address of its principal place of business is given on page 1 and the nature of its operations are set out in the Directors' report.

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

1.1 Basis of preparation

The accounts of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2020 to 2021 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

1.2 Going concern

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

1.3 Income

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

Grants

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

General Annual Grant is recognised in full in the statement of financial activities in the 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.

Sponsorship income

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

PARTNERSHIP LEARNING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

Donations

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

Other income

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

Donated goods, facilities and services

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the academy trust's accounting policies.

Interest Receivable

Included within the statement of financial activities on a receivable basis.

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

This includes all expenditure incurred by the academy trust to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Charitable activities

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

PARTNERSHIP LEARNING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

1.5 Tangible fixed assets and depreciation

Assets costing £10,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the balance sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund in the statement of financial activities and carried forward in the balance sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the statement of financial activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the academy trust's depreciation policy. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

The properties are included at a valuation provided by the local authority or calculated by the trustees at depreciated replacement cost.

The Hornchurch High School property is freehold, all other properties are on a 125 year lease from the date of conversion from the relevant local authority.

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

Freehold land and buildings	Buildings 2%, land not depreciated
Leasehold land and buildings	Buildings 2%, land not depreciated
Assets under construction	Not depreciated
Computer equipment	33.3%
Fixtures, fittings & equipment	10%
Motor vehicles	20%

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use and reclassified to freehold or leasehold land and buildings.

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.

1.6 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 trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

1.7 Leased assets

Rentals payable under operating leases are charged against income on a straight line basis over the period of the lease.

1.8 Financial instruments

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

PARTNERSHIP LEARNING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

Financial assets

Trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. 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. Taxation and social security are not included in the financial instruments disclosure definition.

Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.9 Taxation

The academy trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the academy trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by chapter 3 part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1.10 Pensions benefits

Retirement benefits to employees of the academy trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes and the assets are held separately from those of the academy trust.

The TPS is an unfunded scheme and contributions are calculated to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary based on quadrennial valuations using a prospective unit credit method. The 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 are 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 trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to net income or expenditure are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the statement of financial activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses. Actuarial gains and losses are recognised immediately in other recognised gains and losses.

1.11 Fund accounting

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

PARTNERSHIP LEARNING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

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

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

1.12 Agency Arrangements

The academy trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the trust does not have control over the charitable application of the funds. The trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the statement of financial activities. The funds received and paid and any balances held are disclosed in note 29.

2 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

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 21, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2021. 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.

Critical areas of judgement

Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 13 for the carrying amount of the property plant and equipment, and note 1.5 for the useful economic lives for each class of assets.

Bad debts

Debtors are regularly reviewed for recoverability, any debts which in the opinion of management are not recoverable are provided for as a specific bad debt.

There are no other key assumptions concerning the future or the other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

PARTNERSHIP LEARNING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

3 Donations and capital grants

	Unrestricted funds £'000	Restricted funds £'000	Total 2021 £'000	Total 2020 £'000
Donated fixed assets	-	299	299	-
Capital grants	-	2,093	2,093	1,520
Other donations	74	-	74	6,850
	<u>74</u>	<u>2,392</u>	<u>2,466</u>	<u>8,370</u>

4 Funding for the academy trust's educational operations

	Unrestricted funds £'000	Restricted funds £'000	Total 2021 £'000	Total 2020 £'000
DfE / ESFA grants				
General annual grant (GAG)	-	51,987	51,987	47,872
Other DfE / ESFA grants:				
UIFSM	-	409	409	385
Pupil premium	-	3,186	3,186	3,058
Start up grants	-	190	190	350
Teachers pension grants	-	1,821	1,821	1,704
Teachers pay grants	-	636	636	610
PE and sports premium	-	156	156	148
Rates	-	338	338	340
Others	-	810	810	299
	<u>-</u>	<u>59,533</u>	<u>59,533</u>	<u>54,766</u>
Other government grants				
Local authority grants	-	5,621	5,621	4,660
Other government grants	-	864	864	575
	<u>-</u>	<u>6,485</u>	<u>6,485</u>	<u>5,235</u>
Exceptional government funding				
Coronavirus exceptional support	-	99	99	67
Other Coronavirus funding	-	959	959	-
	<u>-</u>	<u>1,058</u>	<u>1,058</u>	<u>67</u>
SCITT income	-	552	552	572
Total funding	<u>-</u>	<u>67,628</u>	<u>67,628</u>	<u>60,640</u>

PARTNERSHIP LEARNING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

4 Funding for the academy trust's educational operations (Continued)

The academy trust has been eligible to claim additional funding in year from government support schemes in response to the coronavirus outbreak. The funding received is shown above under "exceptional government funding". This year the Trust received £99k of Covid emergency funding for cleaning, additional premises costs and free school meals costs (where not covered under the voucher scheme). Last year £67k funding was received for cleaning and premises costs. These costs are included in notes 7 and 9 below as appropriate.

Included in other coronavirus funding is £751k for catch-up premium, this was all spent in the year and no balance was carried forward.

The academy trust also received £208k for mass testing, which was fully spent.

5 Other trading activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2021 £'000	Total 2020 £'000
Hire of facilities	226	-	226	161
Catering income	770	-	770	710
Southern Consortium income	27	-	27	135
Other income	318	-	318	452
	1,341	-	1,341	1,458
	1,341	-	1,341	1,458

6 Investment income

	Unrestricted funds £'000	Restricted funds £'000	Total 2021 £'000	Total 2020 £'000
Short term deposits	1	-	1	5
	1	-	1	5
	1	-	1	5

7 Expenditure

	Staff costs £'000	Non-pay expenditure		Total 2021 £'000	Total 2020 £'000
		Premises £'000	Other £'000		
Academy's educational operations					
- Direct costs	43,104	3,302	3,013	49,419	45,511
- Allocated support costs	10,886	7,985	5,250	24,121	21,924
SCITT					
- Direct costs	100	-	1,056	1,156	857
- Allocated support costs	-	-	21	21	56
	54,090	11,287	9,340	74,717	68,348
	54,090	11,287	9,340	74,717	68,348

PARTNERSHIP LEARNING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

7 Expenditure (Continued)

Net income/(expenditure) for the year includes:	2021	2020
	£'000	£'000
Fees payable to auditor for:		
- Audit	33	33
- Other services	8	8
Depreciation of tangible fixed assets	3,922	4,135
Bank and loan interest	(20)	8
Net interest on defined benefit pension liability	254	271
	<u> </u>	<u> </u>

During the year the London Borough of Barking and Dagenham recalculated the loan interest resulting in a previous overpayment, this can be seen in the negative interest payable.

8 Central services

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

- human resources and payroll;
- financial services;
- Facilities Management;
- ICT Services;
- School Improvement;
- licensing costs.

The academy trust charges for these services based on each schools pupil numbers.

The amounts charged during the year were as follows:	2021	2020
	£'000	£'000
George Mitchell School	181	132
Harrow Lodge Primary School	85	87
Southchurch High School	112	96
Riverside Bridge School	137	125
Riverside Primary School	59	52
Eastbury Primary School	117	123
Riverside School	242	218
The Sydney Russell School	488	481
Thames View Junior School	101	104
Hornchurch High School	171	172
Greatfields School	166	134
James Cambell Primary School	121	101
	<u> </u>	<u> </u>
	1,980	1,825
	<u> </u>	<u> </u>

PARTNERSHIP LEARNING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

9 Charitable activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2021 £'000	Total 2020 £'000
Direct costs				
Educational operations	-	49,419	49,419	45,511
SCITT	-	1,156	1,156	857
Support costs				
Educational operations	1,024	23,097	24,121	21,924
SCITT	-	21	21	56
	<u>1,024</u>	<u>73,693</u>	<u>74,717</u>	<u>68,348</u>
	SCITT £'000	Educational operations £'000	Total 2021 £'000	Total 2020 £'000
Analysis of support costs				
Support staff costs	-	10,886	10,886	10,381
Depreciation	-	620	620	860
Technology costs	-	471	471	516
Premises costs	-	7,365	7,365	5,832
Legal costs	-	28	28	33
Other support costs	21	4,680	4,701	4,297
Governance costs	-	71	71	61
	<u>21</u>	<u>24,121</u>	<u>24,142</u>	<u>21,980</u>

PARTNERSHIP LEARNING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

10 Staff

Staff costs

Staff costs during the year were:

	2021	2020
	£'000	£'000
Wages and salaries	39,046	35,608
Social security costs	3,984	3,585
Pension costs	9,935	9,260
	<hr/>	<hr/>
Staff costs - employees	52,965	48,453
Agency staff costs	759	917
Staff restructuring costs	366	64
	<hr/>	<hr/>
Staff development and other staff costs	54,090	49,434
	498	506
	<hr/>	<hr/>
Total staff expenditure	54,588	49,940
	<hr/> <hr/>	<hr/> <hr/>
Staff restructuring costs comprise:		
Redundancy payments	366	64
	<hr/> <hr/>	<hr/> <hr/>

Non statutory/non-contractual staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totaling £57k (2020: £nil). Individually, the payments were: £20k, £10k, £10k, £5k, £5k, £3k, £2k and £2k.

Staff numbers

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

	2021	2020
	Number	Number
Teachers	638	589
Administration and support	666	664
Management	7	7
	<hr/>	<hr/>
	1,311	1,260
	<hr/> <hr/>	<hr/> <hr/>

PARTNERSHIP LEARNING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

10 Staff

(Continued)

Higher paid staff

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

	2021 Number	2020 Number
£60,001 - £70,000	40	36
£70,001 - £80,000	21	16
£80,001 - £90,000	7	13
£90,001 - £100,000	6	1
£100,001 - £110,000	3	3
£110,001 - £120,000	1	-
£120,001 - £130,000	1	-
£150,001 - £160,000	-	1
£160,001 - £170,000	1	-
£220,001 - £230,000	-	1
£240,001 - £250,000	1	-
	=====	=====

Key management personnel

The key management personnel of the academy trust comprise the Directors and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance) received by key management personnel for their services to the academy trust was £880k (2020: £904k).

11 Directors' remuneration and expenses

The Chief Executive only receives remuneration in respect of services he provides undertaking the role of Chief Executive, and not in respect of his service as Director. Other Directors did not receive any payments, other than expenses, from the academy trust in respect of their role as Directors.

The value of the Chief Executive's remuneration was as follows:

R Leighton

Remuneration £240,000 - £245,000 (2020: £225,000 - £230,000)

Employer's pension contributions £(5,000 - £10,000) (2020: £5,000 - £10,000)

Pension costs were paid as automatically opted back into pension during 20/21, the costs were reimbursed during the current year when opt-out registered.

No costs were reimbursed to trustees during the current or prior year.

12 Directors' and officers' insurance

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

PARTNERSHIP LEARNING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

13 Tangible fixed assets	Freehold land and buildings £'000	Leasehold land and buildings £'000	Assets under construction £'000	Computer equipment £'000	Fixtures, fittings & equipment £'000	Motor vehicles £'000	Total £'000
Cost							
At 1 September 2020	18,142	168,444	274	2,173	1,390	33	190,456
Transfer	-	274	(274)	-	-	-	-
Additions	74	969	385	729	29	-	2,186
At 31 August 2021	18,216	169,687	385	2,902	1,419	33	192,642
Depreciation							
At 1 September 2020	624	11,300	-	1,834	414	20	14,192
Charge for the year	217	3,085	-	468	144	7	3,921
At 31 August 2021	841	14,385	-	2,302	558	27	18,113
Net book value							
At 31 August 2021	17,375	155,302	385	600	861	6	174,529
At 31 August 2020	13,870	143,897	274	339	976	13	176,264

Included in land and buildings is land values at £22,772k (2020: £22,772k) that is not depreciated.

The additions to property in the year include:

- Remodelling of reception area
- Science room remodelling/conversion
- Emergency lighting and alarms upgrade
- Window replacement and improvement
- Caretaker House conversion to classrooms
- Installation of new fencing

PARTNERSHIP LEARNING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

14 Debtors

	2021 £'000	2020 £'000
Trade debtors	334	387
VAT recoverable	1,762	809
Other debtors	-	66
Prepayments and accrued income	2,354	1,290
	<u>4,450</u>	<u>2,552</u>

15 Creditors: amounts falling due within one year

	2021 £'000	2020 £'000
Government loans	264	294
Trade creditors	1,150	1,119
Other taxation and social security	1,049	915
Other creditors	2,109	2,037
Accruals and deferred income	2,927	2,345
	<u>7,499</u>	<u>6,710</u>

16 Creditors: amounts falling due after more than one year

	2021 £'000	2020 £'000
Government loans	28	253
	<u>28</u>	<u>253</u>
Analysis of loans		
Wholly repayable within five years	292	547
Less: included in current liabilities	(264)	(294)
	<u>28</u>	<u>253</u>
Amounts included above	<u>28</u>	<u>253</u>
Loan maturity		
Debt due in one year or less	236	294
Due in more than one year but not more than two years	28	223
Due in more than two years but not more than five years	-	30
	<u>264</u>	<u>547</u>

PARTNERSHIP LEARNING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

(Continued)

16 Creditors: amounts falling due after more than one year

Included within government loans are two loans which are provided on the following terms.

A remaining £150k loan between Eastbury Primary School and the London Borough of Barking and Dagenham, initially repayable by January 2021 but extended to January 2022.

A remaining £142k loan between George Mitchell School and the ESFA, interest free and repayable by November 2022.

17 Deferred income

	2021	2020
	£'000	£'000
Deferred income is included within:		
Creditors due within one year	719	711
	=====	=====
Deferred income at 1 September 2020	711	407
Released from previous years	(711)	(407)
Resources deferred in the year	719	711
	-----	-----
Deferred income at 31 August 2021	719	711
	=====	=====

At the balance sheet date the academy trust was holding funds for Universal Infant Free School Meals, Local Authority grants, trip income and rates reclaim which has been received in advance relating to the year 2021/22,

PARTNERSHIP LEARNING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

18 Funds

	Balance at 1 September 2020 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2021 £'000
Restricted general funds					
General Annual Grant (GAG)	-	51,987	(51,703)	251	535
Start up grants	-	190	(190)	-	-
UIFSM	-	409	(409)	-	-
Pupil premium	-	3,186	(3,186)	-	-
Teachers pension grants	-	1,821	(1,821)	-	-
Teachers pay grants	-	636	(636)	-	-
PE and sports premium	-	156	(156)	-	-
Rates	-	338	(338)	-	-
Other DfE / ESFA grants	-	810	(810)	-	-
Other government grants	-	5,776	(5,776)	-	-
Covid funding	-	1,058	(1,058)	-	-
SCITT	148	1,261	(1,177)	-	232
Loans with ESFA	(256)	-	-	114	(142)
Pension reserve	(15,360)	-	(2,511)	(2,743)	(20,614)
	<u>(15,468)</u>	<u>67,628</u>	<u>(69,771)</u>	<u>(2,378)</u>	<u>(19,989)</u>
Restricted fixed asset funds					
DfE group capital grants	891	2,093	-	(2,394)	590
Loans with local authority	(291)	-	-	141	(150)
General fixed assets	176,264	299	(3,922)	1,888	174,529
	<u>176,864</u>	<u>2,392</u>	<u>(3,922)</u>	<u>(365)</u>	<u>174,969</u>
Total restricted funds	<u>161,396</u>	<u>70,020</u>	<u>(73,693)</u>	<u>(2,743)</u>	<u>154,980</u>
Unrestricted funds					
General funds	3,665	1,416	(1,024)	-	4,057
	<u>3,665</u>	<u>1,416</u>	<u>(1,024)</u>	<u>-</u>	<u>4,057</u>
Total funds	<u>165,061</u>	<u>71,436</u>	<u>(74,717)</u>	<u>(2,743)</u>	<u>159,037</u>

PARTNERSHIP LEARNING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

18 Funds

(Continued)

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

General Annual Grant: Income received from the ESFA to cover the normal running costs of the Academy Trust.

Under the funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2021.

Start up grant, UIFSM, Pupil premium, Teachers pension grant, Teachers pay grant, PE & Sports premium, Rates: Income from Dfe/ESFA as stated.

Other Dfe/ESFA income: Includes income for year 7 catch up, free school meals and other immaterial amounts received from Dfe/ESFA not split out as above.

Other government grants: This includes SEN funding and additional pupil premium received from the Local Authority.

SCITT: This includes the SCITT see note 30.

Other restricted funds includes restricted donations.

DFE/ESFA Capital grants: includes the devolved formula capital grant, the school condition allocation, ICT funding and buildings provided under the free school funding.

Transfers of funds relate to the purchase of fixed assets and overspend on GAG funding.

PARTNERSHIP LEARNING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

18 Funds

(Continued)

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

	Balance at 1 September 2019 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2020 £'000
Restricted general funds					
General Annual Grant (GAG)	-	47,872	(48,017)	145	-
Start up grants	-	350	(350)	-	-
UIFSM	-	385	(385)	-	-
Pupil premium	-	3,058	(3,058)	-	-
Teachers pension grants	-	1,704	(1,704)	-	-
Teachers pay grants	-	610	(610)	-	-
PE and sports premium	-	148	(148)	-	-
Rates	-	340	(340)	-	-
Other DfE / ESFA grants	55	299	(354)	-	-
Other government grants	-	4,893	(4,893)	-	-
SCITT	80	981	(913)	-	148
Loans with ESFA	(341)	-	-	85	(256)
Pension reserve	(14,877)	-	(2,522)	2,039	(15,360)
	(15,083)	60,640	(63,294)	2,269	(15,468)
Restricted fixed asset funds					
DfE group capital grants	734	1,520	-	(1,363)	891
Loans with local authority	(511)	-	-	220	(291)
General fixed assets	172,679	6,711	(4,135)	1,009	176,264
	172,902	8,231	(4,135)	(134)	176,864
Total restricted funds	157,819	68,871	(67,429)	2,135	161,396
Unrestricted funds					
General funds	3,078	1,602	(919)	(96)	3,665
Total funds	160,897	70,473	(68,348)	2,039	165,061

PARTNERSHIP LEARNING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

18 Funds

(Continued)

Total funds analysis by academy

	2021 £'000	2020 £'000
Fund balances at 31 August 2021 were allocated as follows:		
George Mitchell School	1	1
Harrow Lodge Primary School	1	1
Southchurch High School	1	1
Riverside Bridge School	1	1
Riverside Primary School	1	1
Eastbury Primary School	1	1
Riverside School	1	1
The Sydney Russell School	1	1
Thames View Junior School	1	1
Hornchurch High School	1	1
Greatfields School	1	1
James Cambell Primary School	1	1
Central services	4,670	3,545
	<hr/>	<hr/>
Total before fixed assets fund and pension reserve	4,682	3,557
	<hr/>	<hr/>
Restricted fixed asset fund	174,969	176,864
Pension reserve	(20,614)	(15,360)
	<hr/>	<hr/>
Total funds	159,037	165,061
	<hr/> <hr/>	<hr/> <hr/>

PARTNERSHIP LEARNING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

18 Funds

(Continued)

Total cost analysis by academy

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

	Teaching and educational support staff £'000	Other support staff costs £'000	Educational supplies £'000	Other costs excluding depreciation £'000	Total 2021 £'000	Total 2020 £'000
George Mitchell School	4,405	877	60	1,038	6,380	6,221
Harrow Lodge Primary School	1,470	267	27	320	2,084	2,083
Southchurch High School	3,154	851	131	914	5,050	4,291
Riverside Bridge School	2,521	306	31	488	3,346	2,909
Riverside Primary School	720	61	21	325	1,127	913
Eastbury Primary School	3,298	441	26	747	4,512	4,484
Riverside School	5,508	1,029	88	1,633	8,258	7,182
The Sydney Russell School	10,946	1,534	206	3,473	16,159	15,044
Thames View Junior School	1,585	304	34	581	2,504	2,276
Hornchurch High School	3,433	539	65	1,277	5,314	4,735
Greatfields School	3,215	605	159	1,225	5,204	3,586
James Cambell Primary School	2,949	311	28	663	3,951	4,288
Central services	-	3,761	-	3,147	6,908	6,201
	<u>43,204</u>	<u>10,886</u>	<u>876</u>	<u>15,831</u>	<u>70,797</u>	<u>64,213</u>

19 Analysis of net assets between funds

	Unrestricted Funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total Funds £'000
Fund balances at 31 August 2021 are represented by:				
Tangible fixed assets	-	-	174,529	174,529
Current assets	4,057	8,002	590	12,649
Creditors falling due within one year	-	(7,349)	(150)	(7,499)
Creditors falling due after one year	-	(28)	-	(28)
Defined benefit pension liability	-	(20,614)	-	(20,614)
Total net assets	<u>4,057</u>	<u>(19,989)</u>	<u>174,969</u>	<u>159,037</u>

PARTNERSHIP LEARNING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

19 Analysis of net assets between funds

(Continued)

	Unrestricted Funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total Funds £'000
Fund balances at 31 August 2020 are represented by:				
Tangible fixed assets	-	-	176,264	176,264
Current assets	3,665	6,564	891	11,120
Creditors falling due within one year	-	(6,530)	(180)	(6,710)
Creditors falling due after one year	-	(142)	(111)	(253)
Defined benefit pension liability	-	(15,360)	-	(15,360)
Total net assets	<u>3,665</u>	<u>(15,468)</u>	<u>176,864</u>	<u>165,061</u>

20 Subsidiary undertaking

The Charity has a wholly owned subsidiary, Partnership Contracting Limited, incorporated in the UK. The company number is 11119192 and is limited by guarantee. The principal activity of the company is that of property development. The Trust has not prepared consolidated accounts as its inclusion is not material for the purposes of giving a true and fair view in the context of the group.

PARTNERSHIP CONTRACTING LIMITED

	2021 £	2020 £
Revenue	-	-
Cost of sales	-	-
Gross profit	<u>-</u>	<u>-</u>
Administrative expenses	(25)	(84)
Tax	-	-
(Loss) / Profit for the year	<u>(25)</u>	<u>(84)</u>

The assets and liabilities of Partnership Contracting Limited were:

Current assets	2	27
Creditors	-	-
Net Assets	<u>2</u>	<u>27</u>
Represented by:		
Reserves	2	27
	<u>2</u>	<u>27</u>

PARTNERSHIP LEARNING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

21 Pension and similar obligations

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

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2016, and that of the LGPS related to the period ended 31 March 2019.

Contributions amounting to £912k (2020: £827k) were payable to the schemes at 31 August 2021 and are included within creditors.

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for 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% employer administration charge)
- 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. The 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 the TPS in the period amounted to £5,570k (2020: £5,358k).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

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

PARTNERSHIP LEARNING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

21 Pension and similar obligations

(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 contributions are as noted below. The agreed contribution rates for future years are 19% to 28.1% for employers and 5.5% to 12.5% for employees.

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

Total contributions made	2021	2020
	£'000	£'000
Employer's contributions	2,099	1,966
Employees' contributions	591	564
	—	—
Total contributions	2,690	2,530
	====	====

Principal actuarial assumptions	2021	2020
	%	%
Rate of increase in salaries	3.9	3.3%
Rate of increase for pensions in payment/inflation	3.1	2.4%
Discount rate for scheme liabilities	1.8	1.8%
	====	====

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

	2021	2020
	Years	Years
Retiring today		
- Males	21.3	23.3
- Females	23.7	25.5
Retiring in 20 years		
- Males	22.5	24.5
- Females	25.3	27
	====	====

PARTNERSHIP LEARNING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

21 Pension and similar obligations

(Continued)

Scheme liabilities would have been affected by changes in assumptions as follows:

	2021	2020
	£'000	£'000
Discount rate + 0.1%	-1021	-771
Discount rate - 0.1%	1090	945
Salary rate + 0.1%	1534	919
Salary rate - 0.1%	-1473	-891
Pension rate + 0.1%	1030	900
Pension rate - 0.1%	-967	-638
Mortality assumption + 1 year	47	38
Mortality assumption - 1 year	-45	-29

Defined benefit pension scheme net liability

	2021	2020
	£'000	£'000
Scheme assets	24,776	19,277
Scheme obligations	(45,390)	(34,637)
Net liability	(20,614)	(15,360)

The academy trust's share of the assets in the scheme

	2021	2020
	Fair value	Fair value
	£'000	£'000
Equities	19,645	14,348
Bonds	3,516	3,079
Cash	(452)	(28)
Property	1,658	1,466
Other assets	409	412
Total market value of assets	24,776	19,277

The actual return on scheme assets was £3,151,000 (2020: £994,000).

Amount recognised in the statement of financial activities

	2021	2020
	£'000	£'000
Current service cost	4,248	4,217
Past service cost	108	-
Interest income	(328)	(318)
Interest cost	582	589
Total operating charge	4,610	4,488

PARTNERSHIP LEARNING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

21 Pension and similar obligations	(Continued)	
Changes in the present value of defined benefit obligations	2021 £'000	2020 £'000
At 1 September 2020	34,637	30,977
Current service cost	4,248	4,217
Interest cost	582	589
Employee contributions	591	564
Actuarial loss/(gain)	5,566	(1,363)
Benefits paid	(342)	(347)
Past service cost	108	-
At 31 August 2021	<u>45,390</u>	<u>34,637</u>
Changes in the fair value of the academy trust's share of scheme assets	2021 £'000	2020 £'000
At 1 September 2020	19,277	16,100
Interest income	328	318
Actuarial gain	2,823	676
Employer contributions	2,099	1,966
Employee contributions	591	564
Benefits paid	(342)	(347)
At 31 August 2021	<u>24,776</u>	<u>19,277</u>
22 Reconciliation of net (expenditure)/income to net cash flow from operating activities	2021 £'000	2020 £'000
Net (expenditure)/income for the reporting period (as per the statement of financial activities)	(3,281)	2,125
Adjusted for:		
Capital grants from DfE and other capital income	(2,392)	(8,231)
Investment income receivable	(1)	(5)
Finance costs payable	(20)	8
Defined benefit pension costs less contributions payable	2,257	2,251
Defined benefit pension scheme finance cost	254	271
Depreciation of tangible fixed assets	3,922	4,135
(Increase)/decrease in debtors	(1,899)	618
Increase/(decrease) in creditors	819	(384)
Net cash (used in)/provided by operating activities	<u>(341)</u>	<u>788</u>

PARTNERSHIP LEARNING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

23 Analysis of changes in net funds

	1 September 2020 £'000	Cash flows £'000	31 August 2021 £'000
Cash	8,568	(369)	8,199
Loans falling due within one year	(294)	30	(264)
Loans falling due after more than one year	(253)	225	(28)
	<u>8,021</u>	<u>(114)</u>	<u>7,907</u>

24 Contingent liabilities

During the period of the Funding Agreement, in the event of the sale or disposal by other means of any asset for which a Government capital grant was received, the Academy Trust is required either to re-invest the proceeds or to repay to the Education Funding Agency the same proportion of the proceeds of the sale or disposal as equates with the proportion of the original cost met by the Secretary of State.

Upon termination of the Funding Agreement, whether as a result of the Secretary of State or the Academy Trust serving notice, the Academy Trust shall repay to the Secretary of State sums determined by reference to:

- the value at that time of the Academy Trust's site and premises and other assets held for the purpose of the Academy Trust; and
- the extent to which expenditure incurred in providing those assets was met by payments by the Secretary of State under the Funding Agreement.

25 Long-term commitments, including operating leases

At 31 August 2021 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

	2021 £'000	2020 £'000
Amounts due within one year	201	96
Amounts due in two and five years	418	420
	<u>619</u>	<u>516</u>

26 Capital commitments

	2021 £'000	2020 £'000
Expenditure contracted for but not provided in the accounts	238	224

PARTNERSHIP LEARNING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

27 Related party transactions

Owing to the nature of the academy trust and the composition of the board of directors being drawn from local public and private sector organisations, transactions may take place with organisations in which the Directors have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the AFH and in accordance with the academy trust's financial regulations and normal procurement procedures relating to connected and related party transactions. The following related party transactions took place in the financial period.

No amounts were paid to H Flint, a member, for consultancy during the year ended 31st August 2021. No amounts were outstanding at the year end. In 2020, £600 was paid to H Flint in relation to consultancy services. The services were provided at cost.

In entering into these transactions, the academy trust has complied with the requirements of the Academies Financial Handbook 2020.

28 Members' liability

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

29 Post balance sheet events

On 1 December 2021, Elutec Academy joined the Partnership Trust

30 Agency arrangements

The academy trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ending 31 August 2021 the trust received £44,606 (2020: £35,684) and disbursed £29,737 (2020: £22,902) from the fund. An amount of £86,487 (2020: £71,618) is included in creditors relating to undistributed funds that are repayable to ESFA in the event the students leaves the scheme.

PARTNERSHIP LEARNING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

31	SCITT trading account	2021		2020	
		£'000	£'000	£'000	£'000
	Direct income				
	Fee income		552		572
	Government grants		709		409
	Total income		1,261		981
	Direct costs				
	Direct staff costs	100		146	
	Staff development	137		125	
	Educational consultancy	110		50	
	Other direct costs	809		536	
		1,156		857	
	Other costs				
	Support staff costs	-		18	
	Other support costs	21		38	
		21		56	
	Total operating costs		(1,177)		(913)
	Surplus from scitt		84		68
	SCITT balances at 1 September 2020		148		80
	SCITT balances at 31 August 2021		232		148
