

Company Registration No. 07907463 (England and Wales)

THE LAURUS TRUST
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT AND AUDITED ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2021

THE LAURUS TRUST

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THE LAURUS TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Members	A Graham C Nevin J Clough (formerly Singleton) M Turnpenney Law Family Educational Trust
Trustees	L Elias P Benton D Brown C Fisher (Resigned 4 November 2021) A Little (Chair of Trustees) C Nevin L Woolley W Mason D Kershaw R Kumar V Horsfield (Resigned 31 August 2021) J Crombleholme
Senior management team	
L Magrath	CEO & Executive Head, Secondary
W Mason	Chief Financial Officer
M Vevers	Executive Head Secondary, Head of School, Laurus Ryecroft
L Woolley	Executive Head Primary
D Brown	Head of School, Cheadle Hulme High School
G Theobald	Head of School, Laurus Cheadle Hulme
D Woolley	Head of School, Didsbury High School
M Stewart	Head of School, Hazel Grove High School
J Maguire	Head of School, Gorsey Bank Primary School
E Drake	Head of School, Cheadle Hulme Primary School
Principal and registered office	Cheadle Hulme High School Woods Lane Stockport Cheshire SK8 7JY
Company secretary	N Burgess
Company registration number	07907463 (England and Wales)

THE LAURUS TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Academies operated

Gorsey Bank Primary School
Cheadle Hulme High School
Cheadle Hulme Primary School
Laurus Cheadle Hulme
Laurus Ryecroft
Didsbury High School
Hazel Grove High School

Location

Cheshire East
Stockport
Stockport
Stockport
Tameside
Manchester
Stockport

Head

J Maguire
L Magrath
E Drake
G Theobald
M Vevers
D Woolley
M Stewart

Independent auditor

UHY Hacker Young Manchester LLP
St James Building
79 Oxford Street
Manchester
M1 6HT

Bankers

Lloyds Banking Group
2 Great Underbank
Stockport
SK1 1LW

Solicitors

Eversheds Sutherland
Eversheds House
70 Great Bridgewater Street
Manchester
M1 5ES

THE LAURUS TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2021

The trustees present their annual report together with the financial statements and auditor's report of The Laurus Trust ('the company', 'charitable company' or 'the academy trust') for the year ended 31 August 2021. The annual report serves the purpose of both a trustees' report, and a directors' report under company law.

The academy trust operated the following schools during the year:

School (age range)	Local Authority	Pupil capacity	Number on roll at October 2020 census
Cheadle Hulme High School (11-18)	Stockport	1,650	1,674
Hazel Grove High School (11-18)	Stockport	1,550	1,492
Laurus Cheadle Hulme* (11-16)	Stockport	630	658
Laurus Ryecroft* (11-18)	Tameside	520	520
Didsbury High School~ (11-18)	Manchester	420	421
Gorsej Bank Primary School (4-11)	Cheshire East	420	410
Cheadle Hulme Primary School^^ (3-11)	Stockport	180	180

*Free school opened September 2018

~Free school opened September 2019

^Excludes nursery places

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 trustees of the Laurus Trust are also the directors of the charitable company for the purposes of company law. The charitable company operates as Cheadle Hulme High School, Hazel Grove High School, Gorsej Bank Primary School, Laurus Cheadle Hulme, Laurus Ryecroft, Cheadle Hulme Primary School, Didsbury High School, Club Cheadle Hulme, Hazel Grove Sports Centre, Club Laurus and Club Didsbury.

All schools have a local academy committee which is comprised of parent governors, staff governors, other appointed governors and some of the trustees listed above.

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

Members' liability

Every 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 debt and liabilities contracted before they ceased to be a member.

Trustees' indemnities

The academy trust is a member of the Department for Education's Risk Protection Arrangement to cover trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. Details of the costs can be found in note 12 of the accounts.

THE LAURUS TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Method of recruitment and appointment or election of trustees

The members of the academy trust are responsible for the appointment of trustees. The number of trustees shall not be less than three but shall not be subject to any maximum. The academy trust will have up to 4 trustees appointed by the members by ordinary resolution. The Law Family Education Trust may appoint up to 6 trustees.

Policies and procedures adopted for the induction and training of trustees

Trustees and governors are appointed based on the skills and competencies that they will bring to the Board of Trustees or Local Academy Committee. Some are appointed primarily to represent a stakeholder group such as parents/carers.

Prior to appointment each potential trustee or governor is asked to complete an application form, to undertake a skills audit and to meet with a group of executive and non-executive trustees or governors. On appointment, trustees and governors undergo an induction process which includes meeting key people within the organisation and going through key information relating to their role and responsibilities. All trustees and governors are expected to engage with a comprehensive programme of internal and external training and development.

Organisational structure

The governance of the Trust is defined in the Memorandum and Articles of Association together with the funding agreement with the Department for Education. The Scheme of Delegation document details what decisions are reserved for the board of trustees, and those that are delegated to sub committees, local academy committees or management. There are three trustee sub-committees:

1. Audit, Finance and Resources Committee which reports to the Board on finance, audit, risk, HR, property and IT related issues.
2. The Pay & Remuneration Committee reports to the Board on the setting of pay and remuneration for all Senior Management and teaching staff.
3. The Governance Oversight and Standards Committee reports to the Board on monitoring of the individual local academy committees and policy approvals.

The Trust Board met on six occasions during the year.

Terms of reference exist for each committee and are reviewed annually.

The day to day running of the trust is delegated by the trustees to management under the leadership of the Chief Executive Officer, who is the Accounting Officer.

Arrangements for setting pay and remuneration of key management personnel

The Pay and Remuneration Committee for the trust meets annually to review and approve pay for key management personnel in the Trust including staff trustees. The committee is comprised of trustees and sets pay based on available benchmarks in the sector and local area.

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Trade union facility time

<i>Relevant union officials</i>	Number of employees
Number of employees who were relevant union officials during the relevant period	4
Full-time equivalent employee number	3.40

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	-
1%-50%	4
51%-99%	-
100%	-

<i>Percentage of pay bill spent on facility time</i>	£'000
Total cost of facility time	7
Total pay bill	28,681
Percentage of the total pay bill spent on facility time	-

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	20%
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Related parties and other connected charities and organisations

The trust works closely with Alder Community School, Ashdene Primary School, Aquinas College, Cavendish Primary School, Didsbury C of E Primary School, Manchester Metropolitan University, Marple Hall High School, St Patrick's RC High School, St Wilfrid's C of E Primary School, Stockport School, Styal Primary School and West Didsbury Primary School. None of these organisations are considered to constitute formal related parties.

The Law Family Educational Trust (LFET), a charitable trust, is considered a related party as it is a member of the academy trust. LFET's aim is to help raise all-round educational attainment levels in state schools. Its approach is rooted in a belief that personal development and aspiration are promoted by participation in a whole range of activities, not just academic ones. During the course of the year, LFET has made charitable donations to the Laurus Trust in support of capital projects, facilitating growth and the Apertura and Electives programmes. LFET is not considered to have attached any clauses or conditions to their funding that has materially changed the operations of Laurus Trust and as such, the details of the donations have not been disclosed.

See note 25 for further details of related party transactions that have occurred during the year.

THE LAURUS TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Engagement with employees (including disabled persons)

Throughout the last year, amongst the backdrop of Covid-19 pandemic recovery and the changing face of the workplace, the trustees have remained committed to the continuation of achieving excellence in teaching and learning and of being an employer of choice.

Their overall aim is to facilitate and support those striving to deliver the best outcomes for our students/pupils within a dynamic, collaborative and supportive work environment, improving our investment in recruiting the right people with the right skills and values and supporting them on their career pathway.

The Laurus Trust is an inclusive Equal Employment Opportunity employer for people from all walks of life and considers applicants without regard to gender, gender identity, sexual orientation, race, ethnicity, disabled or veteran status, or any other characteristic protected by law. The trust welcome and encourage applications from all individuals regardless of individual background or circumstance

The Trust is a proud member of the Disability Confident Scheme, a movement of positive change, to encourage thinking differently about disability and to take action to improve how we recruit, retain and develop disabled people.

As a Disability Confident Committed Trust, we have agreed to the following 5 core commitments:

- Ensuring our recruitment process is inclusive and accessible;
- Communicating and promoting vacancies;
- Offering an interview to disabled people who meet the minimum criteria of the role;
- Anticipating and providing reasonable adjustments as required;
- Supporting any existing employee who acquires a disability or long term health condition, enabling them to stay in work.

Over the last year the trust has continued to focus on how best we can utilise our systems to support the automation of processes, analysis of data and development of the full employee experience. This has enabled us to focus on attracting, growing and investing in our most important asset - our people.

The use of HR metrics has allowed better-informed decisions through the gathering and analysing of people data. This data has informed interventions at a strategic level, enabling decisions to be made for action or improvement.

The launch of the Laurus Institute has consolidated professional learning as the bedrock of the trust and commits to the provision of:

- A comprehensive offer of externally accredited and in-house professional learning for all staff and at every stage of their career;
- Outstanding School-led Teacher Training for Primary and Secondary through Altius Teacher Training School;
- High quality training and development for those involved with governance;
- Meaningful engagement with sector bodies and organisations.

The trustees place great importance on ensuring that employees are regularly updated and have appropriate opportunities to engage. The CEO held 'fireside' discussions with all senior leaders to understand important issues in each school/department. Weekly meetings of the secondary and primary Heads provide an effective mechanism for ensuring alignment between schools whilst developing empathy and understanding about the opportunities and challenges relating to local contexts. This type of purposeful collaboration and communication cascades to all staff via weekly briefings led by each Head of School during which topical issues, current and future plans are shared and both individual and professional achievements are celebrated. INSET and induction days were used to highlight key information, to welcome new staff and celebrate our successes and to explore key areas such as safeguarding and looking to the future. Wellbeing sessions and the staff surveys were used to gather important feedback from staff.

THE LAURUS TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

The Health and Wellbeing strategy continues to be at the forefront of the trust's agenda with activity supporting the three key principles of:

- Having a healthier and more inclusive workforce;
- Increasing staff morale and engagement;
- Providing Managers with the confidence and skills to enable them to lead of staff wellbeing issues.

The trust values the role of trade unions and have continued to build upon and maintain effective industrial relations with recognised Trade Union bodies during regular joint consultative and negotiation committees, working in partnership with trade union colleagues to develop good people management practices.

The trust's guiding principle of 'whatever it takes' for every staff member, everyday, gives a commitment to provide all staff with the best possible professional learning, the best possible learning environment, the best possible resources and ongoing wellbeing support which in turn encourages a flexible, resilient workforce with a caring heart, making the Laurus Trust a success.

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

The trustees recognise that we need to develop and maintain strong relationships with the local communities that our schools serve. The parents and carers of the pupils and students in our schools are continuously informed of the progress of their children and the measures in place to ensure their safety. During the year we have consulted with our stakeholders on major decisions such as refreshing the offer at one of our sixth forms in order to address falling numbers. We value all our suppliers and have multi-year multi-school contracts with our key suppliers to achieve value for money. During the pandemic, the trust has supported many of its suppliers by making payments to them under pre-existing contract terms despite the delivery of services being disrupted.

Objectives and activities

Objects and aims

The Laurus Trust's vision is for everyone regardless of background or circumstance to be inspired, to thrive in all environments, to recognise what it takes to succeed, to set aspirational goals and work hard to achieve them. The vision is embodied in the Laurus Trust's four cornerstones: Academic Aspiration, Leadership & Service, Culture, Creativity & Rhetoric, Competition & Physical Endeavour.

The trust benefits from support provided by The Law Family Education Trust (LFET) to effectively enable all students within the Laurus Trust to have the same access to high quality enrichment as those students who attend private schools. The trust and LFET believe that the all-round educational attainment of individual students is substantially promoted by their participation in a whole range of activities, not just classroom based academic ones. Inspiring students through these activities will enable them to become better motivated, as well as being more respected by their peers.

Training in the use of voice, and performing arts generally, will inspire confidence and enhance the presentation skills of the pupils. Other extra-curricular activities, together with regular sport and exercise, and a sense of competitive spirit, will increase personal well-being, health and concentration levels. The trust will also promote team building skills, leadership, and a passion to perform to the best of one's ability in all disciplines. These higher levels of individual betterment will be achieved across all ability levels through a wide scope of activities. Leadership is a skill to be learned and cultivated. Students will learn about the importance of success, and how to cope with setbacks, not as failure but as a springboard to better achievement. There will be a focus on developing presentation skills and self-confidence in general. Inspiring students to broaden their horizons and believe that 'anything is possible', is absolutely key to post-education success. From nursery through to sixth form we will strive to provide the best all-round educational experience.

THE LAURUS TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Objectives, strategies and activities

The main objectives of the trust during the year ended 31 August 2021 are summarised below:

- Academic focus: Headline performance and curriculum development, accountability and quality assurance.
- Management of growth: Continued implementation of an improvement plan for Hazel Grove High School (joined the trust in 2019), management of capital projects, investment in back office systems to support Central Services Function.
- Workforce development: Growth in the number of SCITT Associate Teachers and a continued high recruitment rate for graduates from the programme, professional development of our employees, retention and recruitment, succession planning.

Public benefit

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

The catchment areas of Cheadle Hulme High School, Hazel Grove High School and Gorsey Bank Primary School are designated by the Local Authority and have not changed since academy status. The four new free schools do not have a catchment area and those living nearest to the schools have priority. The trustees have reviewed the pupil admission policies and consider there to be no barriers to entry on the grounds of gender, ethnicity or family circumstances.

THE LAURUS TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Strategic report

Achievements and performance

During 2020-21 the priority in our secondary schools was curriculum continuity and mitigating lost and disrupted learning as a result of the pandemic. Our Trust Directors continued to guide and support departments in schools with their provision and intervention as a result of the national lockdowns and disruption to the school system. Over 780 devices were distributed to students across the five secondary schools to aid virtual learning. Our administrative teams also worked tirelessly on the provision of Free School Meal vouchers to our disadvantaged children unable to attend school.

Significant refurbishment work took place across the secondary estate including the completion of a new reception and library at Hazel Grove High School, new classrooms and servers at Cheadle Hulme High School and preparations for the Key Stage 4 curriculum at Laurus Cheadle Hulme and Laurus Ryecroft. During the year a consultation was held to consider the sixth form offer at Hazel Grove High School. A decision was made to pause sixth form admissions for two years to allow for the refurbishment of the building. We look forward to re-opening the sixth form in September 2023 alongside the openings of sixth forms at Laurus Ryecroft and Didsbury High School.

In Laurus primary schools, work has continued on curriculum design and sequencing to ensure that all pupils benefit from both an ambitious academic curriculum and a progressive enrichment curriculum. Being early adopters of the changes to Relationships and Sex Education as well as the Early Years Reforms, afforded the opportunity to forge ahead with the implementation of the changes that became statutory in September 2021. These have been well received by pupils, parents, staff and governors.

Primary pupils at both schools are benefitting from investment in their outdoor space including the further development of Forest School resources and additional play equipment including the next phase of the Trim Trail at Cheadle Hulme Primary and a sizeable climbing frame at Gorsey Bank. A new secure bike and scooter store has been installed at Cheadle Hulme Primary to encourage more families to walk or scoot/cycle to school and the canopy that enables younger pupils to learn outdoors whatever the weather is in the process of being replaced at Gorsey Bank.

Refurbishment has also taken place inside both primary school buildings. The audio-visual infrastructure in the main hall at Gorsey Bank has been significantly upgraded and the number of pupil iPads increased to enable wider access. All classrooms now also have the highest available specification of Smart Board to enhance teaching and learning. Several additional teaching spaces at Cheadle Hulme Primary School have been brought into use to welcome the opening of Key Stage 2 in September 2021. This marks the start of the school's final stage of growth and is an exciting step for pupils and staff alike.

The Altius Teacher Training School continued to produce accomplished qualified teachers during the year, with 47 trainees successfully gaining qualified teacher status and 19 subsequently employed by the trust.

A new finance system was implemented to support the growth of the trust, and further investment has been made in the central services team to support our HR information system, in-house software development and website hosting capabilities.

Our success in any year is down to the quality and commitment of our colleagues and we are incredibly proud of the calibre of staff we have in each of our schools and within the central services team. In the latter part of the year we launched Laurus Institute, to bring all our professional learning under one banner. Laurus Institute will provide a comprehensive offer of externally accredited and in-house professional learning for all staff at every stage of their career. Significant numbers of teaching staff are working towards Chartered Teaching Status, Doctorates and Masters in Education, all funded by the trust. During the year over 60 support staff managers completed the in-house Managers Programme.

THE LAURUS TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Due to the winter lockdown, and the resulting closure of our operations that generate revenue from non-government sources, 42 employees were put on furlough and the trust claimed under the government's Coronavirus Job Retention Scheme. The trust was able to top up the furlough scheme to 100% pay. More details are provided in note 4.

For the second year running, with the exception of the Phonics Check, statutory assessments at Reception, Key Stage 1 and 2 were all cancelled due to the continued issues around Covid-19. Throughout the year and in spite of high levels of pupil absence all associated cohorts were on track to achieve the trust set targets. The Phonics Check was carried out in Key Stage 1 but these results are not being published by the Department for Education.

Similarly, GCSE, BTEC and A-level examinations were also cancelled and teacher assessed grades provided instead. The Department for Education, Ofqual and Ofsted have all set out that the use of performance tables to benchmark results this year would be inappropriate. The trustees believe it would be disingenuous to report performance measures for these figures. However, as with the primary schools, both of the secondary schools with examination age students were on track to achieve the trust set targets. Moreover, the results which students left with were in line with trust expectations and the overwhelming majority of students left with the results they deserved. As there are no performance tables the use of destinations data provides the only reasonable benchmarking over time.

Cheadle Hulme High School

Year	Percentage going to university	Of those going to university, Percentage to Russell Group	Number of students going to Oxbridge	Number studying Medicine/ Dentistry/ Veterinary
2021	90%	72%	5	10
2020	86%	60%	4	11
2019	90%	55%	3	4
2018	91%	60%	2	3

Hazel Grove High School

Year	Percentage going to university	Of those going to university, Percentage to Russell Group	Percentage undertaking an Apprenticeship
2021	79%	28%	15%
2020	76%	24%	24%

The trustees would like to recognise the enormous amount of hard work put in by all of the students and the resilience they showed during this very difficult time.

The trustees would like to thank every member of staff and the leadership teams for their unwavering commitment to our pupils and students in such challenging circumstances.

THE LAURUS TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Key performance indicators

The trustees consider the following key performance indicators when assessing performance:

- Basic measures 9-5 Maths and English GCSE – no figures available due to pandemic
- Key Stage 2 SATs Expected Standard – no figures available due to pandemic
- Student Attendance
Due to the pandemic, it is not possible to provide meaningful data this year
- Income (percentage derived from GAG) 75% (2020: 68%)
- Staff costs as a percentage of income 79% (2020: 73%)

Going concern

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

Promoting the success of the academy trust

The trustees have acted in accordance with their duties codified in law, which include their duty to act in the way in which they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members, stakeholders and the matters set out in section 172(1) of the Companies Act 2006. The Charities Commission has issued guidance which explains that charitable companies should take "promoting the success of the company" to mean "promoting the success of the charity to achieve its charitable purposes."

The Laurus Trust is governed by its charitable objects. These charitable objects set out the purpose of the charity. The consequences of all decisions and activities of the charity are assessed by how they drive us towards achieving that long-term purpose, including by reference to the charity's strategy, vision and values. As an educational charity, we are accountable not only to our funders and direct beneficiaries (our pupils and students) but also our parents/carers and wider community. These stakeholders support us, engage with us, and challenge us. They ensure that the decisions we make as a charity, from the ground level through to the Trust Board, are for their benefit.

We are a values-driven organisation and our values mean that we are informed, shaped and powered by our determination to uphold our vision. Well-established involvement and consultation mechanisms, both direct (through pupil/student, parent/carer and staff surveys) and indirect (through the involvement of parents/carers and local people on our Local Academy Committees and Trust Board) ensure that decisions made by the trustees are informed by the needs of the organisation's stakeholders.

Long-term consequences of any decision

Trustees consider the consequences of any strategic decision in the long-term as part of their assessment. We aim to ensure that as an organisation we balance our income and expenditure to ensure that our organisation remains sustainable in the long term. This is balanced against the needs of our pupils and students, staff and other stakeholders, and the community, to ensure we are spending the funding we receive from the government in the most effective way to support our aims, and with integrity. This has included, for example, a decision relating to the viability of Hazel Grove Sixth Form in its current form and the decision to pause admissions to allow a refurbishment and re-design of the sixth form offer.

The interests of the company's employees

Details of how the trustees give consideration to the interests of the organisation's employees can be found in the section "Engagement with employees" found on page 6.

THE LAURUS TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

The need to foster the company's business relationships with suppliers, customers and others

Details of how the trustees give consideration to the interests of the organisation's other stakeholders can be found in the section "Engagement with suppliers, customers and others in a business relationship with the trust" found on page 7.

The impact of the company's operations on the community and the environment

Details of how the trustees give consideration to the impact on the community can be found in the section "Engagement with suppliers, customers and others in a business relationship with the trust" found on page 7. Further information is also given in the section on Public Benefit.

The desirability of the company maintaining a reputation for high standards of business conduct

The trust aims to conduct all its relationships with integrity and courtesy, and scrupulously to honour every business agreement. The trustees have approved a number of policies that help to ensure the charity maintains high standards of business conduct; these include the Anti Bribery, Fraud & Corruption Policy and Whistleblowing Policy.

The need to act fairly as between members of the company.

All members of the trust are treated fairly and equally, with the same access to information, the ability to directly contact Trustees or the Executive, and being invited to participate in training.

All matters reserved for decision by the trustees are presented at Board or Committee meetings as appropriate. Trustees are briefed on any identified potential impacts and risks for our stakeholders and how they are to be managed. The trustees take these factors into account before making a final decision which together they believe is in the best interests of the trust and its stakeholders.

Financial review

The trust's financial position demonstrates total income of £36,206k (2020: £52,636k) with net outgoing resources at the 31 August 2021 of £5,197k (2020: net incoming £17,890k).

The primary income stream for the Trust is the funding received from the ESFA through the General Annual Grant (the 'GAG'). The total income recognised in the year from GAG was £27,281k (2020: £22,820k). The significant increase was due to the growth in the free schools.

The principal financial management policies adopted in the year are:

- conducting regular financial reviews of income and expenditure versus planned budgets through the management accounts and at the Audit, Finance & Resources Committee meetings; and
- consideration as to whether the financial income demonstrates a robust and stable position enabling the provision of sufficient quality resources to fulfil the academy trust's educational obligations.

THE LAURUS TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Reserves policy

The level of reserves held at 31 August 2021 total £71,357k (2020: £76,554k). Total reserves excluding pension liability were £87,172k (2020: £87,300k). Total reserves excluding pension liability and restricted fixed asset reserves were £3,389k (2020: £1,438k).

Trustees approved the Reserves Policy in July 2020. Individual schools must maintain a minimum reserves balance. The policy assists in strategic planning by considering how new projects or activities will be funded. The reserves carried forward will be utilised for continuous improvements and for projects for the repair and replacement of school buildings, plant equipment, IT and educational equipment and materials. A strategic capital plan is prepared and reviewed each year by the Audit, Finance & Resources Committee in order that reserves can be prioritised and spent according to the needs of each school in the academy trust.

The deficit on the Local Government Pension Schemes of £15,815k at 31 August 2021 (£10,746k at 31 August 2020) does not mean that an immediate liability crystallises. The deficit results in a cash flow effect for the trust in the form of possible future increases in pension contributions, which, if required, will be met from the budgeted annual income.

Investment policy

The investment policy is reviewed annually by the trustees and was last approved in December 2020.

The aim of the policy is to ensure funds that the trust does not immediately need to cover anticipated expenditure are invested in such a way as to maximise the trust's income but with minimal risk. The aim is to research where funds may be deposited applying prudence in ensuring there is minimum risk. The trust does not consider the investment of surplus funds as a primary activity, rather as a result of good stewardship and as and when circumstances allow.

The trust will, after constructing and reporting forecasts versus budgets, consider whether it is prudent to deposit funds into an account where improved terms are offered. As improved terms are generally only offered where funds are invested for a fixed term, it may be prudent for the trust not to invest funds in this manner.

THE LAURUS TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Principal risks and uncertainties

The trustees maintain and regularly monitor risks via a risk register. The objectives are to identify risk, assess each risk in terms of its inherent risk, and then its residual risk after the effect of controls in place have been taken into consideration. The trustees then assess if the controls in place are effective to mitigate each risk and set actions for the executive team to progress. This methodology is replicated at a local level with each school holding its own risk register and undertaking the same approach to managing risk.

The principal risks are the loss of reputation through falling standards, falling student rolls, failure to safeguard the students of our schools, failure to recruit and retain the required calibre of staff and teachers to meet the strategic objectives and cyber security threats.

Key controls in place are:

- an organisational structure with defined roles, responsibilities and authorisation levels;
- terms of reference for the sub-committees of the Trust board and the Local Academy Committees;
- Professional Learning programme in place for all staff
- financial planning, budgeting and regular management reporting highlighting areas of financial risk;
- annual Health & Safety audits and a full compliance programme of inspections and maintenance of the trust estate;
- formal induction programme and written and published policies for employees;
- vetting procedures as required by law for the protection of the vulnerable; and
- multi factor authentication to protect the trust network and cyber security awareness training for staff.

The trust's employees are members of three defined benefit pension schemes, the Teachers' Pension Scheme (TPS) and the Local Government Pension Schemes for Greater Manchester and Cheshire (LGPS). The trust has recognised its share of the LGPS assets and liabilities in accordance with Financial Reporting Standard 102, Section 28. A deficit of £15,815k (2020: £10,746k) has been recognised at 31 August 2021. The TPS has been accounted for as a defined contribution scheme. Further details of the accounting policy adopted for each scheme are included in note 1 to the financial statements.

Due to the nature of the pension schemes there is an underlying risk to the trust, which relates primarily to the uncertainty of the future funding requirements of each scheme, the results of which impact on the contribution rates for future employer contributions to each scheme. The trustees have given due consideration to these risks.

Fundraising

The trust carried out a limited amount of fundraising events during the year including non-uniform days and activities linked to national events. The trust does not work with professional fundraisers or companies who carry out fundraising on its behalf. In the circumstances when fundraising is undertaken, systems and controls are in place to separate and protect funds. The trust is mindful of its responsibilities under the Charities (Protection and Social Investment) Act 2016 and legal rules, and ensures all activities are agreed and monitored at senior leadership team level in compliance with relevant legal rules. Recognised standards are applied to ensure that fundraising is open, honest and respectful, protecting the public from undue pressure to donate. Any complaints are handled and monitored through the trust's complaints procedure.

THE LAURUS TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Streamlined energy and carbon reporting

Energy consumption

Aggregate of energy consumption in the year kWh
9,942,810

Emissions of CO2 equivalent

	metric tonnes	metric tonnes
Scope 1 - direct emissions		
- Gas consumption	1,397.07	
- Fuel consumed for owned transport	0.98	
	<hr/>	1,398.05
Scope 2 - indirect emissions		
- Electricity purchased		489.02
Scope 3 - other indirect emissions		
- Fuel consumed for transport not owned by the academy trust		1.47
		<hr/>
Total gross emissions		1,888.54
		<hr/> <hr/>
Intensity ratio		
Tonnes CO2e per pupil		0.35
		<hr/> <hr/>

Quantification and reporting methodology

We have followed the 2021 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 CO2e per pupil, the recommended ratio for the sector.

Measures taken to improve energy efficiency

The Laurus Trust is keen to ensure that whatever work we undertake has some form of energy efficiency benefits and contributes in some way to achieving the UK's commitment to reducing its greenhouse gas emissions by at least 80% by 2050, relative to 1990 levels.

In recent years we have fortunately been able through funding, to build three new schools, all of which have energy efficiencies with the use of solar wind catchers, LED lighting, lighting sensor controls, energy efficient heating and ventilation systems.

Our older schools have benefited from replacement double glazed windows, roof refurbishments with increased insulation, breathable buildings technology and solar panel installations. As part of the trust's building development and refurbishment plan we have during this year commenced upgrading lighting to LED with sensor controls wherever refurbishment takes place and improving natural ventilation.

All schools now operate heating and cooling services via a BMS system which enables accurate control of the amount of energy being used and when.

The trust has just renewed its lease on a totally electric, therefore, zero emissions vehicle for staff to use to travel between its school sites.

We have recently applied for assistance under the Decarbonisation Scheme to have Heat Decarbonisation Plans produced by a third-party consultant with a view to longer term decarbonisation of our old heating systems in our older school estate where the boilers are coming to the end of their useful life. This will entail an initial desktop study, a site visit / site walkover and a report with recommendations for decarbonisation.

THE LAURUS TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Plans for future periods

The aim is to provide a structure for continuous improvement and achievement at all key stages and for the results at Key Stages 2, 3 and 4 to demonstrate year on year improvements. The trust also aims to have successful Ofsted inspection outcomes.

The trust opened three free schools in September 2018 in Stockport and Tameside and one in Manchester in September 2019 and the aim is to ensure all these schools fulfil their remit of providing high quality school places in the communities they serve. Two of these schools offer future sixth form provision and the trust has approval to open an alternative provision free school in Stockport.

There is a school improvement plan in place for Hazel Grove High School, which transferred to the trust on 1 September 2019, with core aims of investing in the school environment and improving the outcomes for students. A newly refurbished sixth form will re-open at this school in September 2023.

A capital works programme is regularly updated to ensure the schools are maintained and updated to the highest of standards within funding constraints. The newly opened schools are in brand new purpose built accommodation but the established schools occupy much older buildings. The trust is of the size to qualify for School Condition Allocation funding and trustees have adopted a methodology to ensure this allocation is prioritised according to need.

The trust continues to look at strategic opportunities for further growth assessing their potential impact on the trust's vision and the opportunity to deliver economies of scale.

Funds held as custodian trustee on behalf of others

No funds are held on behalf of other organisations.

Auditor

In so far as the trustees are aware:

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

The trustees' report, incorporating a strategic report, was approved by order of the members of the Trust on 10 December 2021 and signed on its behalf by:

Leonard Elias

L Elias
Trustee

THE LAURUS TRUST

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2021

Scope of responsibility

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

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

Governance

The information on governance included here supplements that described in the Trustees' report and in the Statement of Trustees' responsibilities. The board of trustees have formally met seven times during the year. Attendance during the year at meetings of the Trust board was as follows:

Trustees	Meetings attended	Out of possible
L Elias	6	6
P Benton	6	6
D Brown	6	6
C Fisher (Resigned 4 November 2021)	6	6
A Little (Chair of Trustees)	6	6
C Nevin	5	6
L Woolley	6	6
W Mason	6	6
D Kershaw	5	6
R Kumar	6	6
V Horsfield (Resigned 31 August 2021)	3	6
J Crombleholme	5	6

The board assesses the effectiveness of the trust's governance model on an annual basis particularly in light of the continued growth of the trust. During the year to 31 August 2021 the board maintained effective oversight of funds via the six board meetings and the delegation of certain authorities to the sub-committees according to the Scheme of Delegation.

The Audit, Finance & Resources Committee is a sub-committee of the Trust Board. Its purpose is to advise the board on all strategic financial management related issues.

Attendance at meetings in the year was as follows:

Trustees	Meetings attended	Out of possible
L Elias	3	3
P Benton	3	3
D Kershaw	2	3
R Kumar	2	3

THE LAURUS TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Attendance at meetings in the year for the pay and remuneration committee was as follows:

Trustees	Meetings attended	Out of possible
P Benton	1	1
C Fisher (Resigned 4 November 2021)	1	1
A Little (Chair of Trustees)	1	1
C Nevin	1	1

Review of value for money

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

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

- Using the trust's purchasing power to negotiate some favourable rates for supplies and services.
- Use of integrated curriculum and financial planning tools to maximise use of resources. KPIs are monitored as part of the monthly management accounts process.
- A dedicated centrally employed team to proactively identify efficiencies and focus on individual school requirements.
- Sharing of staffing resources across all schools.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the trust's 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 the trust for the year ended 31 August 2021 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The board of trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the trust's significant risks that has been in place for the year ended 31 August 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

THE LAURUS TRUST

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 trustees
- 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 trustees has decided to buy-in an internal audit service from Haines Watts.

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

- Expenditures system and controls
- Bank systems and controls
- Payroll systems and controls

On a termly basis, Haines Watts the internal auditor reports to the board of trustees, through the Audit, Finance & Resources Committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities and annually prepares an annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

Review of effectiveness

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

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

The Accounting Officer has considered of the implications of the result of their review of the system of internal control by the Audit, Finance & Resources Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members board of trustees on 10 December 2021 and signed on its behalf by:



L Magrath
Accounting Officer



L Elias
Trustee

THE LAURUS TRUST

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

FOR THE YEAR ENDED 31 AUGUST 2021

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



L Magrath
Accounting Officer

10 December 2021

THE LAURUS TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2021

The trustees (who are also the directors of The Laurus Trust for the purposes of company law) are responsible for preparing the trustees' 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 trustees to prepare accounts for each financial year. Under company law, the trustees 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 trustees are required to:

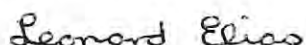
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting 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 trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the 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 trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring that grants received from ESFA/DfE have been applied for the purposes intended.

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

Approved by order of the members of the board of trustees on 10 December 2021 and signed on its behalf by:



L Elias
Trustee

THE LAURUS TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE LAURUS TRUST FOR THE YEAR ENDED 31 AUGUST 2021

Opinion

We have audited the accounts of The Laurus Trust 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 trustees' 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 trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees 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.

THE LAURUS TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE LAURUS TRUST (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 trustees' report including the incorporated strategic report for the financial year for which the accounts are prepared is consistent with the accounts; and
- the trustees' 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 trustees' 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 trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees 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 trustees 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 trustees 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 trustees 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.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

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, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

THE LAURUS TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE LAURUS TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Identifying and assessing potential risks related to irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, we considered the following:

- the nature of the industry and sector, control environment and business performance
- identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance,
- detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
- the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations; and
- the matters discussed among the audit engagement team and involving relevant internal specialists, including tax, and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory frameworks the academy operates in, focussing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Companies Act and Academies Accounts Direction.

Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- Enquiring of management and those charged with governance concerning actual and potential litigation claims;
- In assessing the risk of fraud through management override of controls, testing the appropriateness of journal entries and assessing whether judgements made in making accounting estimates are indicative of potential bias.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the academy's ability to operate or to avoid a material penalty.

Our procedures to respond to risks identified included the following:

- Reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- Enquiring of management and those charged with governance concerning actual and potential litigation claims;
- In addressing the risk of fraud through inappropriate recording of income, we review the existence and completeness of ESFA income and reconcile all other material income streams to third party evidence;
- We carry out a detailed review of deferred income, including a review of amounts released to income in the year.
- We review a sample of expenditure to ensure it has been appropriately authorised and that tender process have been followed where applicable;
- We carry out a review of the register of interests and minutes to ensure that all related parties have been disclosed adequately;

THE LAURUS TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE LAURUS TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

- In assessing the risk of fraud through management override of controls, testing the appropriateness of journal entries and assessing whether judgements made in making accounting estimates are indicative of potential bias.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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.

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.



Stephen Grayson FCCA (Senior Statutory Auditor)
for and on behalf of UHY Hacker Young Manchester LLP

10 December 2021

Chartered Accountants
Statutory Auditor

St James Building
79 Oxford Street
Manchester
M1 6HT

THE LAURUS TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2021

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

Respective responsibilities of The Laurus Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of The Laurus Trust's funding agreement with the Secretary of State for Education 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.


THE LAURUS TRUST

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE LAURUS TRUST 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
UHY Hacker Young Manchester LLP
St James Building
79 Oxford Street
Manchester
M1 6HT

Dated: 10 December 2021

THE LAURUS TRUST

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	-	1,215	761	1,976	22,991
Donations - transfer from local authority on conversion		-	-	-	-	1,234
Donations - transfer of existing academy into the trust	27	-	-	-	-	-
Charitable activities:						
- Funding for educational operations	4	45	32,203	-	32,248	26,198
- Funding for teaching school	27	-	1,171	-	1,171	1,053
Other trading activities	5	528	281	-	809	1,156
Investments	6	2	-	-	2	4
Total		<u>575</u>	<u>34,870</u>	<u>761</u>	<u>36,206</u>	<u>52,636</u>
Expenditure on:						
Charitable activities:						
- Educational operations	9	575	33,192	3,358	37,125	31,817
- Teaching school	27	-	1,113	-	1,113	998
Total	7	<u>575</u>	<u>34,305</u>	<u>3,358</u>	<u>38,238</u>	<u>32,815</u>
Net income/(expenditure)		-	565	(2,597)	(2,032)	19,821
Transfers between funds	18	-	(518)	518	-	-
Other recognised gains/(losses)						
Actuarial losses on defined benefit pension schemes	20	-	(3,165)	-	(3,165)	(1,931)
Net movement in funds		-	(3,118)	(2,079)	(5,197)	17,890
Reconciliation of funds						
Total funds brought forward		-	(9,308)	85,862	76,554	58,664
Total funds carried forward		-	(12,426)	83,783	71,357	76,554

THE LAURUS TRUST

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	Restated	Restated		Restated
		Unrestricted Funds £'000	General £'000	Restricted funds: Fixed asset £'000	Total 2020 £'000
Income and endowments from:					
Donations and capital grants	3	-	1,276	21,715	22,991
Donations - transfer from local authority on conversion		-	(2,810)	4,044	1,234
Charitable activities:					
- Funding for educational operations	4	24	26,174	-	26,198
- Funding for teaching school	27	-	1,053	-	1,053
Other trading activities	5	701	455	-	1,156
Investments	6	4	-	-	4
Total		<u>729</u>	<u>26,148</u>	<u>25,759</u>	<u>52,636</u>
Expenditure on:					
Charitable activities:					
- Educational operations	9	729	28,391	2,697	31,817
- Teaching school	27	-	998	-	998
Total	7	<u>729</u>	<u>29,389</u>	<u>2,697</u>	<u>32,815</u>
Net income/(expenditure)		-	(3,241)	23,062	19,821
Transfers between funds	18	-	(368)	368	-
Other recognised gains/(losses)					
Actuarial losses on defined benefit pension schemes	20	-	(1,931)	-	(1,931)
Net movement in funds		-	(5,540)	23,430	17,890
Reconciliation of funds					
Total funds brought forward		-	(3,768)	62,432	58,664
Total funds carried forward		-	(9,308)	85,862	76,554

THE LAURUS TRUST

BALANCE SHEET

AS AT 31 AUGUST 2021

	Notes	2021		2020	
		£'000	£'000	£'000	£'000
Fixed assets					
Tangible assets	13		83,783		85,862
Current assets					
Debtors	14	1,049		1,569	
Cash at bank and in hand		5,976		3,045	
		<u>7,025</u>		<u>4,614</u>	
Current liabilities					
Creditors: amounts falling due within one year	15	(3,504)		(3,013)	
Net current assets			3,521		1,601
Total assets less current liabilities			87,304		87,463
Creditors: amounts falling due after more than one year	16		(132)		(163)
Net assets before defined benefit pension scheme liability			87,172		87,300
Defined benefit pension scheme liability	20		(15,815)		(10,746)
Total net assets			<u>71,357</u>		<u>76,554</u>
Funds of the academy trust:					
Restricted funds	18				
- Fixed asset funds			83,783		85,862
- Restricted income funds			3,389		1,438
- Pension reserve			(15,815)		(10,746)
Total restricted funds			<u>71,357</u>		<u>76,554</u>
Unrestricted income funds	18		-		-
Total funds			<u>71,357</u>		<u>76,554</u>

The accounts on pages 28 to 55 were approved by the trustees and authorised for issue on 10 December 2021 and are signed on their behalf by:

Leonard Elias

L Elias

Company Number 07907463

THE LAURUS TRUST

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 provided by operating activities	21		3,488		1,762
Cash funds transferred on conversion			-		246
			<u>3,488</u>		<u>2,008</u>
Cash flows from investing activities					
Dividends, interest and rents from investments		2		4	
Capital grants from DfE Group		563		1,683	
Capital funding received from sponsors and others		198		832	
Purchase of tangible fixed assets		(1,279)		(2,908)	
		<u></u>		<u></u>	
Net cash used in investing activities			(516)		(389)
Cash flows from financing activities					
Movement on long term bank loan		(41)		204	
		<u></u>		<u></u>	
Net cash (used in)/provided by financing activities			(41)		204
			<u></u>		<u></u>
Net increase in cash and cash equivalents in the reporting period			2,931		1,823
Cash and cash equivalents at beginning of the year			3,045		1,222
			<u></u>		<u></u>
Cash and cash equivalents at end of the year			<u>5,976</u>		<u>3,045</u>

THE LAURUS TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

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

1.1 Basis of preparation

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 trustees 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 trustees 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.

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.

THE LAURUS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

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 fixed assets

Donated fixed assets are measured at fair value unless it is impractical to measure this reliably, in which case the cost of the item to the donor is 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.

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.

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.

1.5 Tangible fixed assets and depreciation

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

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

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

Buildings.	6 - 50 years
Computer equipment	3 years
Fixtures, fittings & equipment	3 - 10 years

THE LAURUS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

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 of services it must provide.

1.7 Provisions

Provisions are recognised when the academy trust has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.8 Leased assets

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

1.9 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.

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.

1.10 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.

THE LAURUS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

1.11 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 so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a projected unit 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 operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the statement of financial activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

1.12 Fund accounting

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

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

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from the Education and Skills Funding Agency.

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 LAURUS TRUST

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

2 Critical accounting estimates and areas of judgement (Continued)

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 20, 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

The academy trust has assessed the financial statements for areas which may be considered critical areas of judgement, of which none have been identified.

3 Donations and capital grants

	Unrestricted funds £'000	Restricted funds £'000	Total 2021 £'000	Total 2020 £'000
Capital grants	-	761	761	21,715
Other donations	-	1,215	1,215	1,276
	-----	-----	-----	-----
	-	1,976	1,976	22,991
	=====	=====	=====	=====

Included in Capital grants is £Nil (2020: £19,200k) of donations from DfE in relation to the free school programme.

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)	-	27,271	27,271	22,820
Start up grants	-	37	37	5
Other DfE group grants	-	3,373	3,373	2,475
	-----	-----	-----	-----
	-	30,681	30,681	25,300
	=====	=====	=====	=====
Other government grants				
Local authority grants	-	1,146	1,146	699
	-----	-----	-----	-----
Other funding				
Other incoming resources	45	74	119	81
	-----	-----	-----	-----
Exceptional government funding				
Coronavirus funding schemes	-	302	302	118
	-----	-----	-----	-----
Total funding	45	32,203	32,248	26,198
	=====	=====	=====	=====

THE LAURUS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

5	Other trading activities		Unrestricted funds £'000	Restricted funds £'000	Total 2021 £'000	Total 2020 £'000	
	Hire of facilities		240	-	240	299	
	Catering income		64	268	332	319	
	Trip income		-	13	13	184	
	Parental contributions		224	-	224	354	
			<u>528</u>	<u>281</u>	<u>809</u>	<u>1,156</u>	
6	Investment income		Unrestricted funds £'000	Restricted funds £'000	Total 2021 £'000	Total 2020 £'000	
	Short term deposits		<u>2</u>	<u>-</u>	<u>2</u>	<u>4</u>	
7	Expenditure		Staff costs £'000	Non-pay expenditure Premises Other £'000 £'000		Total 2021 £'000	Total 2020 £'000
	Academy's educational operations						
	- Direct costs	21,878	-	1,395		23,273	19,695
	- Allocated support costs	6,442	5,898	1,512		13,852	12,122
	Teaching school						
	- Direct costs	284	-	730		1,014	899
	- Allocated support costs	77	16	6		99	99
		<u>28,681</u>	<u>5,914</u>	<u>3,643</u>		<u>38,238</u>	<u>32,815</u>
	Net income/(expenditure) for the year includes:				2021	2020	
					£'000	£'000	
	Fees payable to auditor for:						
	- Audit				21	21	
	- Other services				5	5	
	Depreciation of tangible fixed assets				3,358	2,697	
	Net interest on defined benefit pension liability				<u>196</u>	<u>144</u>	

THE LAURUS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

8 Central services

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

- human resources;
- financial services;
- legal services;
- educational support services;
- estates and IT support services;
- marketing and communication services.

The academy trust charges for these services on a flat 6% (2020: 5%) of GAG income.

The amounts charged during the year were as follows:

	2021 £'000	2020 £'000
Gorseley Bank Primary School	96	72
Cheadle Hulme High School	491	389
Cheadle Hulme Primary School	42	26
Laurus Cheadle Hulme	190	104
Laurus Ryecroft	169	88
Didsbury High School	153	77
Hazel Grove High School	456	361
	<u>1,597</u>	<u>1,117</u>

9 Charitable activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2021 £'000	Total 2020 £'000
Direct costs				
Educational operations	16	23,257	23,273	19,695
Teaching school	-	1,014	1,014	899
Support costs				
Educational operations	559	13,293	13,852	12,122
Teaching school	-	99	99	99
	<u>575</u>	<u>37,663</u>	<u>38,238</u>	<u>32,815</u>

THE LAURUS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

9 Charitable activities (Continued)

	Teaching school £'000	Educational operations £'000	Total 2021 £'000	Total 2020 £'000
Analysis of support costs				
Support staff costs	79	6,511	6,590	5,786
Depreciation	-	3,358	3,358	2,697
Technology costs	1	157	158	189
Premises costs	16	2,540	2,556	2,213
Legal costs	2	52	54	119
Other support costs	1	1,201	1,202	1,190
Governance costs	-	33	33	27
	<u>99</u>	<u>13,852</u>	<u>13,951</u>	<u>12,221</u>

10 Staff

Staff costs

Staff costs during the year were:

	2021 £'000	2020 £'000
Wages and salaries	20,552	17,300
Social security costs	1,994	1,669
Pension costs	6,121	5,187
Staff costs - employees	<u>28,667</u>	<u>24,156</u>
Staff restructuring costs	14	77
Staff development and other staff costs	<u>28,681</u>	<u>24,233</u>
	146	91
Total staff expenditure	<u><u>28,827</u></u>	<u><u>24,324</u></u>
Staff restructuring costs comprise:		
Severance payments	<u>14</u>	<u>77</u>

Non statutory/non-contractual staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £4k (2020: £41k). Individually, the payments were: £2.5k and £1.5k.

THE LAURUS TRUST

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

10 Staff

(Continued)

Staff numbers

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

	2021 Number	2020 Number
Teachers	344	310
Administration and support	353	308
Management	10	10
	<u>707</u>	<u>628</u>

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	16	7
£70,001 - £80,000	3	5
£80,001 - £90,000	4	1
£90,001 - £100,000	2	3
£100,001 - £110,000	2	1
£160,001 - £170,000	-	1
£170,001 - £180,000	1	-
	<u>1</u>	<u>1</u>

Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £1,245,500 (2020: £1,217,063).

THE LAURUS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

11 Trustees' remuneration and expenses

One or more of the trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The CEO and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of CEO and staff members under their contracts of employment, and not in respect of their services as trustees.

The value of trustees' remuneration and other benefits was as follows:

D Brown (Staff Trustee):

- Remuneration £100,001 - £110,000 (2020: £100,001 - £110,000)
- Employer's pension contributions £25,001 - £30,000 (2020: £15,001 - £20,000)

L Woolley (Staff Trustee):

- Remuneration £80,001 - £90,000 (2020: £70,001 - £80,000)
- Employer's pension contributions £15,001 - £20,000 (2020: £15,001 - £20,000)

W Mason (CFO and Trustee):

- Remuneration £90,001 - £100,000 (2020: £90,001 - £100,000)
- Employer's pension contributions £15,001 - £20,000 (2020: £15,001 - £20,000)

During the year ended 31 August 2021, travel and subsistence payments totalling £Nil were reimbursed or paid directly to nil trustees (2020: £628 to five trustees).

12 Trustees' and officers' insurance

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

THE LAURUS TRUST

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

13 Tangible fixed assets

	Land and buildings	Assets Under Construction	Computer equipment	Fixtures, fittings & equipment	Total
	£'000	£'000	£'000	£'000	£'000
Cost					
At 1 September 2020	86,132	147	3,750	5,827	95,856
Transfer	147	(147)	-	-	-
Additions	308	84	491	396	1,279
At 31 August 2021	86,587	84	4,241	6,223	97,135
Depreciation					
At 1 September 2020	7,231	-	1,813	950	9,994
Charge for the year	1,772	-	1,025	561	3,358
At 31 August 2021	9,003	-	2,838	1,511	13,352
Net book value					
At 31 August 2021	77,584	84	1,403	4,712	83,783
At 31 August 2020	78,901	147	1,937	4,877	85,862

The academy trust's transactions relating to land and buildings included £197k addition at Hazel Grove High School for the new library and reception. Other transactions all relate to building improvement work on existing buildings.

14 Debtors

	2021 £'000	2020 £'000
Trade debtors	61	428
VAT recoverable	98	269
Other debtors	32	2
Prepayments and accrued income	858	870
	1,049	1,569

THE LAURUS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

15 Creditors: amounts falling due within one year	2021	2020
	£'000	£'000
Government loans	31	41
Trade creditors	538	650
Other taxation and social security	506	420
Other creditors	160	74
Accruals and deferred income	2,269	1,828
	<u>3,504</u>	<u>3,013</u>
	<u><u>3,504</u></u>	<u><u>3,013</u></u>
16 Creditors: amounts falling due after more than one year	2021	2020
	£'000	£'000
Government loans	132	163
	<u>132</u>	<u>163</u>
	<u><u>132</u></u>	<u><u>163</u></u>
Analysis of loans	2021	2020
	£'000	£'000
Not wholly repayable within five years by instalments	163	204
Less: included in current liabilities	(31)	(41)
	<u>132</u>	<u>163</u>
Amounts included above	<u>132</u>	<u>163</u>
	<u><u>132</u></u>	<u><u>163</u></u>
Loan maturity		
Debt due in one year or less	31	41
Due in more than one year but not more than two years	31	31
Due in more than two years but not more than five years	75	83
Due in more than five years	26	49
	<u>163</u>	<u>204</u>
	<u><u>163</u></u>	<u><u>204</u></u>

Loans of £163k (2020: £192k) from Salix are interest free loans. Repayments are deducted biannually from the GAG for Hazel Grove High School.

Also included within other loans is £Nil (2020: £12k) from Stockport MBC for the purchase of solar panels at Hazel Grove High School. The loan is secured against the asset to which it relates.

17 Deferred income	2021	2020
	£'000	£'000
Deferred income is included within:		
Creditors due within one year	1,564	1,184
	<u>1,564</u>	<u>1,184</u>
	<u><u>1,564</u></u>	<u><u>1,184</u></u>

THE LAURUS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

17 Deferred income	(Continued)	
Deferred income at 1 September 2020	1,184	522
Released from previous years	(1,184)	(522)
Resources deferred in the year	1,564	1,184
	<u> </u>	<u> </u>
Deferred income at 31 August 2021	1,564	1,184
	<u> </u>	<u> </u>

At the balance sheet date the academy trust was holding the following funds

- £1,060k was received in relation to School Condition Allocation;
- £108k was received in advance from the Law Family Educational Trust;
- £43k was received in advance for school trips booked for 2021/22;
- £88k was received in relation to UIFSM;
- £23k was received in relation to discretionary bursary;
- £61k was received in advance in relation to DFC;
- £32k was received in relation to SCITT tuition fees
- £30k was received in relation to primary sports grant;
- £30k was received in relation to PDG;
- £26k was received in relation to PNA;
- The remaining £63k consists of other small balances.

THE LAURUS TRUST

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)	1,265	27,271	(24,860)	(518)	3,158
Start up grants	-	36	(36)	-	-
Other DfE / ESFA grants	-	3,373	(3,373)	-	-
Other government grants	-	1,449	(1,449)	-	-
Teaching school	157	1,171	(1,113)	-	215
Astroturf sinking fund	16	-	-	-	16
Other restricted funds	-	1,570	(1,570)	-	-
Pension reserve	(10,746)	-	(1,904)	(3,165)	(15,815)
	<u>(9,308)</u>	<u>34,870</u>	<u>(34,305)</u>	<u>(3,683)</u>	<u>(12,426)</u>
Restricted fixed asset funds					
Inherited on conversion	13,994	-	-	-	13,994
DfE group capital grants	63,777	563	(3,358)	-	60,982
Capital expenditure from GAG	1,202	-	-	518	1,720
Private sector capital sponsorship	6,889	198	-	-	7,087
	<u>85,862</u>	<u>761</u>	<u>(3,358)</u>	<u>518</u>	<u>83,783</u>
Total restricted funds	<u>76,554</u>	<u>35,631</u>	<u>(37,663)</u>	<u>(3,165)</u>	<u>71,357</u>
Unrestricted funds					
General funds	-	575	(575)	-	-
	<u>-</u>	<u>575</u>	<u>(575)</u>	<u>-</u>	<u>-</u>
Total funds	<u>76,554</u>	<u>36,206</u>	<u>(38,238)</u>	<u>(3,165)</u>	<u>71,357</u>

THE LAURUS TRUST

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:

Restricted general funds

Restricted general funds comprise all other restricted funds received and include grants received from the Education Skills Funding Agency and the Department for Education. Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG that could be carried forward at 31 August 2021.

Astroturf sinking fund

The Astroturf sinking fund is in relation to the partnership agreement between Hazel Grove High School and Stockport Metropolitan Borough Council, as detailed in the contingent liability note. A further term of the agreement is that the Academy will invest up to £17,000 annually into a 'sinking fund' out of surplus generated from the Sports Centre (after payments as detailed in the contingent liabilities note), to be used to replace the facility after approximately 10 years of use. No surplus was generated in 2021 due to income losses caused by Covid closures.

Restricted fixed asset funds

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

THE LAURUS TRUST

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)	464	22,793	(21,624)	(368)	1,265
Start up grants	-	5	(5)	-	-
Other DfE / ESFA grants	-	2,475	(2,475)	-	-
Other government grants	-	817	(817)	-	-
Teaching school	102	1,053	(998)	-	157
Astroturf sinking fund	-	16	-	-	16
Other restricted funds	-	1,818	(1,818)	-	-
Pension reserve	(4,334)	(2,829)	(1,652)	(1,931)	(10,746)
	<u>(3,768)</u>	<u>26,148</u>	<u>(29,389)</u>	<u>(2,299)</u>	<u>(9,308)</u>
Restricted fixed asset funds					
Transfer on conversion	9,975	4,019	-	-	13,994
DfE group capital grants	45,566	20,908	(2,697)	-	63,777
Capital expenditure from GAG	834	-	-	368	1,202
Private sector capital sponsorship	6,057	832	-	-	6,889
	<u>62,432</u>	<u>25,759</u>	<u>(2,697)</u>	<u>368</u>	<u>85,862</u>
Total restricted funds	<u>58,664</u>	<u>51,907</u>	<u>(32,086)</u>	<u>(1,931)</u>	<u>76,554</u>
Unrestricted funds					
General funds	-	729	(729)	-	-
	<u>-</u>	<u>729</u>	<u>(729)</u>	<u>-</u>	<u>-</u>
Total funds	<u>58,664</u>	<u>52,636</u>	<u>(32,815)</u>	<u>(1,931)</u>	<u>76,554</u>

THE LAURUS TRUST

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:		
Gorsey Bank Primary School	263	210
Cheadle Hulme High School	1,080	514
Cheadle Hulme Primary School	144	117
Laurus Cheadle Hulme	516	338
Laurus Ryecroft	572	302
Didsbury High School	626	66
Hazel Grove High School	233	47
Central services	(45)	(156)
Total before fixed assets fund and pension reserve	<u>3,389</u>	<u>1,438</u>
Restricted fixed asset fund	83,783	85,862
Pension reserve	(15,815)	(10,746)
Total funds	<u><u>71,357</u></u>	<u><u>76,554</u></u>

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
Gorsey Bank Primary School	1,328	364	108	281	2,081	1,949
Cheadle Hulme High School	6,835	1,389	1,119	943	10,286	9,900
Cheadle Hulme Primary School	796	233	40	203	1,272	941
Laurus Cheadle Hulme	2,455	529	155	488	3,627	2,308
Laurus Ryecroft	2,089	474	126	506	3,195	1,984
Didsbury High School	1,820	430	141	440	2,831	1,797
Hazel Grove High School	6,095	1,717	329	1,010	9,151	8,756
Central services	819	1,455	33	130	2,437	2,482
	<u>22,237</u>	<u>6,591</u>	<u>2,051</u>	<u>4,001</u>	<u>34,880</u>	<u>30,117</u>

THE LAURUS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

19 Analysis of net assets between funds

	Unrestricted Funds £'000	Restricted funds: General £'000	Fixed asset £'000	Endowment Funds £'000	Total Funds £'000
Fund balances at 31 August 2021 are represented by:					
Tangible fixed assets	-	-	83,783	-	83,783
Current assets	3,636	3,389	-	-	7,025
Creditors falling due within one year	(3,504)	-	-	-	(3,504)
Creditors falling due after one year	(132)	-	-	-	(132)
Defined benefit pension liability	-	(15,815)	-	-	(15,815)
Total net assets	-	(12,426)	83,783	-	71,357

	Unrestricted Funds £'000	Restricted funds: General £'000	Fixed asset £'000	Endowment Funds £'000	Total Funds £'000
Fund balances at 31 August 2020 are represented by:					
Tangible fixed assets	-	-	85,862	-	85,862
Current assets	-	4,614	-	-	4,614
Creditors falling due within one year	-	(3,013)	-	-	(3,013)
Creditors falling due after one year	-	(163)	-	-	(163)
Defined benefit pension liability	-	(10,746)	-	-	(10,746)
Total net assets	-	(9,308)	85,862	-	76,554

20 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 Greater Manchester Pension Fund and the Cheshire Pension Fund. 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.

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

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 LAURUS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

20 Pension and similar obligations

(Continued)

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

Valuation of the Teachers' Pension Scheme

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

The key elements of the valuation and subsequent consultation are:

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

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

The employer's pension costs paid to the TPS in the period amounted to £3,235k (2020: £2,753k).

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.

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contributions made for the year ended 31 August 2021 are as noted below. The agreed contribution rates for future years are 16.7 - 31.3% for employers and 5.5 - 12.5% for employees.

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

Total contributions made	2021 £'000	2020 £'000
Employer's contributions	1,224	944
Employees' contributions	381	314
Total contributions	<u>1,605</u>	<u>1,258</u>

THE LAURUS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

20 Pension and similar obligations

(Continued)

Principal actuarial assumptions	2021 %	2020 %
Rate of increase in salaries	3.65	2.95
Rate of increase for pensions in payment/inflation	2.90	2.2
Discount rate for scheme liabilities	1.65	1.7

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

	2021 Years	2020 Years
Retiring today		
- Males	21.0	20.9
- Females	23.7	23.4
Retiring in 20 years		
- Males	22.2	22.0
- Females	25.5	25.0

Combined sensitivity analysis	Approximate % increase to Employer Liability	Approximate monetary amount
Change in assumptions at 31 August 2021		£'000
0.1% decrease in real discount rate	2-3%	808
0.1% increase in the salary increase rate	0%	54
0.1% increase in the pension increase rate	2%	743

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

	2021 Fair value £'000	2020 Fair value £'000
Equities	10,012	7,089
Bonds	2,391	1,886
Cash	965	769
Property	1,034	924
Total market value of assets	14,402	10,668

The actual return on scheme assets was £2,211,000 (2020: £(813,000)).

THE LAURUS TRUST

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

20 Pension and similar obligations	(Continued)	
Amount recognised in the statement of financial activities	2021	2020
	£'000	£'000
Current service cost	2,932	2,452
Interest income	(195)	(197)
Interest cost	391	341
Total operating charge	<u>3,128</u>	<u>2,596</u>
Changes in the present value of defined benefit obligations		2021
		£'000
At 1 September 2020		21,414
Current service cost		2,932
Interest cost		391
Employee contributions		381
Actuarial loss		5,181
Benefits paid		(82)
At 31 August 2021		<u>30,217</u>
Changes in the fair value of the academy trust's share of scheme assets		2021
		£'000
At 1 September 2020		10,668
Interest income		195
Actuarial (gain)/loss		2,016
Employer contributions		1,224
Employee contributions		381
Benefits paid		(82)
At 31 August 2021		<u>14,402</u>

THE LAURUS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

21 Reconciliation of net (expenditure)/income to net cash flow from operating activities	2021	2020
	£'000	£'000
Net (expenditure)/income for the reporting period (as per the statement of financial activities)	(2,032)	19,821
Adjusted for:		
Net surplus on transfer of academy in the trust	-	(1,234)
Capital grants from DfE and other capital income	(761)	(21,715)
Investment income receivable	(2)	(4)
Defined benefit pension costs less contributions payable	1,708	1,508
Defined benefit pension scheme finance cost	196	144
Depreciation of tangible fixed assets	3,358	2,697
Decrease/(increase) in debtors	520	(744)
Increase in creditors	501	1,491
Stocks, debtors and creditors transferred on conversion	-	(202)
Net cash provided by operating activities	3,488	1,762

22 Analysis of changes in net funds	1 September	Cash flows	31 August
	2020		2021
	£'000	£'000	£'000
Cash	3,045	2,931	5,976
Loans falling due within one year	(41)	10	(31)
Loans falling due after more than one year	(163)	31	(132)
	<u>2,841</u>	<u>2,972</u>	<u>5,813</u>

23 Contingent liabilities

On 1 April 2016 Hazel Grove High School entered into a partnership agreement with Stockport Metropolitan Borough Council. The Academy took over the management and operation of the Sports Centre situated at the school. As per the terms of the agreement, the Academy will pay the Council 33% of any surplus generated from the Sports Centre, capped at £193,000 cumulatively. An amount of £6,511 has previously crystallised prior to 31 August 2019 with no further liability recognised during the current financial year. The timing of any additional future payments will depend upon the level of surpluses made. As any additional obligation in relation to the Sports Centre cannot be measured reliably, this has been disclosed as a contingent liability.

THE LAURUS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

24 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	69	77
Amounts due in two and five years	96	142
	<u>165</u>	<u>219</u>

25 Related party transactions

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

The trustees have agreed that no purchases of goods or services may take place from organisations in which trustees have an interest.

During the year The Law Family Educational Trust (a trust member) donated £1,294k (2020: £1,694k) to the academy trust.

No other related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 11.

26 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.

THE LAURUS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

27 Teaching school trading account	2021		2020	
	£'000	£'000	£'000	£'000
Direct income				
Other income		520		489
Government grants		651		564
Total income		<u>1,171</u>		<u>1,053</u>
Direct costs				
Direct staff costs	284		264	
Educational supplies and services	116		99	
Staff development	(10)		12	
ITT bursaries	624		524	
	<u>1,014</u>		<u>899</u>	
Other costs				
Support staff costs	79		74	
Technology costs	1		-	
Rent and rates	16		20	
Other support costs	1		4	
Share of governance costs	2		1	
	<u>99</u>		<u>99</u>	
Total operating costs		<u>(1,113)</u>		<u>(998)</u>
Surplus from teaching school		<u>58</u>		<u>55</u>
Teaching school balances at 1 September 2020		<u>157</u>		<u>102</u>
Teaching school balances at 31 August 2021		<u>215</u>		<u>157</u>

Included within teaching schools is the Altius Teacher Training which was approved for accreditation as a provider of Initial Teacher Training by the National College of Teaching and Leadership (now DFE) in July 2014 in order to start in September 2015 under the name of the Atticus Alliance SCITT.

Altius Teacher Training offers Qualified Teacher Status for trainees of primary and secondary education.

