

THE PRIORY LEARNING TRUST
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021

**THE PRIORY LEARNING TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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**THE PRIORY LEARNING TRUST
(A COMPANY LIMITED BY GUARANTEE)**

REFERENCE AND ADMINISTRATIVE DETAILS

Members	Paul Brett Bath and Wells DBE Trust - Jonquil Brooks John Penrose Ron Richards
Trustees	Katie Dominy, Chair of Trustees Neville Coles, Executive Principal (EP), Chief Executive Officer (CEO) from 1 September 2020 ^{1,2,3} Barry Wrattan ^{1,3} Rod Sibley ^{1,2,3} John Richardson ^{1,2,3} Ian Cook (resigned 21 July 2021) ^{1,2} Michelle Michael (resigned 1 April 2021) ^{2,3} Diane Davey ^{1,2} Michael Westlake ¹ David Stickels ³ 1 Resource Committee 2 Pay Committee 3 Provisions and Outcomes Committee
Company registered number	07698707
Company name	The Priory Learning Trust
Principal and registered office	Priory Community School Queensway Weston-super-Mare North Somerset BS22 6BP
Accounting Officer	Neville Coles
Strategic Central Leadership Team	Neville Coles, Chief Executive Officer (CEO) / Accounting Officer (AO) Mark Antoine, Chief Operations Officer (COO) / Chief Financial Officer (CFO) Helen Burge, Deputy COO (DCOO) Nathan Jenkins, Head of School Improvement (HOSI) Danni Laing, Head of Human Resources (HR) Lisa Dadds, Head of Primary Education (HOPE) Sarah Gibbon, Chief Data/ Analytics Officer
Independent auditors	Bishop Fleming LLP Chartered Accountants Statutory Auditors 10 Temple Back Bristol BS1 6FL

**THE PRIORY LEARNING TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

Bankers

Lloyds Bank Plc
High Street
Worle
Weston-super-Mare
BS22 6JS

Solicitors

Veale Wasbrough Vizards LLP
Narrow Quay House
Narrow Quay
Bristol
BS1 4QA

**THE PRIORY LEARNING TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**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 charitable company 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 Trust operates 8 academies across North Somerset and Somerset – we have added during the school year two new sites - East and West Huntspill Primaries in Somerset. These are now part of our Highbridge hub. These schools are on two separate sites which are around two miles apart. They have one federated local governing body but are subject to separate OfSTED inspections – two URNs. This is unlike St Anne's, our church school, which also has two sites and again are around two miles apart; these are treated as one school with one inspection and one URN. Thus, the Trust has nine sites upon which it is delivering education to over 5,000 students.

Weston Hub	Phase	Capacity	NoR	URN
Priory Community School – an Academy	Secondary	1442	1473	137300
Worle Community School – an Academy	Secondary	1500	1310	143137
Castle Batch Primary School Academy	Primary	420	405	145630
St Anne's Church Academy	Primary	420	390	145631

Highbridge Hub	Phase	Capacity	NoR	URN
The King Alfred School – an Academy	Secondary	1400	1338	146439
Pawlett Primary School Academy	Primary	105	66	147015
East Huntspill Primary Academy	Primary	56	80	148023
West Huntspill Primary Academy	Primary	84	102	148531

The numbers included for capacity and on roll (NoR), but exclude the pupils in any nursery provision across the Trust. Very successful nursery / pre-school provision currently exists at Priory, St Anne's (West Wick site) and both the East and West Huntspill sites. We will be bringing both of The Huntspills pre-school provision under TPLT in 2021-22. The pre-school provision called Little Learners at St Anne's and Priory Pre-School are already within the Trust's management – we will be rebranding all provision as TPLT Little Learners and relocating our Priory Pre-School to our Castle Batch site.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Trust is a company limited by guarantee and an exempt charity. The charitable company's Memorandum and Articles of Association are the governing documents of the Trust.

On 1 August 2016 Priory Community School, a single academy Trust - became a Multi Academy Trust and changed name to The Priory Learning Trust (TPLT). Priory Community School – an Academy became part of TPLT.

On 1 April 2018 TPLT adopted new Articles of Association together with a Memorandum of Understanding (MoU) to reflect the requirements of the Diocese of Bath and Wells when welcoming a Church of England school to become part of the Trust.

The Trustees of TPLT are also the Directors / Trustees of the charitable company for the purposes of company law.

Details of the Trustees who served throughout the year, except as noted, are included in the Reference and Administrative Details on page 1-2.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

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 they are a member, or within one year after they cease to be a member, such amount as may be required, not exceeding £10, for the debts and liabilities contracted before they ceased to be a member.

Trustees' Indemnities

The Trust and all schools are insured through the UK Government Risk Protection Arrangement (RPA). The Governors Liability section of the RPA will indemnify Trustees, members of the governing body or board of governors; employees of the Trust acting in a managerial capacity and any employee named as a co-defendant in a claim made against a Governor/Director/Trustee of a Trust, or a person who sits on a local governing body (a committee established for a school by the Trust in accordance with its Articles).

TRUSTEES

Method of Recruitment and Appointment or Election of Trustees

From 1 April 2018 new Articles of Association were adopted with, additionally, the Memorandum of Understanding. These set out that the Multi-Academy Trust shall have up to 9 Trustees appointed by Members, with the Diocese of Bath and Wells requiring that 50% of members and trustees be appointed by them as "foundation directors".

The CEO is also an ex-officio Trustee.

Trustees are appointed for a four-year period, except that this time limit does not apply to the CEO. Subject to remaining eligible to be a particular type of Trustee, any Trustee can be re-appointed or re-elected. When appointing new Trustees, the Board considers the skills and experience mix of existing Trustees to ensure that the Board has the necessary skills to contribute fully to the Trust's development. New / potential Trustees are asked to provide biographical details including details of governance and other relevant experience – particularly where a skills gap has been identified. An interview is held with a minimum of two established Trustees (usually including the Chair).

By the end of the academic year 2021, two Trustees will have resigned from their positions, with one Trustee being recommended for appointment by the Diocese and/or Members, with one remaining position still to be recruited.

Policies and Procedures Adopted for the Induction and Training of Trustees

The training and induction provided for new Trustees will depend upon their existing experience but would always include an opportunity to tour the schools in the Trust and a chance to meet staff and students. All Trustees are provided with the "Handbook" produced for TPLT Trustee and Academy Governors (AG). This clearly states the expectations of a Trustee / AG with regard to attendance at meetings and support for the Trust or a school. This is updated annually to reflect, for example, the Academy Trust Handbook and changes in Safeguarding.

Working groups of Trustees meet for specific tasks to review annual policies, structures of governance and the Scheme of Delegation.

In addition, all Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need, to undertake their role as Trustees. As there are normally only one or two new Trustees a year, induction tends to be informal and is tailored specifically to the individual. Advantage is taken of specific courses offered by North Somerset and Somerset Local Authorities and other bodies.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

TPLT signed up to support provided by The Key, IHASCO, the Confederation of School Trusts (CST) and use the National Governors Association (NGA) for regular online support and training. As the Trust has grown, all Trustees and AGs have undertaken more formal training in Prevent and Safeguarding annually. The Trust also uses personnel from Support Services for Education to provide training for Trustees & AGs.

Organisational Structure

The Board of Trustees normally meets four times a year, and from September 2021 will meet 7 times a year. Those meetings are timetabled a year in advance and from September will ensure alignment in order of all Scrutiny Panels, Committee and Academy Council meetings so that each feed into the other and enable critical and core information to be shared, scrutinised, and ratified prior to Board meetings. The Board establishes an overall framework for the governance of the Trust, membership, Terms of Reference and procedures of committees for ratification. It monitors the activities of the committees through the minutes of their meetings. The Board has, from time to time, established working groups to perform specific tasks over a limited timescale.

During this year an improved strategic review has taken place bi-termly with the participation of both Trustees (strategic links) and the Central Team to ensure The Trust is delivering against its strategic plans. This approach also led to a strategic review day which looked to the Board to assess its effectiveness and where opportunities to improve could be identified, and then assess its relationship and leadership to both CEO and the strategic central team. It also allowed a clear presentation of year 2 priorities and goals.

This year saw Katie Dominy take up her position in September 2021 as Chair; a new fortnightly pattern of meetings and plans scheduled to accommodate availability which has worked well. The new Chair has this year introduced a 121 structure with Trustees, meeting at least twice yearly to support self-reflection in contribution and participation, and seek input of current and future direction and activity away from a Board setting. Improvements have been made, and will continue to be made, in how Board meetings are run and how information is presented and shared to ensure Trustee time is spent on the critical areas and enables more effective questioning and decision-making.

The Scheme of Delegation has been further modified and structured in line with the CST RASCI model to reflect clarity in responsibility and accountability to individual roles across the Trust (although retaining "Triggers" for the removal of delegated powers). This has been approved ready for 1st September 2021. The Board, via the Central Team, provides general oversight of the committee structure of its schools to ensure all responsibilities delegated are properly addressed.

During the year there were the following committees:

- Resources Committee – This meets three times per year (in Terms 1,3 and 5) and is responsible for monitoring, evaluating and reviewing policy and performance in relation to financial management, compliance with reporting and regulatory requirements, receiving reports from the AO/CFO and drafting the annual budget including setting staffing levels. It also incorporates the role of an audit committee and agrees site development priorities and plans. The Resources Committee also meets to receive the Monthly Management Accounts an additional three times a year.
- Pay Committee – This is a sub-committee of the Resources Committee. It meets when needed and annually to review and modify the Pay Policy (for example considering the school teachers' pay review report). Academy Councils receive and decide upon all pay recommendations made following the annual appraisal cycle by each Academy Principal. All pay scales will be determined by the Trustee pay committee. Academy Councils will hear appeals against decisions made at school level. Consistency across the Trust will be assured by the Central Team. Regarding the salary of Academy Principals, the process will be undertaken by the CEO – delegated to the Head of School Improvement and Head of Primary Education - who will make recommendations to the Trustees' pay committee. The Trustees will continue to appraise the CEO.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

- Provision and Outcomes Committee - This meets three times per year (in Terms 1,3 and 5). Meetings follow two weeks after the scrutiny panels. Scrutiny panels, comprising at least two Trustees together with the CEO and advised by the Head of School Improvement and Head of Primary Education, meet to hold to account the ACs of each school for the academic, behaviour and pastoral progress, outcomes and achievements of their school. All receive data from the Trust's Chief Analytics Officer and each Academy Council presents their response to the data to the Scrutiny Panel, having previously discussed this with the Principal. The Principal will have analysed the data with the Central Team. The Scrutiny Panel's emphasis is on effective governance by the Academy Council whose main function is to hold the Principal to account for the progress and well-being of the children at the School. The notes from each Scrutiny Panel form the basis of discussion at the Provision & Outcomes Committee Meeting. This process underpins the Trust Board's monitoring of performance and could trigger a withdrawal of delegated authority from an individual Academy Council should the Board decide this is necessary.
- Strategy Meetings – Held when required. These are held to ensure sufficient time for the Trust Board to consider a major change to the Trust – for example, the addition of another school. This year these were held to support the joining of East and West Huntspill Primary Schools into the Trust which was completed on 1st April 2021.

The Scheme of Delegation sets out the limits of the responsibilities of the full organisational structure of TPLT including Members, Trustees, CEO, Central Team, Academy Councils and Academy Principals. This is reviewed annually.

The Trustees of TPLT have devolved the day-to-day management of the Trust to the CEO and Central Team including the Chief Operations Officer. The day-to-day management of schools within the Trust is devolved to the school Principals and Leadership Teams. Line management of the school Principals is the responsibility of the CEO – delegated to the Head of School Improvement and Head of Primary Education.

The Leadership Team at each School consists of the Principal/ Vice Principals/ Leadership Team staff and Academy Operations Manager. The Principal controls the school at a leadership level working under the direction of the Strategic Central Leadership Team of TPLT, implementing the policies laid down by the Trustees.

The Chief Operations Officer and Head of Finance of TPLT, and the Academy Operations Managers collectively oversee all operational and strategic financial and business matters.

The Chair of the Board, CEO, Chief Operations Officer, Academy Operations Managers and Business & Site Committees are responsible for the authorisation of spending within agreed budgets; a summary of this is in the Scheme of Delegation. Some spending control is devolved to budget holders, which must be authorised in line with the Scheme of Delegation and the Financial Scheme of Delegation which prescribes the 'signing off' limits.

The CEO and Principals are responsible for the appointment of staff, through appointment panels. For leadership posts, the panels often include a Trustee or Governor.

Arrangements for Setting Pay and Remuneration of Key Management Personnel

During the year, pay and remuneration was determined in accordance with the Pay Policy. This is reviewed annually. The process of review is started by the HR team in response to recommended changes by the School Teachers Pay and Conditions Review Body (STPCRB) and spelt out in the STPCRB document, usually annually in school each August. The amended Pay Policies are presented by the Resource Committee via the Pay Committee for approval.

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**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

The Pay Policy follows the formulae of the STPCRB for determining the school grouping and from there the range for the Principals, Vice Principals and Assistant Principals. The Pay Committee applies these figures to current key management personnel.

The Trust Pay Committee receives a report on the outcomes of the appraisal system from the Head of HR / CEO in relation to the Central Team and school Principals. The Pay Committee separately conducts the appraisal of the CEO and makes appropriate recommendation to the Board of Trustees regarding changes in remuneration.

The Chair of each AC and a member of the Central Team (HOSI / HOPE) will have an annual appraisal / review meeting with the Principal to assess performance.

Academy Councils also have responsibility, supported by the Central Team, for hearing pay appeals.

TRADE UNION FACILITY TIME, 1 April 2020 – 31 March 2021

Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
8	6.99

Percentage of time spent on facility time

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

Percentage of pay bill spent on facility time

Provide the total cost of facility time	£432.02
Provide the total pay bill	£22.7M
Provide the percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time / total pay bill) x 100	0.00%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as: (total hours spent on paid trade union activities by relevant union officials during the relevant period / total paid facility time hours) x 100	100%
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**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021**

Related parties and other Connected Charities and Organisations

There are no related parties which either control or significantly influence the decisions and operations of TPLT. There are no sponsors or formal Parent Teacher Associations associated with the schools.

Engagement with employees (including disabled persons)

The Strategic Central Leadership Team plan all potential development changes for the Trust and work in partnership with all stakeholders which includes employees, unions, Local Academy Governors, Trustees and other key members of staff to communicate and support the Trust and all workforce changes. Changes involving staff terms and conditions are dealt with in accordance with the HR policies in place.

Support for employees with disabilities can be found in the Equal Opportunities policy which can be found on our website or through our HR department. Where staff are disabled or become disabled, we encourage them to tell us about their condition so that we can consider what reasonable adjustments or support may be appropriate.

The Trust engages with their employees through many means and methods, including:

- Consulting with employees on key matters, including engaging the relevant union officials
- Regular updates to all staff members, via termly updates and newsletters, including covering both financial and non-financial performance

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

TPLT is committed to having, clear, transparent and mutually beneficial business and community relationships with suppliers, customers, the communities in which their schools operate and other stakeholders.

Trustees and the Central Team, as public office-holders, are both servants of the public and stewards of public resources and are expected to act in accordance with the 7 principles of Public Life (also known as the Nolan Principles) detailed at <https://www.gov.uk/government/publications/the-7-principles-of-public-life/the-7-principles-of-public-life--2>

Trustees act in good faith to promote the success of the Trust and in doing so have regard to:

- The likely consequence of any decision in the long term
- The interests of the Trust employees
- The need to foster the company's business relationships with suppliers, customers and others
- The impact of the Trusts operations on the community and the environment
- The desirability of the Trust maintaining a reputation for high standards of business conduct

The Trust was fully engaged and compliant with the requirements to support suppliers during the COVID-19 pandemic in the measures set out in the Governments Procurement Policy Notes (PPN) 02/20 which was in place from 19th March to 30th June 2020 and PPN 04/20 from 1st July to 31st October 2020. These advised all public sector contracting authorities to support their at risk suppliers in a range of ways to ensure business and service continuity, protect jobs and help ensure suppliers are in a position to resume normal contract delivery once the Coronavirus (COVID-19) outbreak is over.

A fully operational finance function remained in place and all suppliers were paid in full and to agreed terms. Particular engagement and support was provided and agreed with the two catering providers to the Trust, Pabulum and Chartwells.

Please see the Public Benefit section below with regard to community engagement.

OBJECTIVES AND ACTIVITIES

Objects and Aims

To advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing schools offering a broad and balanced curriculum. To promote for the benefit of the inhabitants of North Somerset and Somerset the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving the condition of life of the said inhabitants. At all our schools we aim to get the best for, and from, each child. We intend to enable each child to realise his or her full academic, creative and physical potential and to develop positive social and moral values. Each school is a community in which children, staff and parents should be part of a happy and caring environment.

The following is widely shared with all stakeholders across TPLT: The Priory Learning Trust is an educational charity. Our purpose is to advance education for public benefit. TPLT will facilitate knowledge building for all through professional development, with a determination to improve curriculum and pedagogy.

STUDENTS FIRST - CHERISHING STAFF - SERVING COMMUNITIES

STUDENTS FIRST: The mission of The Priory Learning Trust (TPLT) is to develop happy, confident and successful young people. Our underpinning values are respect for each other, creating an environment for successful learning and giving everyone the tools to maximise their potential. Our primary focus is providing great student outcomes whilst also thinking about the holistic welfare of our students.

CHERISHING STAFF: TPLT is committed to social equality and the principles of fair access and opportunity. The priority is local families and we will retain a local focus. TPLT values its employees. It is committed to staff development and to fair and transparent dealings with all employees. Our employees are precious and they must be deployed for maximum gain for our students and their welfare.

SERVING COMMUNITIES: TPLT intends to wisely grow its family of schools. There will be measured growth as we must maintain outstanding outcomes. Growth, therefore, will be intentionally designed. TPLT will extend business services to support great teaching and learning. All our schools will deliver a 'world class' modular curriculum that is relevant, dynamic, forward looking and balanced.

The aims of the Trust during the year ended 31st August 2021 are summarised below – these aims are irrespective of the COVID-19 pandemic.

- Promote happy school communities where students come first and all staff are valued and cherished and in which all children are developed into being successful learners, confident individuals and responsible citizens
- Sustaining and enhancing educational performance – we aim to be within the top 10% of all Trusts nationally on standard progress measures, such as Progress 8
- Meet the needs of all learners with appropriate challenge for all through a broad and balanced curriculum – with a developing and planned approach to alternative provision (AP), which we refer to as appropriate provision
- Fulfil our moral purpose by engaging and collaborating to help improve the life chances of all young people, locally, nationally and globally – this is done through working both as a Multi-Academy Trust and a Training School Alliance across the SW region with other schools and their leaders
- Ensure wider aspects of schooling are valued and supported – sport, art, music and all co-curricular activities
- Develop each school site with enhanced and modern facilities through the wise use of our School Condition Allocation funding and built-up reserves – from September 2021 these reserves will be 'pooled' – and of course provide value for money for the funds expended

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

- Improve the effectiveness of each school by keeping the curriculum and organisational structure under continual review – to engage further with integrated curriculum financial planning
- Maintain close links with industry and commerce through a centrally provided careers advice and guidance system
- Further develop central capacity to manage change and provide a first-class educational experience at school level, whilst particularly supporting school leaders quickly and provide effective Human Resources and financial support to our schools
- Conduct each school's business in accordance with the highest standards of integrity, probity and openness – Nolan principles
- To be the first choice for parents/carers and students in our hub regions
- To Comply with all appropriate statutory requirements

Objectives, Strategies and Activities

Our 2020-2023 Strategic Plan is in place to further develop governance, outcomes, limited growth, people and business services – we use the memorable mnemonic – GO PLT. We will provide our children with the very best education that meets their needs. Whilst economic wellbeing, which is enhanced by academic achievement, is paramount, we also value the development of our students as citizens equipped for life and work in the 21st Century. Key priorities for the year 2021-22 are contained in each School's Improvement Plan (SIP), which is available from each school. The SIPs reflect TPLT Strategic Plan which runs for a three-year period – the current one 2020-2023.

One key aim is for each secondary school to achieve great exam outcomes annually – thus enabling a positive Progress 8 score. Within our primary schools we aim to be well above national averages on all measures – at least 5% above national. We are always looking to improve and 2021-2022 is no different - ambitious targets are set again despite the COVID-19 disruption in recent years. Further analysis will take place of our Progress 8 measure and our primary progress measures with the introduction of the new reformed GCSEs and as we return from the pandemic. Everyone connected with TPLT should be very proud of the way in which the 'day-in-day out actions' of staff enable students to leave with good outcomes and a great educational experience in the WSM and Highbridge areas.

More specifically and strategically we are developing the following:

- A 5-year capital plan prepared in line with the annual Schools Condition Allocation (SCA). This to sit alongside the pooling of General Annual Grant (GAG) model which will be in place from September 2021
- We will continue to improve literacy by alignment of policy across the Trust and through the embedding of a daily tutor reading programme for all in the secondary sector – Years 7-10
- Re-establishing the 'Coaching 15' programme for all staff across TPLT schools – a coaching programme for all – teachers and support staff
- Further development of marking and feedback policy alongside great presentation within books
- Further curriculum alignment across the Trust – with some new work with assessment policy
- Further 'conduct' and behaviour policy alignment – especially with the use of 'managed moves' between schools and the development of Alternative Provision Centres (APCs)
- The 'primary lesson' will be further established and brought together across our primary schools
- 'Transition Policy' is fully in place now across the Trust led by Deputy Head of School Improvement (DHOSI) – we will be evolving an approach to education from Years 5-9
- We will add to the wider system through our Training School Alliance regional work and through the training and accreditation of 43 School Direct trainees in 2021-2022
- The Director of Training School Alliance (TSA) will continue the strong work – further development of TPLT TSA. The TSA has moved seamlessly from being funded nationally to a self-sufficient model
- Central school improvement staff, such as the Directors of Maths, English, Science and Careers employed centrally to lead teaching and learning development and achieve great outcomes. A key task will be the further embedding of the modular curriculum at all schools

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

- Centralisation of services will continue – both in physical setting and in costings centrally – HR and Finance teams are now centralised. IT teams will be centralised from September 2021.

Public Benefit

The Trustees confirm that they have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Trust's aims and objectives and in planning its future activities.

The Trust aims to advance for the public benefit, education in North Somerset and Somerset and the surrounding areas. In particular, but without prejudice, to the generality of the forgoing by estimating, maintaining, managing and development of schools, offering a broad curriculum.

The Trust provides facilities for recreational and other leisure time occupation for the community at large in the interests of social welfare and with the interest of improving the life of the said community.

- Priory Community School Academy (PCSA)
- Worle Community School Academy (WCSA)
- Castle Batch Primary School Academy (CBPSA)
- St Anne's Church Academy (SACA)
- The King Alfred School Academy (TKASA)
- Pawlett Primary School Academy (PPSA)
- East Huntspill Primary Academy (EHPA)
- West Huntspill Primary Academy (WHPA)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE

Outcomes across Early Years, KS1 and KS2

Early Years Foundation Stage	National 2019	Trust 2019	Trust 2021 **
Good Level of Development	72%		N/A
Year 1	National 2019	Trust 2019	Trust 2021 **
Phonics Screening Check	82%	80%	N/A
KS1	National 2019	Trust 2019	Trust 2021 **
Reading Expected Standard	75%	73%	71%
Writing Expected Standard	69%	67%	62%
Mathematics Expected Standard	76%	76%	70%
KS2	National 2019	Trust 2019	Trust 2021 **
Reading Expected Standard	73%	73%	80%
Writing Expected Standard	79%	83%	75%
Mathematics Expected Standard	79%	65%	78%
Reading, Writing & Mathematics Combined Expected Standard	65%	56%	70%
English Grammar, Punctuation & Spelling Expected Standard	78%	75%	N/A
KS2	National 2019	Trust 2019	Trust 2021 **
Reading Higher Standard	27%	31%	28%
Writing Higher Standard	20%	22%	22%
Mathematics Higher Standard	36%	27%	24%
Reading, Writing & Mathematics Combined Higher Standard	27%	12%	14%
English Grammar, Punctuation & Spelling Higher Standard	11%	22%	N/A

** The 2021 National Curriculum assessments did not take place due to the coronavirus (COVID-19) pandemic. The figures quoted will not appear in the Department for Education (DfE) Performance Tables, and are indicative only, being based on teacher assessments made in March 2021 prior to the national lockdown. No comparisons should be made with previous years' performance.

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

Teacher assessments for 2021 **

	Castle Batch	Pawlett	St Anne's
Number of students	57	12	62
KS1 Reading	Castle Batch	Pawlett	St Anne's
Expected Standard	63%	75%	77%
Higher Standard	19%	8%	23%
KS1 Writing	Castle Batch	Pawlett	St Anne's
Expected Standard	58%	42%	69%
Higher Standard	7%	0%	18%
KS1 Maths	Castle Batch	Pawlett	St Anne's
Expected Standard	61%	75%	77%
Higher Standard	18%	0%	18%

	Castle Batch	Pawlett	St Anne's
Number of Students	63	3	29
KS2 Reading	Castle Batch	Pawlett	St Anne's
Expected Standard	78%	33%	90%
Higher Standard	22%	0%	45%
KS2 Writing	Castle Batch	Pawlett	St Anne's
Expected Standard	73%	0%	86%
Higher Standard	16%	0%	38%
KS2 Maths	Castle Batch	Pawlett	St Anne's
Expected Standard	75%	33%	90%
Higher Standard	16%	0%	45%
KS2 English Grammar, Punctuation & Spelling	Castle Batch	Pawlett	St Anne's
Expected Standard	N/A	N/A	N/A
Higher Standard	N/A	N/A	N/A
KS2 Combined	Castle Batch	Pawlett	St Anne's
Expected Standard	65%	33%	86%
Higher Standard	11%	0%	21%

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

** The 2021 National Curriculum assessments did not take place due to the coronavirus (COVID-19) pandemic. The figures quoted will not appear in the DfE Performance Tables, and are indicative only, being based on teacher assessments made in March 2021 prior to the national lockdown. No comparisons should be made with previous years' performance.

Secondary outcomes – Key Stage 4

Headlines	The Priory Learning Trust	
	2019	2021 **
Number in cohort	720	746
English & maths 9-4	63%	71%
English & maths 9-5	35%	46%
Progress 8	-0.15	0.17
Attainment 8	44.0	48.0
EBACC Points	3.79	4.11

Headlines	Priory		King Alfred		Worle	
	2019	2021 **	2019	2021 **	2019	2021 **
Number in cohort	256	251	221	214	243	281
English & maths 9-4	63%	70%	41%	69%	32%	74%
English & maths 9-5	33%	42%	65%	48%	62%	49%
Progress 8	-0.13	0.27	-0.09	0.10	-0.26	0.14
Attainment 8	44.0	47.9	46.9	49.3	42.2	47.1
EBACC Points	3.79	4.12	3.99	4.20	3.54	4.03

** On 18 March 2021, the Secretary of State announced that the Summer 2021 exam series would be cancelled in order to help limit the spread of Coronavirus (COVID-19). Ofqual, the exams regulator, put in place a process whereby schools submitted Centre Assessed Grades and rankings within each grade, generated by teachers within each school. These results were then subject to a standardisation process to ensure that grades awarded for this series would be fair to all students. The results from this exam series will not be used in the DfE Performance Tables, and no Progress 8 figure will be generated nationally. Progress 8 figures can be estimated based on 2019 results, and these figures are shown in the table above. No comparisons should be made with previous years' performance.

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

Secondary Outcomes – Key Stage 5

Headlines	King Alfred	
	2019	2021 **
Number in cohort	48	51
Average Points per Entry	29.77	32.90
Average Grade	C	C+
3 x A*-B	17%	20%
3 x A*-E	71%	65%
2 x A*-E	88%	96%
Average Points Score	80.63	89.02
Overall A*-A	13%	25%
Overall A*-C	67%	73%
Overall A*-E	94%	97%

** On 18 March 2021, the Secretary of State announced that the summer 2021 exam series would be cancelled in order to help limit the spread of the coronavirus (COVID-19). Ofqual, the exams regulator, put in place a process whereby schools submitted Centre Assessed Grades and rankings within each grade, generated by teachers within each school. These results were then subject to a standardisation process to ensure that grades awarded for this series would be fair to all students. The results from this exam series will not be used in DfE Performance Tables. No comparisons should be made with previous years' performance

Key Performance Indicators

As funding is based on pupil numbers this is a key performance indicator. TPLT student numbers have grown from Autumn 2020 to Autumn 2021 as shown below:

Academy	2020 Autumn Census	2021 Provisional Autumn Census
Priory Community School Academy	1,423	1,473
Worle Community School Academy	1,383	1,310
The King Alfred School Academy	1,322	1,338
Castle Batch Primary School Academy	415	405
St Anne's Church Academy	387	390
Pawlett Primary School Academy	63	66
East Huntspill Primary Academy*		80
West Huntspill Primary Academy*		102
Total	4,993	5,164

* Joined the Trust on 1st April 2021

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

There has been an overall growth of 171 students across the Trust's schools due to the joining of the two Huntspill primaries on 1st April 2021. The shifting demographic and a reduced birth rate, may ultimately impact on all schools, combined with some additional school capacity coming online within WSM are a challenge for WCSAs numbers going forward. Continuing housing development in both Hub areas may offset to some degree, but is not to be relied on.

Another key financial performance indicator is staffing costs as a percentage of GAG. For 2021 this was 65.7% compared to 62.7% in 2020.

Going Concern

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

FINANCIAL REVIEW

Most of the MAT's income is obtained from the DfE via the ESFA in the form of recurrent funding/grants, the use of which is restricted to particular purposes. The funding/grants received from the DfE during the year ended 31st August 2021 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities. No funds are raised from the public.

The Trust also receives funding/grants for fixed assets from the DfE, which are shown in the Statement of Financial Activities as restricted income in the Fixed Asset Fund. The Restricted Fixed Asset Fund balance reduced by annual depreciation charges over the useful life of the assets concerned, as defined in the Trust's accounting policies.

During the year ended 31 August 2021, total expenditure excluding depreciation of £30.9m was covered by recurrent funding/grants from the DfE, together with other incoming resources, excluding SCA funding, of £30.4m. The excess of expenditure over income for the year (excluding restricted fixed asset funds) was £0.5m.

At 31st August 2021 the net book value of fixed assets was £65.8m and movements in tangible fixed assets are shown in note 15 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Schools.

Key financial policies adopted or reviewed during the year include the Finance Policy which lays out the framework for financial management, including financial responsibilities of the Board, Principals, Operations Managers, Budget Holders and other staff, as well as delegated authority for spending. Other policies reviewed and updated included:

- Anti-Bribery and Corruption
- Business Ethics
- Charging and Remissions
- Debt Recovery
- Fixed Asset and Disposal
- Members, Trustees and Governors Allowances
- Travel Expenses

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

Reserves policy

The Trustees review the reserve levels of the Trust annually as part of the budget setting process. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees take into consideration the future plans of the Trust, any uncertainty over future income streams and other key risks identified during the risk review.

The Trustees aim to keep a minimum level of reserves (Unrestricted funds plus GAG) of £2m which ensures we can balance for the next two years. In addition, £250k of reserve for business continuity in case of interruption, and £1.4m set aside in 2021-22 for development funds. At the balance sheet date the level of these reserves was £4.1m. Any surplus of funds are being held by the Trustees for ongoing initiatives and projects currently planned by the Trust.

The defined benefit pension scheme reserve has a negative balance. The effect of the deficit position of the pension scheme is that the Trust is paying higher employers' pension contributions over a period of years. The higher employers' pension contributions will be met from the school's budgeted annual income. Whilst the deficit will not be immediately eliminated, there should be no actual cash flow deficit on the fund, nor any direct impact on the free reserves of the schools. Provision has been made in 2020/21 with the Avon Pension Fund to allow for the effect of the McCloud Judgement on eligible employees' entitlements which has still to be realised.

Investment policy

Trustees are committed to ensuring that all funds under their control are managed in such a way as to maximise return whilst minimising risk. During the year, day to day management of the surplus funds was delegated to the Chief Operations Officer, Principals and Academy Business and Operations Managers within strict guidelines approved by the Board of Trustees.

The Trust's investment policy is to invest surplus cash reserves on deposit with banks with a high credit rating where the capital invested is guaranteed. Investment returns are reviewed during the year to ensure that returns are maximised whilst safeguarding the funds invested.

PRINCIPAL RISKS AND UNCERTAINTIES

The Board of Trustees has reviewed the major risks to which the MAT is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks.

The principal risks and uncertainties facing the MAT are as follows – a clear overarching concern is the risk of further COVID-19 disruption to the education and business sectors across the UK. This is under constant review and risk assessment.

Financial the MAT has considerable reliance on continued Government funding through the ESFA. In the last year 96% of the MAT's incoming resources were ultimately Government funded and whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms. The implications of National Fairer Funding will be carefully considered as the detail becomes clearer.

At the year end, the MAT had no significant liabilities arising from trade creditors or debtors that would have a significant or material effect on liquidity.

The Board of Trustees recognises that the defined benefit pension scheme deficit (Local Government Pension Scheme), which is set out in note 27 to the financial statements, represents a significant potential liability. However, as the Trustees consider that the MAT is able to meet its known annual contribution commitments for the foreseeable future, the risk from this liability is minimised.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

Failures in governance and/or management the risk in this area arises from potential failure to effectively manage the MAT's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. This area of risk was heightened with the move to MAT status, the sponsor work that TPLT is undertaking and the potential growth in the number of academies within the group. The Trustees continue to review and ensure that appropriate measures are in place to mitigate these risks.

Reputational the continuing success of the MAT is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk Trustees ensure that student success and achievement are closely monitored and reviewed – especially at WCSA.

Safeguarding and Child Protection the Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, Health & Safety and discipline.

Staffing the success of the MAT is reliant upon the quality of its staff and so the Trustees monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning.

Fraud and mismanagement of funds – the MAT has appointed an AO and CFO to carry out checks on financial systems and records as required by the Academies Financial Handbook. All finance staff receive training to keep them up to date with financial practice requirements and develop their skills in this area.

The MAT has continued to strengthen its risk management process throughout the year by improving the process and ensuring staff awareness. A Trust risk register is maintained and reviewed and updated on a regular basis. Bishop Fleming have provided Trustees, Central Team and Principals with risk training.

FUNDRAISING

The trust does not engage in any formal fundraising for its activities, although it does conduct lettings of its facilities as part of its community engagement. The trust makes charitable donations to annually nominated charities through individual staff and student fundraising such as 'non-uniform' days.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

STREAMLINED ENERGY AND CARBON REPORTING

UK Greenhouse gas emissions and energy use data	For the period 1 September 2019 to 31 August 2020 (adjusted)	For the period 1 September 2020 to 31 August 2021	Difference
Energy consumption used to calculate emissions (kWh)	2,066,175 kWh	1,856,430 kWh	-209,745kWh
Energy consumption break down (kWh) (optional) <ul style="list-style-type: none"> ▪ gas, ▪ electricity, ▪ oil, ▪ transport fuel 	Gas: 465,798 kWh Electricity: 1,562,224 kWh Oil: 9,430 kWh Transport fuel: 28,723 kWh	Gas: 351,625 kWh Electricity: 1,474,141 kWh Oil: 14,580 kWh Transport fuel: 14,805 kWh	
<u>Scope 1 emissions in metric tonnes CO₂e</u> Gas consumption Owned transport – minibuses <u>Total scope 1</u>	Gas: 85.65 CO ₂ e Academy vehicles: 2.54 CO ₂ e	Gas: 64.40 CO ₂ e Academy vehicles: 0.27 CO ₂ e	Gas: -21.25 CO ₂ e Academy vehicles: -2.27 CO ₂ e
<u>Scope 2 emissions in metric tonnes CO₂e</u> Purchased electricity	Electricity: 364.22 CO ₂ e	Electricity: 313 CO ₂ e	-51.22 CO ₂ e
<u>Scope 3 emissions in metric tonnes CO₂e</u> Business travel in employee owned vehicles	Staff mileage: 4.52 CO ₂ e	Staff mileage: 3.45 CO ₂ e	-1.07 CO ₂ e
Total gross emissions in metric tonnes CO ₂ e	459.48 CO ₂ e	384.68 CO ₂ e	-74.80 CO ₂ e
<u>Intensity ratio</u> Tonnes CO ₂ e per pupil	0.09 CO ₂ e	0.0730 CO ₂ e	-0.017 CO ₂ e

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 Emission conversion factors for greenhouse gas company reporting as per the gov.uk guidance as the new factors cover the greatest proportion of the year.

The 2019-20 figures have been revised as the preparations for the calculations for 2020-21 showed there had been an additional 127,657 kWh consumed in 2019-20 than previously reported, this was due to a gas meter reading, oil consumption reading and central team mileage being excluded from the original 2019-20 calculations in error. Original kWh consumption in 2019-20 was 1,938,518 kWh. We are now reporting it should have been 2,066,175 kWh.

Intensity measurement

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO₂e per pupil, the recommended ratio for the sector. We have 171 more pupils in 2020-21 than in 2019-20, due mostly to The Huntspill Primary Academies joining the Trust in April 2021 (additional 182 pupils). Their energy consumption data is from 1/4/21-31/8/21. Our intensity ratio has reduced from 2019-20.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

Measures taken to improve energy efficiency

During 2020-21, WCSA achieved their Green Flag Eco Schools Award and SACA achieved their Bronze Eco Schools Award. All schools are working towards the Eco Schools Award framework. We have also completed several major refurbishment projects. At TKASA, we have renewed the remaining roofs to include insulation to current Building Regulations, in addition any remaining single glazed windows have now been replaced with double glazed, thermally broken aluminium framed windows and doors. Additionally, at WCSA, installation of 1000+ solar panels have been brought on line recently. We continue to refurbish areas of the Academies on a rolling basis, LED lighting replacements are specified as 'standard' – a number having been completed during 2020-2021.

Last year we set out to reduce the Trust's energy usage and carbon footprint by 1% per year and continue this going forward. 1% of the 2,066,175 kWh used in 2019-20 is 20,661, we reduced our energy use by 209,745, which is 10.15%. A large part of this reduction could be attributed to lockdown closures when schools across the Estate were partially closed. We are expecting our energy use to increase in 2021-22 as we maintain heated and well ventilated rooms due to COVID-19. We also saw a reduction in the use of academy vehicles and staff mileage, again due to COVID-19. We expect school trips and sporting activities to return to normal in 2021-22 and are encouraging networking face to face with colleagues where possible. Despite this our focus remains on working closely with our Energy partners to improve our energy efficiency and reduce our consumption by focusing on these areas:

- Creating a heat decarbonisation plan for the whole Trust focusing initially on schools with older boilers supplied by oil or gas.
- Energy procurement move to renewable / nuclear energy sources for electricity supply.
- Generating more of our own power by installing more solar panels after completion of relevant roofing projects across the Estate.
- LED lighting wherever we are refurbishing rooms we are upgrading the lighting systems to LED lighting.

PLANS FOR FUTURE PERIODS

TPLT will continue to strive to provide outstanding education and improve the levels of performance of its students at all levels. It will continue to aim to attract high quality teachers and support staff in order to deliver its objectives. It will continue to support and expand its initial teacher training function. TPLT will continue to work with partner schools to improve the educational opportunities for students in the wider community. We plan, in the secondary schools, to maintain small class sizes. We will explore developing a new primary school in the Highbridge area in Somerset to support TKASA and assist primary outcomes in that region. We intend to establish Alternative Provision Centres in each hub in 2021-22. We also will focus on ensuring our Early Years provision is first rate. We will establish one pre-school brand called 'Little Learners' across the primary sites; this will also involve a relocation of Priory Pre-School to our Castle Batch site. Full details of our plans for the future are given in our GO PLT Strategic Plan which is available from the Governance professional to the Trust.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

The MAT and its Trustees do not act as the Custodian Trustees of any other Charity.

AUDITORS

In so far as the Trustees are aware:

- There is no relevant audit information of which the charitable company's auditors are unaware; and

**THE PRIORY LEARNING TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

- 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 auditors are aware of that information.

The auditors, Bishop Fleming LLP, are willing to continue in office, however, the Academies Trust Handbook requires a review and tender process to be conducted in 2021/22 before re-appointment can be made.

The Trustees' report, incorporating a strategic report, approved by order of the Board of Trustees, as company directors, on 14th December 2021 and signed on the board's behalf by:



Katie Dominy
Chair of Trustees

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021**

GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

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

The Board of Trustees has delegated the day to day responsibility to the CEO, as AO, 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 TPLT and the Secretary of State for Education. The CEO is also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

GOVERNANCE

The information on governance included here supplements that described in the Trustees' report and in the Statement of Trustees' responsibilities. The Board of Trustees has formally met 5 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Trustee	Resource	Pay Committee	Provisions and Outcomes
Katie Dominy	5/5	4/0	0/0	2/0
Barry Wratten	5/5	7/8	0/0	2/3
Neville Coles	5/5	6/8	2/2	3/3
Michelle Michael	2/4	1/0	0/2	1/3
John Richardson	4/5	1/0	1/1	3/3
Rod Sibley	5/5	8/8	2/2	3/3
Michael Westlake	4/5	5/8	1/0	3/0
Ian Cook	5/5	8/8	2/2	0/0
Di Davey	4/5	2/8	2/2	0/0
David Stickels	5/5	2/0	0/0	2/3

Governance Review

- Key changes to the composition of Trustees. Two Trustees resigned from their position in 2020-21 creating a need to replace and focus on the skills gap for the Board: legal, financial, and risk. One appointment recommended for September 2021 will see Lisa de-Laune (Assistant Director – Homes England) fulfil the financial and risk/compliance gap. Lisa is a Governor to Trustee succession plan example as joining us from one of our Academy Councils.
- Trustees are confident in the quality of the data presented. Strict timetabled consideration of financial data is achieved through monthly monitoring of the budget in accordance with ESFA regulation and ensures the Trust is on course on an in-year basis but also that a five-year strategy is developed and updated. Student output data is provided in excellent detail by the Chief Analytics Officer (who provides training for Trustees and AGs on the use and understanding of dashboard data as required).
- Annual timetable. To ensure efficient working, the Trustee meetings, Academy Council meetings and sub-committee meetings are coordinated to ensure decisions can be made as effectively as possible backed with supporting data. (For example, Business and Site meetings of ACs are timed to have reports ready for a Trustee Resource Committee meeting).
- Skills audit. The National Governors Association (NGA) model is used by the MAT's Trustees and the ACs. This NGA model takes account of the January 2017 DfE new competency framework for governance. It is planned to use this for recruitment and the provision of trust wide training. Academy Ambassadors in addition to the Trusts recruitment officer assist in recruiting Trustees as well as school newsletters aimed at parents of reception and year 7 parents.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

- A full review of governance and governance structures had been undertaken by CST and delivery against recommendations had been planned and achieved through 2020/21.
- Led by the Governance Professional (previously known as Governance professional, whose role has been developed), the Board continue to conduct a skills audit and a similar model of self-evaluation has been moved down through the Academy Councils.

REVIEW OF VALUE FOR MONEY

As AO, the CEO has responsibility for ensuring that the Trust delivers good value in the use of public resources.

The AO considers how the Trust's use of its resources has provided value for money during each academic year, and reports to the Board of Trustees where value for money can be improved, including the use of benchmarking data where appropriate. They are aware of the Academies Financial Handbook and financial management good practice guides. They are also aware of the guide to school value for money statements published by the Education and Skills Funding Agency (ESFA) and understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

We set out below how we have ensured that the Trust's use of its resources has provided good value for money during the academic year.

We are very satisfied that robust financial procedures operate throughout the Trust. These focus on ensuring that we achieve value for money. Sign off limits are set for all orders and requirements for quotations and tender processes are fully detailed in our financial procedures and are rigorously enforced.

The operation of our financial procedures are regularly audited by our AO, Chief Operations Officer and Head of Finance assisted by our auditors, with any recommendations for improvements being immediately implemented.

The Trust have made extensive use of the Integrated Curriculum Financial Planning toolkit, as recommended by both the Department for Education and the Education & Skills Funding Agency. This ensures that resources in each school are managed efficiently and effectively, whilst delivering a curriculum that enables students to achieve to their full potential. Regular reviews of staff deployment take place and where appropriate, smaller classes are enabled to support learning.

A key metric for TPLT is to ensure that each school is full up to its Pupil Admission Number (PAN), which maximises income for each school. Student numbers are available within this report.

Capital investment within the Trust is planned to ensure maximum value for money, with each school noting its capital funding needs from the School Condition Allocation (SCA) grant. This funding is managed centrally, allowing for the potential for larger capital projects to take place.

Where appropriate we utilise experts to guide us in relation to key purchasing decisions, such as energy, catering, grounds maintenance and compliance contracts.

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 Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised and to manage them efficiently, effectively and economically. The system of internal control has been in place in TPLT for the year 1st September 2020 to 31st 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 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, which has been in place throughout the period of this report 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 Chair of Resources, working with the Central Team, has developed a comprehensive Risk Register for all aspects of the Trust's work, highlighting the levels of risk and processes of mitigation.

THE RISK AND CONTROL FRAMEWORK

The 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 Trustees 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 considered the need for a specific internal audit function and has appointed School Business Services (SBS) as an internal auditor. In line with the requirements of the Academies Financial Handbook, the Chair of the Trust signs-off monthly budget reports prepared by Academy Operations Managers and presented by the Head of Finance; the Chair deploys a financially aware Trustee to make a recommendation regarding sign-off.

The internal auditor role includes giving advice on financial matters and performing a range of checks on the Trust's financial systems. This would normally be twice a year, but was only achieved once due to COVID-19 restrictions. The internal auditor reports to the Board of Trustees on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

Due to there being only one visit, the internal auditor carried out a limited range of checks e.g. bank, expenditure, fixed assets, VAT and related parties transactions, payroll, income, budgets and financial monitoring; no significant matters were reported.

REVIEW OF EFFECTIVENESS

As AO, the CEO has responsibility for reviewing the effectiveness of the system of internal control.

During the year in question the review has been informed by:

- The work of the internal auditor (limited due to impact of COVID-19);
- The work of the external auditors;
- The work of the Central Team leaders within the MAT who have responsibility for the development and maintenance of the internal control framework.

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


**THE PRIORY LEARNING TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

Approved by order of the members of the Board of Trustees on 14th December 2021 and signed on their behalf by:



Katie Dominy
Chair of Trustees



Neville Coles
Accounting Officer

**THE PRIORY LEARNING TRUST
(A COMPANY LIMITED BY GUARANTEE)**

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of The Priory Learning Trust I have considered my responsibility to notify the 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 Trust, under the funding agreement in place between the 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 Trust Board of Trustees are able to identify any material irregular or improper use of all funds by the Trust, or material non-compliance with the terms and conditions of funding under the 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.



Neville Coles
Accounting Officer
Date: 14 December 2021

**THE PRIORY LEARNING TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2021**

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

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

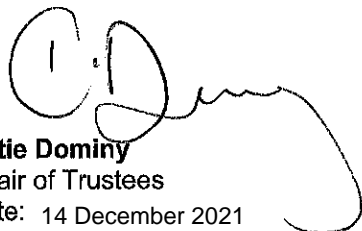
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting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

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

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

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

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



Katie Dominy
Chair of Trustees
Date: 14 December 2021

**THE PRIORY LEARNING TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE
PRIORY LEARNING TRUST**

OPINION

We have audited the financial statements of The Priory Learning Trust (the '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 related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Trust'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; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

BASIS FOR OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

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 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.

**THE PRIORY LEARNING TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE
PRIORY LEARNING TRUST (CONTINUED)**

OTHER INFORMATION

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

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

RESPONSIBILITIES OF TRUSTEES

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

In preparing the financial statements, the Trustees are responsible for assessing the 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 Trust or to cease operations, or have no realistic alternative but to do so.

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE
PRIORY LEARNING TRUST (CONTINUED)**

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the Academy sector, control environment and the Trust's performance;
- results of our enquiries of management and the Trustee board, including the committees charged with governance over the Trust's finance and control, about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the Trust's documentation of their policies and procedures relating to: 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 noncompliance with laws and regulations;
- how the Trust ensured it met its obligations arising from it being financed by the ESFA and other funders, and as such material compliance with these obligations is required to ensure the Trust will continue to receive its public funding and be authorised to operate, including around ensuring there is no material unauthorised use of funds and expenditure;
- how the Trust ensured it met its obligations to its principal regulator, the Secretary of State for Education; and
- the matters discussed among the audit engagement team and involving relevant internal Academy specialists regarding how 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, which included incorrect recognition of revenue, management override of controls using manual journal entries, procurement and payroll. We identified the greatest potential for fraud as incorrect recognition of revenue and management override using manual journal entries.

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 that the Trust operates in, focusing 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 Academies Accounts Direction, Academies Financial Handbook, UK Companies Act and tax legislation.

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 Trust's ability to operate or to avoid a material penalty. These included safeguarding regulations, data protection regulations, occupational health and safety regulations, education and inspections legislation, building legislation and employment legislation.

Our procedures to respond to risks identified included the following:

**THE PRIORY LEARNING TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE
PRIORY LEARNING TRUST (CONTINUED)**

- 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;
- reviewing the financial statement disclosures and testing to supporting documentation to assess the recognition of revenue;
- enquiring of Trustees and management and those charged with governance concerning actual and potential litigation and claims;
- performing procedures to confirm material compliance with the requirements of its regulators;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance and reviewing internal control reports; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; and assessing whether the judgements made in making accounting estimates are indicative of a potential bias.

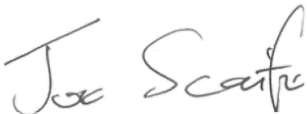
We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from an error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed 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.

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

USE OF OUR REPORT

This report is made solely to the charitable Trust'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 Trust's members those matters we are required to state to them in an Auditors' 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 Trust and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Joseph Scaife FCA DChA (Senior Statutory Auditor)

for and on behalf of

Bishop Fleming LLP

Chartered Accountants

Statutory Auditors

10 Temple Back

Bristol

BS1 6FL

Date: 17 December 2021

**THE PRIORY LEARNING TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

In accordance with the terms of our engagement letter dated 25 November 2019 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 Priory Learning Trust during the year 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 Priory Learning Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to The Priory Learning Trust and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than The Priory Learning Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

RESPECTIVE RESPONSIBILITIES OF THE PRIORY LEARNING TRUST'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT

The accounting officer is responsible, under the requirements of The Priory Learning Trust's funding agreement with the Secretary of State for Education dated 17 August 2011 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 year 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 Trust's income and expenditure.

Our work on regularity included a review of the internal controls policies and procedures that have been implemented and an assessment of their design and effectiveness to understand how the Trust complied with the framework of authorities. We also reviewed the reports commissioned by the Trustees to assess the internal controls throughout the year.

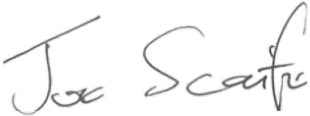
We performed detailed testing based on our assessment of the risk of material irregularity, impropriety and non-compliance. This work was integrated with our audit on the financial statements where appropriate and included analytical review and detailed substantive testing of transactions.

**THE PRIORY LEARNING TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

CONCLUSION

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 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.



Joseph Scaife FCA DChA (Reporting Accountant)

Bishop Fleming LLP

Chartered Accountants

Statutory Auditors

10 Temple Back

Bristol

BS1 6FL

Date: 17 December 2021

**THE PRIORY LEARNING TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2021**

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from:						
Donations and capital grants:	4					
Transfer on conversion		212,358	(592,000)	1,950,807	1,571,165	-
Other donations and capital grants		-	11,863	1,503,409	1,515,272	1,437,892
Other trading activities		100,847	-	-	100,847	86,316
Investments:	7					
Other investments		1,562	-	-	1,562	10,707
Charitable activities		232,720	29,819,904	-	30,052,624	27,302,368
Teaching schools		-	232,941	-	232,941	178,250
Total income		547,487	29,472,708	3,454,216	33,474,411	29,015,533
Expenditure on:						
Charitable activities:						
Education		206,828	30,456,498	1,585,159	32,248,485	29,847,586
Teaching schools		-	230,074	-	230,074	181,117
Total expenditure		206,828	30,686,572	1,585,159	32,478,559	30,028,703
NET INCOME/(EXPENDITURE) BEFORE OTHER GAINS/(LOSSES)		340,659	(1,213,864)	1,869,057	995,852	(1,013,170)
Transfers between funds	18	-	(205,857)	205,857	-	-
Actuarial losses on pension schemes	27	-	(1,959,000)	-	(1,959,000)	(357,000)
Net movement in funds		340,659	(3,378,721)	2,074,914	(963,148)	(1,370,170)

**THE PRIORY LEARNING TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
(CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 £
Reconciliation of funds:					
Total funds brought forward	2,262,743	(16,780,250)	63,837,964	49,320,457	50,690,627
Net movement in funds	340,659	(3,378,721)	2,074,914	(963,148)	(1,370,170)
Total funds carried forward	<u><u>2,603,402</u></u>	<u><u>(20,158,971)</u></u>	<u><u>65,912,878</u></u>	<u><u>48,357,309</u></u>	<u><u>49,320,457</u></u>

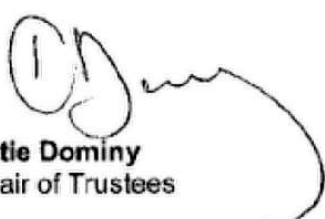
The Statement of Financial Activities includes all gains and losses recognised in the year.
The notes on pages 38 to 67 form part of these financial statements.


**THE PRIORY LEARNING TRUST
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:07698707**

**BALANCE SHEET
AS AT 31 AUGUST 2021**

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	15	65,764,883	63,620,446
		<u>65,764,883</u>	<u>63,620,446</u>
Current assets			
Debtors	16	905,284	890,344
Cash at bank and in hand		5,638,573	4,139,585
		<u>6,543,857</u>	<u>5,029,929</u>
Creditors: amounts falling due within one year	17	(1,888,431)	(1,715,918)
Net current assets		4,655,426	3,314,011
Total assets less current liabilities		70,420,309	66,934,457
Defined benefit pension scheme liability	27	(22,063,000)	(17,614,000)
Total net assets		48,357,309	49,320,457
Funds of the Trust			
Restricted funds:			
Fixed asset funds	18	65,912,878	63,837,964
Restricted income funds	18	1,904,029	833,750
Restricted funds excluding pension asset	18	67,816,907	64,671,714
Pension reserve	18	(22,063,000)	(17,614,000)
Total restricted funds	18	45,753,907	47,057,714
Unrestricted income funds	18	2,603,402	2,262,743
Total funds		48,357,309	49,320,457

The financial statements on pages 34 to 67 were approved by the Trustees, and authorised for issue on 14 December 2021 and are signed on their behalf, by:


Katie Dominy
Chair of Trustees


Neville Coles
Accounting Officer

The notes on pages 38 to 67 form part of these financial statements.

**THE PRIORY LEARNING TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2021**

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	20	1,507,987	(132,161)
Cash flows from investing activities	22	(221,357)	(407,880)
Cash flows from financing activities	21	212,358	-
		<hr/>	<hr/>
Change in cash and cash equivalents in the year		1,498,988	(540,041)
Cash and cash equivalents at the beginning of the year		4,139,585	4,679,626
Cash and cash equivalents at the end of the year	23, 24	5,638,573	4,139,585
		<hr/> <hr/>	<hr/> <hr/>

The notes on pages 38 to 67 form part of these financial statements

**THE PRIORY LEARNING TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

1. GENERAL INFORMATION

The Priory Learning Trust is a company limited by guarantee, incorporated in England and Wales. The registered office is Queensway, Weston-super-mare, BS22 6BP.

2. ACCOUNTING POLICIES

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

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

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

2.2 GOING CONCERN

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

2. ACCOUNTING POLICIES (continued)

2.3 INCOME

All incoming resources are recognised when the 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 year for which it is receivable and any abatement in respect of the year 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.

- **Donations**

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

- **Other income**

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

- **Transfer on conversion**

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

2.4 EXPENDITURE

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

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

2. ACCOUNTING POLICIES (continued)

2.5 TANGIBLE FIXED ASSETS

Assets costing £10,000 (secondary) and £5,000 (primary) or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is not charged on freehold land. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	- 2% straight line
Long-term leasehold property	- 125 years straight line for land and 2% straight line for buildings
Plant, machinery, furniture and fittings	- 15% straight line
Computer equipment	- 25% straight line
Motor vehicles	- 25% straight line

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.

Where the Trust has been granted use of school buildings from the Diocese of Bath & Wells under Supplemental Agreements, the Academies Accounts Direction prescribes that where the Academy Trust concludes it has control over access and works of the land and buildings they can be recognised as an asset.

The land and buildings have been included within the long-term property of the Trust as the Diocese of Bath & Wells are currently not exerting control over the assets.

2.6 DEBTORS

Trade and other debtors with no stated interest rate and due within one year are recorded at the amount of the cash or other consideration expected to be received. Prepayments are valued at the amount paid.

2.7 CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account and cash on deposit that has a notice period of less than 30 days.

2. ACCOUNTING POLICIES (continued)

2.8 TAXATION

The 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 Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by Part 11, chapter 3 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.

2.9 OPERATING LEASES

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

2.10 LIABILITIES AND PROVISIONS

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

2.11 FINANCIAL INSTRUMENTS

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 16. Prepayments are not financial instruments. Amounts due to the Trust's wholly owned subsidiary are held at face value less any impairment. Cash at bank is classified as a basic financial instrument and is measured at face value.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 17. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to the Trust's wholly owned subsidiary are held at face value less any impairment.

2. ACCOUNTING POLICIES (continued)

2.12 PENSIONS

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the 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 prospective unit credit method. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

2.13 CONVERSION TO AN ACADEMY TRUST

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

The assets and liabilities transferred on conversion from Huntspill Federation incorporating East and West Huntspill primary schools to the Trust have been valued at their fair value. The fair value has been derived based on that of equivalent items. The amounts have been recognised under the appropriate Balance Sheet categories, with a corresponding amount recognised in Donations - transfer from local authority on conversion in the Statement of Financial Activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds.

Fixed assets have been included at amounts valued by the Trustees. Pension assets and liabilities have been valued by Barnett Waddingham.

Further details of the transaction are set out in note 26.

2. ACCOUNTING POLICIES (continued)

2.14 FUND ACCOUNTING

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

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

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

Investment income, gains and losses are allocated to the appropriate fund.

Transfers are made between restricted funds and restricted fixed asset funds where restricted funds are used to purchase fixed assets.

3. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 27, 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 Trust obtains use of fixed assets as a lessee. The classification of such leases as operating or finance lease requires the Trust to determine, based on an evaluation of the terms and conditions of the arrangements, whether it retains or acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the Balance Sheet.

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4. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 £
DONATIONS					
Transfer from Local Authority on conversion	212,358	(592,000)	1,950,807	1,571,165	-
Other donations	-	11,863	-	11,863	278,545
	<u>212,358</u>	<u>(580,137)</u>	<u>1,950,807</u>	<u>1,583,028</u>	<u>278,545</u>
Donations	-	-	102,596	102,596	-
Capital Grants	-	-	1,400,813	1,400,813	1,159,347
	<u>-</u>	<u>-</u>	<u>1,400,813</u>	<u>1,400,813</u>	<u>1,159,347</u>
TOTAL 2021	<u><u>212,358</u></u>	<u><u>(580,137)</u></u>	<u><u>3,454,216</u></u>	<u><u>3,086,437</u></u>	<u><u>1,437,892</u></u>
TOTAL 2020	<u><u>-</u></u>	<u><u>278,545</u></u>	<u><u>1,159,347</u></u>	<u><u>1,437,892</u></u>	

**THE PRIORY LEARNING TRUST
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5. FUNDING FOR THE TRUST'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
DFE/ESFA GRANTS				
General Annual Grant	-	23,929,001	23,929,001	22,073,906
OTHER DFE/ESFA GRANTS				
Pupil Premium	-	1,151,415	1,151,415	1,105,673
Teacher's Pay & Pension Grants	-	1,251,854	1,251,854	1,213,352
Sixth Form Funding	-	698,554	698,554	513,648
UIFSM	-	116,523	116,523	114,058
Other DfE Group grants	-	536,323	536,323	517,409
	-	27,683,670	27,683,670	25,538,046
OTHER GOVERNMENT GRANTS				
High Needs	-	675,405	675,405	647,585
Early Years Funding	-	402,714	402,714	457,898
Other	-	516,281	516,281	212,768
	-	1,594,400	1,594,400	1,318,251
Other income from the Trust's education	232,720	-	232,720	446,071
COVID-19 ADDITIONAL FUNDING (DFE/ESFA)				
Catch-up Premium	-	541,834	541,834	-
	-	541,834	541,834	-
	232,720	29,819,904	30,052,624	27,302,368
TOTAL 2020	446,071	26,856,297	27,302,368	

Following the reclassification in the Academies Accounts Direction 2020/21 of some grants received from the Department for Education and ESFA, the trust's funding for Universal Infant Free School Meals and Pupil Premium is no longer reported under the Other DfE Group grants heading, but as separate lines under the Other DfE/ESFA grants heading. The prior year numbers have been reclassified.

**THE PRIORY LEARNING TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

6. INCOME FROM OTHER TRADING ACTIVITIES

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Lettings and other trading income	100,847	100,847	86,316
TOTAL 2020	86,316	86,316	

7. INVESTMENT INCOME

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Investment income	1,562	1,562	10,707
TOTAL 2020	10,707	10,707	

8. EXPENDITURE

	Staff Costs 2021 £	Premises 2021 £	Other 2021 £	Total 2021 £	Total 2020 £
EDUCATION:					
Direct costs	15,423,777	1,455,664	1,594,174	18,473,615	17,540,260
Allocated support costs	9,788,660	759,673	3,226,537	13,774,870	12,307,326
Teaching school	210,057	-	20,017	230,074	181,117
TOTAL 2021	25,422,494	2,215,337	4,840,728	32,478,559	30,028,703
TOTAL 2020	23,279,228	2,860,520	3,888,955	30,028,703	

**THE PRIORY LEARNING TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

9. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £	Total funds 2020 £
Education	18,473,615	13,774,870	32,248,485	29,847,586
TOTAL 2020	<u>17,540,260</u>	<u>12,307,326</u>	<u>29,847,586</u>	

ANALYSIS OF DIRECT COSTS

	Total funds 2021 £	Total funds 2020 £
Pension finance costs	37,241	34,478
Staff costs	15,583,551	14,499,860
Depreciation	1,585,158	1,479,799
Educational supplies	577,964	753,693
Examination fees	222,992	301,138
Staff development	103,348	75,696
Other costs	288,041	309,414
Supply teachers	75,320	86,182
	<u>18,473,615</u>	<u>17,540,260</u>

**THE PRIORY LEARNING TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

9. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

ANALYSIS OF SUPPORT COSTS

	Total funds 2021 £	Total funds 2020 £
Pension finance costs	299,759	277,522
Staff costs	9,607,527	8,584,516
Other costs	75,485	114,879
Recruitment and support	21,734	106,191
Maintenance of premises and equipment	1,235,750	1,159,813
Cleaning	230,942	105,939
Rent and rates	182,871	166,192
Energy costs	376,374	372,838
Insurance	102,654	62,683
Security and transport	18,892	25,886
Catering	489,095	296,035
Technology costs	460,674	290,403
Office overheads	339,577	221,775
Legal and professional	319,185	515,522
Bank interest and charges	13,526	6,265
Governance	825	867
	<u>13,774,870</u>	<u>12,307,326</u>

10. NET INCOME/(EXPENDITURE)

Net income/(expenditure) for the year includes:

	2021 £	2020 £
Depreciation of tangible fixed assets	1,585,159	1,474,498
Operating lease rentals	38,717	69,537
Auditors' remuneration - audit	20,750	22,210
Auditors' remuneration - non audit	2,500	2,500
	<u>1,647,126</u>	<u>1,568,745</u>

**THE PRIORY LEARNING TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

11. STAFF

a. STAFF COSTS

Staff costs during the year were as follows:

	2021 £	2020 £
Wages and salaries	18,371,687	16,865,224
Social security costs	1,667,779	1,490,481
Pension costs	5,346,091	4,749,658
	<u>25,385,557</u>	<u>23,105,363</u>
Agency staff costs	21,359	86,182
Staff restructuring costs	15,578	87,683
	<u>25,422,494</u>	<u>23,279,228</u>

b. NON-STATUTORY/NON-CONTRACTUAL STAFF SEVERANCE PAYMENTS

Included in staff non-statutory/ non-contractual is one (2020: two) severance payment totalling £8,497 (2020: £63,140).

c. STAFF NUMBERS

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

	2021 No.	2020 No.
Teachers	277	268
Administration and Educational Support	525	458
Management	44	36
	<u>846</u>	<u>762</u>

The average headcount expressed as full-time equivalents was:

	2021 No.	2020 No.
Teachers	239	234
Administration and Educational Support	285	292
Management	43	36
	<u>567</u>	<u>562</u>

**THE PRIORY LEARNING TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

11. STAFF (CONTINUED)

d. HIGHER PAID STAFF

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

	2021	2020
	No.	No.
In the band £60,001 - £70,000	5	8
In the band £70,001 - £80,000	2	3
In the band £80,001 - £90,000	1	-
In the band £90,001 - £100,000	2	2
In the band £120,001 - £130,000	1	1
	<u>11</u>	<u>14</u>

e. KEY MANAGEMENT PERSONNEL

The key management personnel of the 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 Trust was £421,929 (2020 £398,813).

12. TRUSTEES' REMUNERATION AND EXPENSES

The Principal as a staff Trustees only receives remuneration in respect of services they provide undertaking the roles of Executive Principal under their contract of employment, and not in respect of their services as a Trustee. Other Trustees did not receive any payments from the Academy in respect of their role as Trustees. The value of trustees' remuneration and other benefits was as follows: N Coles: Remuneration £125,000 - £130,000 (2020: £120,000 - £125,000), Employer's pension contributions £30,000 - £35,000 (2020: £20,000 - £25,000).

During the year ended 31 August 2021, no Trustee expenses have been incurred (2020 - £NIL).

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

13. CENTRAL SERVICES

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

- Academy improvement
- Governance
- Accounting
- Financial services
- Procurement of trust-wide contracts
- Premises support
- Educational support
- Marketing and branding
- HR legal services

The Trust charges for these services on the following basis:

7.8% of General Annual Grant (GAG) income for the year.

The actual amounts charged during the year were as follows:

	2021 £	2020 £
Priory Community School Academy	543,660	377,825
Worle Community School Academy	574,213	407,341
Castle Batch Primary School Academy	123,435	86,501
St Anne's Church Academy	112,285	74,485
The King Alfred School Academy	447,893	312,592
Pawlett Primary School Academy	25,357	16,088
East Huntspill Primary School Academy	13,786	-
West Huntspill Primary School Academy	18,431	-
TOTAL	1,859,060	1,274,832

14. 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 business, and provides cover up to £10,000,000. It is not possible to quantify the Trustees and officers indemnity element from the overall cost of the RPA scheme.

**THE PRIORY LEARNING TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

15. TANGIBLE FIXED ASSETS

	Freehold property £	Long-term leasehold property £	Plant and machinery £	Computer equipment £	Total £
COST OR VALUATION					
At 1 September 2020	35,285,583	32,238,458	680,712	1,001,387	69,206,140
Additions	37,550	1,287,586	7,651	447,170	1,779,957
Acquired on conversion	-	1,949,639	-	-	1,949,639
At 31 August 2021	<u>35,323,133</u>	<u>35,475,683</u>	<u>688,363</u>	<u>1,448,557</u>	<u>72,935,736</u>
DEPRECIATION					
At 1 September 2020	3,386,011	1,162,496	451,548	585,639	5,585,694
Charge for the year	710,111	617,306	75,670	182,072	1,585,159
At 31 August 2021	<u>4,096,122</u>	<u>1,779,802</u>	<u>527,218</u>	<u>767,711</u>	<u>7,170,853</u>
NET BOOK VALUE					
At 31 August 2021	<u><u>31,227,011</u></u>	<u><u>33,695,881</u></u>	<u><u>161,145</u></u>	<u><u>680,846</u></u>	<u><u>65,764,883</u></u>
At 31 August 2020	<u><u>31,899,572</u></u>	<u><u>31,075,962</u></u>	<u><u>229,164</u></u>	<u><u>415,748</u></u>	<u><u>63,620,446</u></u>

16. DEBTORS

	2021 £	2020 £
DUE WITHIN ONE YEAR		
Trade debtors	7,145	174,717
Other debtors	142,994	115,795
Prepayments and accrued income	755,145	599,832
	<u><u>905,284</u></u>	<u><u>890,344</u></u>

**THE PRIORY LEARNING TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade creditors	578,670	4,094
Other taxation and social security	399,928	369,575
Other creditors	471,083	393,254
Accruals and deferred income	438,750	948,995
	<u>1,888,431</u>	<u>1,715,918</u>
	2021	2020
	£	£
Deferred income		
Deferred income at 1 September	405,711	130,679
Resources deferred during the year	396,166	405,711
Amounts released from previous periods	(405,711)	(130,679)
	<u>396,166</u>	<u>405,711</u>

At the balance sheet date the Academy was holding DfE grant income received in advance for the 2021-22 academic year.

**THE PRIORY LEARNING TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

18. STATEMENT OF FUNDS

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
UNRESTRICTED FUNDS						
General Funds	2,262,743	547,487	(206,828)	-	-	2,603,402
RESTRICTED GENERAL FUNDS						
General Annual Grant (GAG)	594,020	23,929,001	(22,800,744)	(205,857)	-	1,516,420
High Needs	-	675,405	(675,405)	-	-	-
Pupil Premium	81,588	1,187,842	(1,154,672)	-	-	114,758
Other LA income	13,957	541,670	(519,028)	-	-	36,599
Other ESFA funding	144,185	3,027,706	(3,043,980)	-	-	127,911
Other restricted income	-	204,804	(204,804)	-	-	-
Covid catch up premium	-	498,280	(389,939)	-	-	108,341
Pension reserve	(17,614,000)	(592,000)	(1,898,000)	-	(1,959,000)	(22,063,000)
	<u>(16,780,250)</u>	<u>29,472,708</u>	<u>(30,686,572)</u>	<u>(205,857)</u>	<u>(1,959,000)</u>	<u>(20,158,971)</u>
RESTRICTED FIXED ASSET FUNDS						
Fixed assets transferred on conversion	50,536,979	1,949,639	(993,763)	-	-	51,492,855
Fixed assets purchased from GAG, DfE/ESFA and other Government Capital Grants	4,994,169	-	(301,896)	434,029	-	5,126,302
Fixed assets purchased from CIF and SCA	5,628,099	-	(221,617)	1,243,332	-	6,649,814
Fixed assets donated	2,461,200	102,596	(67,883)	-	-	2,495,913
SCA funding	119,158	1,222,543	-	(1,234,067)	-	107,634
Other capital funding	98,359	179,438	-	(237,437)	-	40,360
	<u>63,837,964</u>	<u>3,454,216</u>	<u>(1,585,159)</u>	<u>205,857</u>	<u>-</u>	<u>65,912,878</u>
TOTAL RESTRICTED FUNDS	<u>47,057,714</u>	<u>32,926,924</u>	<u>(32,271,731)</u>	<u>-</u>	<u>(1,959,000)</u>	<u>45,753,907</u>
TOTAL FUNDS	<u>49,320,457</u>	<u>33,474,411</u>	<u>(32,478,559)</u>	<u>-</u>	<u>(1,959,000)</u>	<u>48,357,309</u>

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

18. STATEMENT OF FUNDS (CONTINUED)

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

RESTRICTED FUNDS

General Annual Grant (GAG) - Income from the ESFA which is to be used for the normal running costs of the Academy, including education and support costs.

High Needs - Funding received from the Local Authority to fund further support for students with additional needs.

Pupil Premium - Funding represents amounts received from the ESFA for children that qualify for free school meals and other attributes, which enable the Academy to improve the attainment of disadvantaged children.

Other LA Income - Additional funding received from the Local Authority.

Other ESFA funding - Other grants received from the ESFA towards Universal Infant Free School Meals (UIFSM), Year 7 Catch Up funding, PE Sport funding, Sixth Form Funding, Teacher's Pay Grant and Teacher's Pension Grant. It also includes Income received from the ESFA to contribute to the Teaching School status of the Academy Trust.

Other restricted funds - Income received from school trip contributions, staff recoveries, and other donations.

Covid catch up premium - funding received from the ESFA to support Trust schools catch up pupils education from the effects of disruption caused by Covid 19.

Pension reserve - Represents the Academy Trust's share of the assets and liabilities in the Local Government Pension Scheme. As with most pension schemes this is currently in deficit due to an excess of scheme liabilities over scheme assets which was inherited on conversion to an Academy. The Academy is following the recommendations of the actuary to reduce the deficit by making additional contributions over a number of years.

FIXED ASSET FUNDS

Fixed assets transferred on conversion to an Academy represent the land, buildings and equipment donated to the school from North Somerset Council.

Fixed assets purchased from GAG and other restricted funds represents amounts spent on fixed assets from the GAG and other funding received from the ESFA (such as Devolved Formula Capital and School Condition Allocation) and other sources (such as Section 106 Agreement income).

Fixed assets purchased from CIF funding represents the amounts received for various capital projects, including a new Science Block.

Fixed assets donated represents fixed assets donated to the Trust.

SCA (School Condition Allocation) funding represents the funding received for the maintenance of the core infrastructure of schools in the Trust. Carried forward amounts on this fund are unspent funds for use in future periods.

Other capital funding represents other capital grants receivable including Devolved Formula Capital - Funding received from the ESFA to cover the maintenance and purchase of the Academy Trust's assets. Carried forward amounts on this fund are unspent funds for use in future periods.

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

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**NOTES TO THE FINANCIAL STATEMENTS
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18. STATEMENT OF FUNDS (CONTINUED)

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

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
UNRESTRICTED FUNDS						
General Funds	2,288,780	1,000,992	(1,027,029)	-	-	2,262,743
RESTRICTED GENERAL FUNDS						
General Annual Grant (GAG)	1,209,639	22,073,906	(22,502,010)	(187,515)	-	594,020
High Needs	-	647,585	(647,585)	-	-	-
Pupil Premium	8,382	1,105,673	(1,032,467)	-	-	81,588
Other LA income	4,602	215,018	(205,663)	-	-	13,957
Start up grants	-	31,200	(31,200)	-	-	-
NLE Bursary	-	5,800	(5,800)	-	-	-
Other restricted funds	-	278,545	(278,545)	-	-	-
Other ESFA funding	15,456	2,319,217	(2,190,488)	-	-	144,185
Teaching School	2,867	178,250	(181,117)	-	-	-
Pension reserve	16,810,000)	-	(447,000)	-	(357,000)	(17,614,000)
	15,569,054)	26,855,194	(27,521,875)	(187,515)	(357,000)	(16,780,250)
RESTRICTED FIXED ASSET FUNDS						
Fixed assets transferred on conversion	51,523,277	-	(986,298)	-	-	50,536,979
Fixed assets purchased from GAG, DfE/ESFA and other Government Capital Grants	4,610,491	333,630	(276,536)	326,584	-	4,994,169
Fixed assets purchased from CIF and SCA	5,324,658	825,717	(165,690)	(139,069)	-	5,845,616
Fixed assets donated	2,512,475	-	(51,275)	-	-	2,461,200
	63,970,901	1,159,347	(1,479,799)	187,515	-	63,837,964
TOTAL RESTRICTED FUNDS	48,401,847	28,014,541	(29,001,674)	-	(357,000)	47,057,714
TOTAL FUNDS	50,690,627	29,015,533	(30,028,703)	-	(357,000)	49,320,457

**THE PRIORY LEARNING TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

18. STATEMENT OF FUNDS (CONTINUED)

Total funds analysis by academy

Fund balances at 31 August 2021 were allocated as follows:

	2021	2020
	£	£
Priory Community School Academy	904,378	473,601
Worle Community School Academy	885,928	425,971
Castle Batch Primary School Academy	434,580	418,766
St Anne's Church Academy	569,757	528,068
The King Alfred School Academy	417,513	493,933
Pawlett Primary School Academy	70,578	112,629
East Huntspill Primary School	117,077	-
West Huntspill Primary School	116,116	-
Central Services	991,504	643,525
	<hr/>	<hr/>
Total before fixed asset funds and pension reserve	4,507,431	3,096,493
Restricted fixed asset fund	65,912,878	63,837,964
Pension reserve	(22,063,000)	(17,614,000)
	<hr/>	<hr/>
TOTAL	48,357,309	49,320,457
	<hr/> <hr/>	<hr/> <hr/>

**THE PRIORY LEARNING TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

18. STATEMENT OF FUNDS (CONTINUED)

TOTAL COST ANALYSIS BY ACADEMY

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2021 £	Total 2020 £
Priory Community School Academy	4,854,923	1,235,514	260,314	1,239,973	7,590,724	7,666,893
Worle Community School Academy	5,035,742	867,615	226,110	1,351,046	7,480,513	7,957,479
Castle Batch Primary School Academy	1,405,095	206,615	40,552	398,736	2,050,998	2,087,282
St Anne's Church Academy	1,185,657	501,781	55,425	415,530	2,158,393	2,092,339
The King Alfred School Academy	4,539,243	767,666	217,623	1,052,449	6,576,981	6,408,045
Pawlett Primary School Academy	250,059	39,167	16,648	116,587	422,461	333,514
East and West Huntspill Primary Schools	246,300	52,410	12,633	130,308	441,651	-
Central services	627,638	1,261,146	6,901	524,072	2,419,757	2,003,352
	18,144,657	4,931,914	836,206	5,228,701	29,141,478	28,548,904

**THE PRIORY LEARNING TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
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19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £
Tangible fixed assets	-	-	65,764,883	65,764,883
Current assets	2,602,841	3,793,021	147,995	6,543,857
Creditors due within one year	561	(1,888,992)	-	(1,888,431)
Pension scheme liability	-	(22,063,000)	-	(22,063,000)
TOTAL	2,603,402	(20,158,971)	65,912,878	48,357,309

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £
Tangible fixed assets	-	-	63,620,446	63,620,446
Current assets	2,262,743	2,549,668	217,518	5,029,929
Creditors due within one year	-	(1,715,918)	-	(1,715,918)
Pension scheme liability	-	(17,614,000)	-	(17,614,000)
TOTAL	2,262,743	(16,780,250)	63,837,964	49,320,457

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20.	RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES	2021 £	2020 £
	Net income/(expenditure) for the year (as per Statement of Financial Activities)	995,852	(1,013,170)
	ADJUSTMENTS FOR:		
	Depreciation	1,585,159	1,479,799
	Interest income	(1,562)	(10,707)
	Defined benefit pension scheme obligation inherited	592,000	-
	Increase in debtors	(14,940)	(281,666)
	Increase/(decrease) in creditors	172,513	(577,702)
	Capital grants from DfE and other capital income	(1,453,274)	(1,159,347)
	Defined benefit pension scheme cost less contributions payable	1,561,000	1,118,632
	Defined benefit pension scheme finance cost	337,000	312,000
	Net assets and liabilities transferred from local authority on conversion	(2,265,761)	-
	NET CASH PROVIDED BY/(USED IN) OPERATING ACTIVITIES	1,507,987	(132,161)
21.	CASH FLOWS FROM CONVERSION TO AN ACADEMY		
	Funds received from the Local Authority on conversion	212,358	-
	NET CASH PROVIDED BY FINANCING ACTIVITIES	212,358	-
22.	CASH FLOWS FROM INVESTING ACTIVITIES		
	Purchase of tangible fixed assets	(1,676,193)	(1,577,934)
	Capital grants from DfE/ESFA	1,453,274	1,159,347
	Interest received	1,562	10,707
	NET CASH USED IN INVESTING ACTIVITIES	(221,357)	(407,880)

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23. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2021 £	2020 £
Cash in hand and at bank	5,638,573	4,139,585
TOTAL CASH AND CASH EQUIVALENTS	5,638,573	4,139,585

24. ANALYSIS OF CHANGES IN NET FUNDS

	At 1 September 2020 £	Cash flows £	Funds from academy conversions £	At 31 August 2021 £
Cash at bank and in hand	4,139,585	1,286,630	212,358	5,638,573
	4,139,585	1,286,630	212,358	5,638,573

25. MEMBERS' LIABILITY

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

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26. CONVERSION TO AN ACADEMY TRUST

On 1st April 2021 East Huntspill Primary Academy and West Huntspill Primary Academy converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to The Priory Learning Trust from Somerset Council for £NIL consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the Balance Sheet under the appropriate heading with a corresponding net amount recognised as a net gain in the Statement of Financial Activities as Income from Donations and Capital Grants - transfer from local authority on conversion.

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

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
TANGIBLE FIXED ASSETS				
Leasehold land and buildings	-	-	1,949,639	1,949,639
CURRENT ASSETS				
Cash - representing budget surplus on LA funds	212,358	-	1,168	213,526
Pension Net Liabilities	-	(592,000)	-	(592,000)
NET ASSETS/(LIABILITIES)	<u>212,358</u>	<u>(592,000)</u>	<u>1,950,807</u>	<u>1,571,165</u>

27. PENSION COMMITMENTS

The 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 Bath and North East Somerset Council and Devon County Council. Both are multi-employer defined benefit schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2016 and of the LGPS 31 March 2019.

Contributions amounting to £444,390 were payable to the schemes at 31 August 2021 (2020 - £385,030) and are included within creditors.

TEACHERS' PENSION SCHEME

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

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

27. PENSION COMMITMENTS (CONTINUED)

VALUATION OF THE TEACHERS' PENSION SCHEME

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

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

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

The employer's pension costs paid to TPS in the year amounted to £3,514,622 (2020 - £2,879,795).

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

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

LOCAL GOVERNMENT PENSION SCHEME

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £1,533,000 (2020 - £2,643,000), of which employer's contributions totalled £1,150,000 (2020 - £2,288,000) and employees' contributions totalled £ 383,000 (2020 - £355,000). The agreed contribution rates for future years are 23.68 per cent for employers and 5.5% - 12.5% per cent for employees.

As described in note 2.12 the LGPS obligation relates to the employees of the Trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Trust at the balance sheet date.

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

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27. PENSION COMMITMENTS (CONTINUED)

PRINCIPAL ACTUARIAL ASSUMPTIONS

	2021 %	2020 %
Discount rate for scheme liabilities	1.7	1.8
Rate of increase in salaries	4.3	3.8
Rate of increase for pensions in payment / inflation	2.9	2.4
Inflation assumption (CPI)	2.8	2.3

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	23.3	23.2
Females	25.4	25.1
Retiring in 20 years		
Males	24.8	24.7
Females	27.4	26.8

SENSITIVITY ANALYSIS

	2021 £000	2020 £000
Discount rate +0.1%	652	539
Mortality assumption - 1 year increase	(950)	(642)
CPS rate +0.1%	(667)	(554)

SHARE OF SCHEME ASSETS

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

	2021 £	2020 £
Equities	7,858,000	5,872,000
Bonds	2,825,000	1,360,000
Property	1,047,000	1,042,000
Cash	361,000	408,000
Other	4,082,000	3,484,000
Total market value of assets	16,173,000	12,166,000

The actual return on scheme assets was £2,236,000 (2020 - £-301,000).

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27. PENSION COMMITMENTS (CONTINUED)

The amounts recognised in the Statement of Financial Activities are as follows:

	2021 £	2020 £
Current service cost	(2,711,000)	(2,447,000)
Past service cost	-	(150,000)
Interest income	198,000	161,000
Interest cost	(535,000)	(473,000)
Loss on curtailments	-	363,000
Total	(3,048,000)	(2,546,000)

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

	2021 £	2020 £
Opening defined benefit obligation	29,780,000	26,310,000
Upon conversion	1,006,000	-
Past service cost	-	150,000
Current service cost	2,711,000	2,447,000
Interest cost	535,000	473,000
Employee contributions	383,000	355,000
Actuarial (gains) / losses	3,965,000	668,000
Benefits paid	(144,000)	(174,000)
Settlements / loss on curtailments	-	(449,000)
Closing defined benefit obligation	38,236,000	29,780,000

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

	2021 £	2020 £
Opening fair value of scheme assets	12,166,000	9,500,000
Upon conversion	414,000	-
Interest income	198,000	191,000
Actuarial gains	2,006,000	311,000
Employer contributions	1,150,000	2,288,000
Employee contributions	383,000	355,000
Benefits paid	(144,000)	(174,000)
Settlement prices received / Administration expenses	-	(305,000)
Closing fair value of scheme assets	16,173,000	12,166,000

**THE PRIORY LEARNING TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

28. OPERATING LEASE COMMITMENTS

At 31 August 2021 the Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2021	2020
	£	£
Not later than 1 year	38,717	41,557
Later than 1 year and not later than 5 years	32,299	47,652
	<u>71,016</u>	<u>89,209</u>

29. RELATED PARTY TRANSACTIONS

Owing to the nature of the 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 Academies Financial Handbook, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the Trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

No related party transactions took place in the year, other than certain trustees' remuneration and expenses already disclosed in note 12.

30. TEACHING SCHOOL TRADING ACCOUNT

	2021	2021	2020	2020
	£	£	£	£
Income				
DIRECT INCOME				
Teaching school grants	232,941		178,250	
TOTAL INCOME		232,941		178,250
Expenditure				
DIRECT EXPENDITURE				
Direct staff costs	210,057		108,670	
Other expenditure	20,017		72,447	
TOTAL DIRECT EXPENDITURE	<u>230,074</u>		<u>181,117</u>	
TOTAL EXPENDITURE		<u>230,074</u>		<u>181,117</u>
Surplus/(deficit) from all sources		2,867		(2,867)
Teaching school balances at 1 September 2020		(2,867)		-
TEACHING SCHOOL BALANCES AT 31 AUGUST		<u>-</u>		<u>(2,867)</u>