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**COMPASS LEARNING PARTNERSHIP**  
(A company limited by guarantee)

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**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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**COMPASS LEARNING PARTNERSHIP**  
**(A company limited by guarantee)**

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**CONTENTS**

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	Page
<b>Reference and administrative details</b>	1 - 2
<b>Trustees' report</b>	3 - 13
<b>Governance statement</b>	14 - 17
<b>Statement on regularity, propriety and compliance</b>	18
<b>Statement of Trustees' responsibilities</b>	19
<b>Independent auditors' report on the financial statements</b>	20 - 22
<b>Independent reporting accountant's assurance report on regularity</b>	23 - 24
<b>Statement of financial activities incorporating income and expenditure account</b>	25
<b>Balance sheet</b>	26
<b>Statement of cash flows</b>	27
<b>Notes to the financial statements</b>	28 - 48

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**COMPASS LEARNING PARTNERSHIP**  
**(A company limited by guarantee)**

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**REFERENCE AND ADMINISTRATIVE DETAILS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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**Members**

Adrian Hughes (appointed 2 October 2017)  
Margaret Ogunbayo (appointed 2 October 2017)  
Rita Mills (appointed 2 October 2017)  
Desi Lodge Patch (appointed 2 October 2017)

**Trustees**

Nick Cooper, Head of School (appointed 1 September 2017)  
Greg Foley, Chair of Governors (resigned 2 October 2017)  
Aisha Bello, Parent Trustee (resigned 5 March 2018)  
Rita Mills, Parent Trustee, Deputy Chair of Governors (appointed 2 October 2017)  
Margaret Ogunbayo, Parent Trustee  
Adrian Hughes, Co-opted Trustee, Chair of Governors (appointed 2 October 2017)  
Rose Williams, Parent Trustee  
Tim Hunt, Staff Trustee (appointed 27 November 2017)  
Renu Singh, Staff Trustee (appointed 27 November 2017)  
Kay Charles, Ex-officio Trustee (appointed 1 September 2017)  
Giles Seal, Co-opted Trustee (appointed 5 March 2018)  
Nisha Patel, Co-opted Trustee (resigned 2 October 2017)  
David Phillips, Staff Trustee (resigned 2 October 2017)

**Company registered number**

08905350

**Company name**

Compass Learning Partnership

**Principal and registered office**

C/O Landau Baker Limited, Mountcliff House, 154 Brent Street, London, NW4 2DR

**Chief executive officer**

Nick Cooper

**Senior Leadership team**

K Charles, Executive Head  
N Cooper, Head of School  
D Phillips, Assistant Head  
P Talbot, Assistant Head  
J O'Donnell, Assistant Head  
J Moore, Acting Assistant Head  
C Eracleous, Chief Financial Officer

**Independent auditors**

Landau Baker Limited, Mountcliff House, 154 Brent Street, London, NW4 2DR

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS TRUSTEES AND ADVISERS  
FOR THE YEAR ENDED 31 AUGUST 2018**

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**Advisers (continued)**

**Bankers**

Barclays Bank, 55 Bridge Road, Wembley, Middlesex, HA9 9AH

**Solicitors**

Eversheds Sutherland (International) LLP, Eversheds House, 70 Great Bridgewater Street, Manchester, M1 5ES.

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**COMPASS LEARNING PARTNERSHIP**  
**(A company limited by guarantee)**

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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the period 1 September 2017 to 31 August 2018. The Annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The trust operates an academy for pupils aged 11 to 19 serving a catchment area in Brent. It has a pupil capacity of 176 and had a roll of 165 in the school census in May 2018.

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

#### **Constitution**

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The trustees of Woodfield Academy Trust Limited are also the directors of the charitable company for the purposes of company law. The charitable company is known as Woodfield School.

Details of the Trustees who served during the period are included in the Reference and administrative details on page 1.

#### **Members' Liability**

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

#### **Trustees' Indemnities**

Subject to the provisions of the Companies Act, every governor or other officer of the academy shall be indemnified out of the assets of the academy against any liability incurred by them in that capacity in defending any proceedings, whether civil or criminal, in which judgment is given in favour or in which they are acquitted or in connection with any application in which relief is granted to them by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the academy.

#### **Method of Recruitment and Appointment or Election of Trustees**

The management of the academy is the responsibility of the Governors who are elected and co-opted under the terms of the Articles of Association and funding agreement as follows:

- o The Head Teacher
- o Up to 4 parent governors, elected by parents
- o Up to 3 staff governors, provided that the maximum number of staff governors does not exceed one third of the total number of governors
- o LA governor, may be appointed by the LA
- o Up to 3 co-opted governors, appointed by the governors
- o The members can appoint 2 governors

The term of office for any governor is 4 years. The Head Teacher's term of office runs parallel with his term of appointment. Subject to remaining eligible to be a particular type of governor, any governor may be reappointed or re-elected.

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**COMPASS LEARNING PARTNERSHIP**  
**(A company limited by guarantee)**

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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**Policies and Procedures Adopted for the Induction and Training of Trustees**

The training and induction provided for new governors will depend on their individual experience and expertise. Where necessary an induction will provide training on charity and educational, legal and financial matters. All new governors are given a tour of the academy and the chance to meet with staff and students. All governors are provided with copies of policies, procedures, minutes, budgets, plans and other documents that they will need to understand their role as trustees and directors of the academy.

**Organisational Structure**

The academy has established a management structure to enable its efficient running. The structure consists of two levels: the governors and the executive who are the senior leadership team.

The governing body has considered its role thoughtfully and decided that the role of the governors is to approve the strategic direction and objectives of the academy and monitor its progress towards these objectives.

The governing body has approved a scheme of delegation which sets out a statement on the system of internal control, responsibilities, standing orders, a scheme of delegation and terms of reference. The Head Teacher is directly responsible for the day to day running of the academy and is assisted by a senior leadership team.

Governors are responsible for setting general policy, adopting an annual plan and budget, monitoring the academy by use of budgets and making major decisions about the direction of the academy, including capital expenditure and senior staff appointments.

The Head Teacher assumes the accounting officer role.

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

Key management personnel are paid in line with market standards and are reviewed annually by the Pay Committee.

**Trade union facility time**

**Relevant union officials**

Number of employees who were relevant union officials during the year	2
Full-time equivalent employee number	2

**Percentage of time spent on facility time**

Percentage of time	Number of employees
0%	-
1%-50%	2
51%-99%	-
100%	-

**Percentage of pay bill spent on facility time** £

Total cost of facility time	1,777
Total pay bill	2,878,038

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**COMPASS LEARNING PARTNERSHIP**  
**(A company limited by guarantee)**

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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Percentage of total pay bill spent on facility time - %

**Paid trade union activities**

Time spent on paid trade union activities as a percentage of total paid facility time hours 2 %

**Related Parties and other Connected Charities and Organisations**

The academy is the founding member of the Woodfield Academy Trust which is a separate Trust where Woodfield School is the only member. The Trust undertakes educational support activities.

**Objectives and Activities**

**Objects and Aims**

The principal object and activity of the academy is the operation of Woodfield School to provide a broad and balanced education for pupils of all abilities in the Brent area. The governors have referred to the guidance issued by the Charity Commission in respect of public benefit when reviewing the aims and objectives of the academy.

In accordance with the articles of association, the academy has adopted a "Scheme of Government" approved by the Secretary of State for Education.

The Scheme of Government specifies, amongst other things, that the Academy will be at the heart of the community promoting community cohesion and sharing facilities; the basis for admitting students to the Academy, that the curriculum should be broad and balanced; there will be an emphasis on the needs of individual pupils including pupils with SEN; the basis for charging pupils.

**Objectives, Strategies and Activities**

The academy has undertaken self-evaluation activities to correctly identify objectives for the next year. These objectives are:

- o To develop more effective relationships between all stakeholders to positively impact on the ethos of the academy and behaviour of pupils within the academy.
- o The academy seeks to develop its approach to creativity & engagement so that this positively impacts on the quality of teaching and learning in the school.
- o The academy will strengthen its accountability structure through a review of the effectiveness of leadership and management. It will achieve this through developing a more effective appraisal framework.
- o Achieve consistently high standards of teaching and learning.
- o Provide local leadership capacity and support.
- o Develop cost effective curriculum design and collaboration which optimises opportunities for pupils and students and provides added value progress for them.
- o The Academy's main strategy is encompassed in the Academy's Aims, which are to develop students who are:
  - o Active Citizens
  - o Prepared for their future
  - o Happy, healthy and safe
  - o Caring individuals
  - o Responsible learners

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**(A company limited by guarantee)**

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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The Academy's vision is to build an ethos of:

- o Every child is capable of extraordinary achievement.
- o For any child to realise their inner potential they need an environment and adult role models that support their love and enjoyment of learning.
- o Every child has an absolute right to an equal opportunity to flourish in the academy.
- o Our pupils will develop the skills, knowledge and attitudes to realise their own dreams through a positive contribution to their community and wider society.
- o Self-realisation and positive contribution stem from a confidence and strength in one's own identity that allows us to embrace and respect the identity of other individuals and groups in our community and wider society.
- o The long-term well-being of our pupils is dependent on a sustainable economy, society and environment. We need to teach our children to be able to contribute to achieving that sustainability as adults.
- o It is the responsibility of all of the adult staff in Woodfield School to remove the barriers to each individual child's development and create the conditions in which they are able to love and enjoy learning.
- o It is the responsibility of each Woodfield School to reach out and raise and support the aspiration of their community to believe in their children's potential.

The main activities for achieving objectives the academy will undertake will be:

- o Developing a new teaching and learning policy and implementing this effectively.
- o The academy will review and develop its curriculum provision to enhance creativity and engagement.
- o The accountability of the academy will be strengthened by the development of new policies and procedures and implementation of a new self-evaluation framework.
  
- o Active Citizens
  - o Participate in a range of community activities.
  - o Have opportunities for leadership in all Key Stages of their time at the school.
  - o Create cultural social and economic links with the local and wider communities.
  - o Understand the importance of and contribute to student voice activities.
  - o Demonstrate local, national and global social awareness.
  - o Demonstrate environmental awareness in school and wider communities.
  - o Understand democracy and the importance of voting.
  - o Understand that in any society there are limits to individual freedom for the wellbeing of the society as a whole.
  
- o Prepared for their future
  - o Develop the ability to adapt to change.
  - o Develop a broad range of transferable skills.
  - o Develop a broad knowledge of the world of work
  - o Have real experience of the next Key Stage before making their choices of subjects to study.
  - o Have a broad knowledge of post school options to make informed choices.
  - o Develop life skills and academic and personal independence.
  - o Understand the economic realities of their and others lives and ways to manage financial responsibilities.
  
- o Happy, Healthy and Safe
  - o Understand the importance of healthy eating for physical and mental wellbeing.
  - o Understanding the importance of exercise for physical and mental wellbeing.
  - o Act on awareness of healthy lifestyle choices.
  - o Take advantage of and enjoy a range of extra-curricular activities.



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**COMPASS LEARNING PARTNERSHIP**  
**(A company limited by guarantee)**

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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- o Develop a knowledge of health issues, including sexual, mental and drug related, to enable informed decisions and choices.
- o Safely enjoy new technologies, experiences and environments.
  
- o Caring Individuals
  - o Respect everyone and welcome differences.
  - o Be aware of the consequences of our actions, however small, for ourselves and others.
  - o Provide social and academic support for all members of our community.
  - o Learn to be good listeners and communicators.
  - o Respect other's opinions and beliefs.
  - o Respect oneself.
  
- o Responsible Learners
  - o Recognise that making mistakes is a key part of successful learning and develop perseverance.
  - o Enjoy and cultivate a positive approach to, and accept responsibility for their learning.
  - o Be able to and enjoy applying knowledge & understanding to a wide range of situations.
  - o Work successfully in teams and as individuals.
  - o Supported to take responsibility to achieve beyond their potential.
  - o Reflect on both achievements and setbacks and learn from their experiences.
  - o Think and learn creatively.

The Academy's Aims are being reviewed and edited in the autumn term of 2018.

**Public Benefit**

In setting the objectives, the governors have given careful consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education. As an academy we make the best use of our skills, expertise and experience with regards to the community. Some examples of this are:

- o Raising money for local, national and international charities. Donated £125 to The Salvation Army and £142 to Mental Health.
- o Providing community events such as the Enterprise Day
- o 6th form Contribution to the Community Scheme.
- o Sports Leader programmes that provide sporting activities to local Primary Schools.
- o Science College support of local Primary Schools

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**Strategic report**

**Achievements and performance**

**Key Performance Indicators**

Woodfield School opened as a converter academy on 1st April 2014.

**Progression KS2 to KS3**

The progression of the pupils from KS2 to KS3 is outstanding for both the pupils who entered KS2 in P levels as well as the rest of the school population. Best progress was noted in English and Science.

KS2-KS3 – More than expected progress	ENGLISH	MATHS	SCIENCE	PSD	Average
%2018	89	84	89	89	89
% 2017	86	84	86	75	84
% 2016	89	84	85	78	80
Whole school Progress of pupils with starting point NC Levels/ Stage A, B, C, W and P scales (Stage P)					

KS2 - KS3%	English	Maths	Science
UQ	78	87	89
MQ	11	13	0
LQ	11	0	11
Progress of pupils starting on P levels (Stage P)			

**Progression from KS3 to KS4**

Progression from KS3 to KS4 is outstanding for both the pupils who entered KS3 in P levels as well as the rest of the school population. Best progress was noted in English & Science.

KS3-KS4- More than expected progress	ENGLISH	MATHS	SCIENCE	PSD	Average
%2018	87	94	94	94	92
% 2017	90	85	90	80	86
% 2016	88	81	88	100	89
Whole School Progress of pupils with starting point NC Levels/ Stage A, B, C, W and P Levels					

KS3-KS4 %	English	Maths	Science
UQ	100	83	83
MQ	0	17	17
LQ	0	0	0
Progress of pupils starting on P levels (Stage P)			

**COMPASS LEARNING PARTNERSHIP**  
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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**Progression KS2 to KS4**

Progression from KS2 to KS4 is outstanding for both the pupils who entered KS3 in P levels as well as the rest of the school population. Best progress was noted in English.

KS2-KS4 - More than expected progress	ENGLISH	MATHS	SCIENCE	PSD	Average
%2018	93	85	100	92	92
% 2017	95	90	90	85	90
% 2016	100	100	88	88	94
% 2015	88	81	81	81	83
Progress of pupils with starting point NC Levels/ Stage A, B, C, W and P Levels					

**School Absence Data**

17/18	16/17	15/16	14/15	KS3 and 4
0.96%	0.75%	0.58%	1.2%	Unauthorised absence
5.52%	4.97%	4.56%	4.64%	Authorised absence
6.48%	5.73%	5.14%	5.85%	overall absence
93.52%	94.19%	94.86%	94.15%	Attendance KS3 and 4
22 pupils 18.49%	16 pupils 14.16% (below 90%)	4 pupils 3.54%	6 pupils 5.45%	Persistent absentees- below 85% (16/17 below 90%)

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

17/18	16/17	15/16	KS5
1.32%	0.89%	0.95%	Unauthorised absence
7.62%	9.87%	6.36%	Authorised absence
8.94%	10.76%	7.31%	overall absence
91.06%	89.24%	92.69%	Attendance KS5
20%	42.86%	7.14	Persistent absentees- below 85%
9 pupils	12 pupils (below 90%)	3 pupils	(16/17 below 90%)

### Going Concern

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

### Financial Review

During the period, ESFA/LA grants received totalled to £4,450,851 (2017: £4,196,159). Other income included within restricted funds totalled to £413,211 (2017: £243,889). Restricted fund expenditure totalled to £4,395,740 (2017: £4,034,619).

Most of the Academy's income is obtained from the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the 12 month period ended 31 August 2018 and the associated expenditure are shown as restricted funds in the Statement of financial activities.

The Academy also received grants for fixed assets from the ESFA. In accordance with the Charities Statement of Recommended Practice, "Accounting for Reporting by Charities" (SORP 2015), such grants are shown in the Statement of financial activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

Under the Charities SORP, it is necessary to charge projected deficits on the Local Government Pension Scheme, which is provided to support staff, to a restricted fund. This results in reducing reserves shown in the total funds of the academy. It should be noted that this does not present the academy with any current liquidity problem. The employer contributions are currently being assessed and it is expected that they will increase to bring a further reduction in this pension deficit in future, although this may not be achieved until stock market investment values start to recover.

Overall, the Academy has a healthy balance sheet and cash flow and will be using the reserves to maintain the current assets and also to invest back into the school in the form of additional resources and facilities both in the long term and short term in conjunction with the school development plan and school aims.

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**COMPASS LEARNING PARTNERSHIP**  
**(A company limited by guarantee)**

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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The Governors through the Resources Committee and Head Teacher receive financial progress reports throughout the year and compare against budgets submitted to the Education and Skills Funding Agency. The Resources Committee also review longer term financial models (up to 5 years) to plan and organise resources most effectively to fulfil the aims of the Academy.

### **Reserves Policy**

The definition of reserves in the SORP is 'that part of a charity's income funds that is freely available for its general purposes'. This definition of reserves therefore normally excludes:

- o permanent endowment funds
- o expendable endowment funds
- o restricted income funds
- o any part of unrestricted funds not readily available for spending, specifically income funds which could only be realised by disposing of fixed assets held for charitable use.

'Reserves' are therefore the resources the Academy has or can make available to spend for any or all of the Academy's purposes once it has met its commitments and covered its other planned expenditure. More specifically 'reserves' are income which becomes available to the Academy and is to be spent at the trustees' discretion in furtherance of any of the Academy's objects (sometimes referred to as 'general purpose' income) but which is not yet spent, committed or designated (ie is 'free').

The level of reserves held takes into account the nature of income and expenditure streams, the need to match them with commitments, including future capital projects, and the nature of reserves. The governors will keep this level of reserves under review at each Board meeting and aim to build and maintain the reserves level by entering into cost effective agreements as noted in Objectives and Activities above, whilst in keeping with the principal object of the Academy.

Total reserves at the end of the period amounted to £6,321,407. This balance includes unrestricted funds (free reserves) of £Nil, which is considered appropriate for the Academy Trust, and restricted funds of £6,321,407.

Restricted funds have been designated by the Governing Body as follows:

- o £30,000 approx for internal refurbishments
- o £15,000 approx for external building works
- o £500,000 approx to pay off existing loan. (settlement loan amount currently being obtained before decision made by governors)

Within the reserves policy users should note that, because of accounting for the Local Government Pension Scheme (LGPS), the Academy recognises a significant pension fund deficit totaling to £949,000 (2017: £1,133,000). This deficit is included within restricted funds. This does not lead to an immediate liability for this amount. Similarly, if there were a pension surplus included in the restricted fund this would not create an immediately realisable asset that can be released straight away and expended for the specific purposes of that fund.

Users should also note that a surplus or deficit position of the pension scheme would generally result in a cash flow effect for the Academy Trust in the form of an increase or decrease in employers' pension contributions over a period of years. The Academy Trust thus takes this fact into account when reviewing current business plans and budgets, ascertaining how the pension costs might affect budgets in the future. On the basis that increased pension contributions should generally be met from the Academy Trust's budgeted annual income, whilst the deficit might not be eliminated, there should be no actual cash flow deficit on the fund or direct impact on the unrestricted reserves of the Academy Trust due to the recognition of the deficit.

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**COMPASS LEARNING PARTNERSHIP**  
**(A company limited by guarantee)**

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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### **Investment Policy**

It should be noted that the Academy has substantial power with regards to investments due to cash balances held. Investment policies are determined by the Governing Body. This ensures the level of funds the Academy holds can cover any immediate expenditure, without exposing the Academy to additional risk. Should any potential investment opportunity arise this would be escalated to the Board for consideration. The most typical investments that are held by academies are the Special Interest Deposit accounts which are immediately available to draw against. At 31 August 2018, no investments were held.

### **Principal Risks and Uncertainties**

The Companies Act 2006 s417(3b) requires disclosure of the principal risks and uncertainties facing a company. The Academy is exposed to a number of financial risks including credit, cash flow and liquidity risks. Given the Academy's exposure to financial instruments being limited, the exposure principally relates to bank balances, cash and trade creditors, with limited trade (and other) debtors. The academy's system of internal controls ensures risk is minimal in these areas.

A risk register has been established and is updated regularly. Where appropriate, systems or procedures have been established to mitigate the risks the Academy faces. Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects.

The governors have assessed the major risks to which the Academy is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the Academy, and its finances. The governors have implemented a number of systems to assess risks that the school faces, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and school trips) and in relation to the control of finance. They have introduced systems, including operational procedures (e.g. vetting of new staff and visitors, supervision of school grounds) and internal financial controls (see below) in order to minimise risk. Where significant financial risk still remains they have ensured they have adequate insurance cover.

The academy has an effective system of internal financial controls and this is explained in more detail in the Governance Statement.

It should also be noted that procedures are in place to ensure compliance with the health and safety regulations, pertaining to both staff and pupils.

Please refer to the Reserves Policy above for a description of the defined benefit pension scheme, in which there was a deficit at 31 August 2018.

### **Fundraising**

The academy engages in fundraising throughout the academic year, both for specific projects and to augment the annual education budget. The main fundraising event is the annual Christmas and Summer fair. The board of governors also directly respond to any complaints that arise pertaining to fundraising events, with the Responsible Officer acting as an independent intermediary if deemed to be necessary.

### **Plans for Future Periods**

Woodfield School is increasing its number on roll by adding an additional class.

The Academy has an ongoing programme of repairs and maintenance and a prioritised improvement plan.

Woodfield School has plans in place to:-

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**COMPASS LEARNING PARTNERSHIP**  
**(A company limited by guarantee)**

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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- Through CIF bid – New building on the premises to increase SEN pupils in Brent
- Refurbishment of Science laboratories
- Development of mental health wellbeing resources.

**Funds Held as Custodian Trustee on Behalf of Others**

The Academy Trust and its trustees did not act as custodian trustee during the current or previous period.

**Auditor**

Insofar as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Trustees have taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

The Trustees' report was approved by order of the board of trustees, as the company directors, on 26 November 2018 and signed on its behalf by:

P.P. 

**Adrian Hughes**  
**Chair of Governors**

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**COMPASS LEARNING PARTNERSHIP**  
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**GOVERNANCE STATEMENT**

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**SCOPE OF RESPONSIBILITY**

As trustees, we acknowledge we have overall responsibility for ensuring that Compass Learning Partnership 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 Head, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Compass Learning Partnership and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

**GOVERNANCE**

The information on governance included here supplements that described in the Trustees' report and in the Statement of Trustees' responsibilities. The board of trustees has formally met 6 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustee	Meetings attended	Out of a possible
Nick Cooper, Head of School	6	6
Rita Mills, Parent Trustee, Deputy Chair of Governors	5	6
Margaret Ogunbayo, Parent Trustee	5	6
Adrian Hughes, Co-opted Trustee, Chair of Governors	6	6
Rose Williams, Parent Trustee	5	6
Tim Hunt, Staff Trustee	6	6
Renu Singh, Staff Trustee	3	6
Kay Charles, Ex-officio Trustee	6	6

Trustees typically also serve on a number of other sub committees, as set out on the school website.

The impact of each Governing Body Committee is reviewed and monitored through the Terms of Reference that each committee reviews and produces on an annual basis. The Trustees also intend to perform a self-evaluation review of governance in the coming year.

There were no issues noted in the accounting period.

The Resources Committee is a sub-committee of the main board of trustees. Its purpose is to make sure that the Academy is following the ESFA's financial regulations

The school and an external association raised serious concerns regarding conflicts of interest and other breaches of the AFH and regulations. These were investigated by the ESFA in June 2018 and a report is pending. The school has responded by submitting a comprehensive action plan to the ESFA to address areas for improvement.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Rose Williams	2	3
Margaret Ogunbayo	3	3
Kay Charles	3	3
Nick Cooper	2	3
Adrian Hughes	2	3



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**COMPASS LEARNING PARTNERSHIP**  
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**GOVERNANCE STATEMENT (continued)**

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**Review of Value for Money**

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

The Accounting Officer considers how the academy's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data where appropriate.

Where areas of improvement have been identified the Accounting Officer and Executive Head have fully supported the ESFA investigation. The accounting officer, in conjunction with the partner school, has identified effective use of joint resources, e.g shared use of SBM who was appointed as CFO for the Trust in June 2018 to comply with the AFH.

- Woodfield School is now registered at Companies House as Compass Learning Partnership (CLP). The DfE Head Teachers Panel approved the setting up of the Multi academy Trust (MAT) and the conversion of The Village School to become an academy, with a view to joining CLP MAT on 2nd May 2018. Conditions were attached regarding ESFA recommendations being met and two independent trustees being appointed to the new MAT Trust Board. In addition, more members being appointed to the trust. The school is of the view that these conditions have now been met and is awaiting final sign off from the DfE.
- The two schools (Woodfield and TVS) are working collaboratively to develop shared staffing arrangements where appropriate. This was an underpinning principle to forming the MAT. A number of joint staffing arrangements are already working well and the joint Senior Leadership Team are currently drafting an overarching staffing structure for consultation next term.
- The schools are sharing joint training and CPD costs and have this year achieved a joint Platinum award for CPLD.
- The shared School Business Manger and CFO and The Executive Headteacher are facilitation the joint strategy.

The Purpose of the system of internal control.

Woodfield School (CLP), has ensured that their financial policies are fully aligned with the AFH 2018.

The outcome will see a reduction in recruitment / CPD cost and the sharing of school assets.

**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 academy 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 Compass Learning Partnership for the year 1 September 2017 to 31 August 2018 and up to the date of approval of the annual report and financial statements.

**Capacity to Handle Risk**

The board of trustees has reviewed the key risks to which the academy 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 academy's

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**COMPASS LEARNING PARTNERSHIP**  
**(A company limited by guarantee)**

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**GOVERNANCE STATEMENT (continued)**

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significant risks, that has been in place for the year 1 September 2017 to 31 August 2018 and up to the date of approval of the annual report and financial statements.

However, in accordance with the ESFA investigation the board of Trustees will strengthen practice to mitigate risk, this will include the Risk Register being a standing item at Resources Committee meetings. It will further reflect the need for a separate audit function of the resources committee. The ESFA report is pending and the Board of Trustees will ensure all processes are in line with recommendations from the ESFA.

**The Risk and Control Framework**

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

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

The board of trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Trustees have appointed Landau Baker Limited, the external auditors, to perform additional checks.

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

- testing of payroll systems
- testing of purchase systems
- testing of control account/ bank reconciliations
- review financial monitoring reports
- review aged creditor and debtor reports
- check ESFA grants to which the academy is entitled and credited to the bank account
- review capital grants due from the ESFA
- review capital expenditure and ensure tender procedures have been followed
- review the catering revenue system
- review the letting incomes system

On a regular basis, the external auditors report to the board of trustees through the finance and general purposes committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities. In addition to this a Responsible Officer will be appointed to carry out periodic checks.

**Review of Effectiveness**

As Accounting Officer, the Headteacher 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 external auditors;
- the financial management and governance self-assessment process;
- the work of the executive managers within the academy who have responsibility for the development and maintenance of the internal control framework.

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

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**COMPASS LEARNING PARTNERSHIP**  
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**GOVERNANCE STATEMENT (continued)**

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Approved by order of the members of the board of trustees on 26 November 2018 and signed on their behalf, by:

P.P.   
**Adrian Hughes**  
**Chair of Governors**

  
**Nick Cooper**  
**Accounting Officer**

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**COMPASS LEARNING PARTNERSHIP**  
**(A company limited by guarantee)**

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**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

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As Accounting Officer of Compass Learning Partnership I have considered my responsibility to notify the academy trust board of trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2018.

I confirm that I and the academy trust board of trustees are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2018.

I can confirm that the school identified, along with an external association, that there were areas of non-compliance historically and these have been investigated by the ESFA. The report is pending.



**Nick Cooper**  
**Accounting Officer**

Date: 26 November 2018

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**COMPASS LEARNING PARTNERSHIP**  
**(A company limited by guarantee)**

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**STATEMENT OF TRUSTEES' RESPONSIBILITIES**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the board of trustees on 26 November 2018 and signed on its behalf by:



P.P

**Adrian Hughes**  
**Chair of Governors**

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**COMPASS LEARNING PARTNERSHIP**  
**(A company limited by guarantee)**

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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
COMPASS LEARNING PARTNERSHIP**

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**OPINION**

We have audited the financial statements of Compass Learning Partnership (the 'academy') for the year ended 31 August 2018 which comprise the Statement of financial activities incorporating income and expenditure account, 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 2015 and the Academies Accounts Direction 2017 to 2018 issued by the Education & Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the academy's affairs as at 31 August 2018 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 2015 and the Academies Accounts Direction 2017 to 2018 issued by the Education & 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 academy in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**CONCLUSIONS RELATING TO GOING CONCERN**

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

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

**OTHER INFORMATION**

The Trustees are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditors' report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our

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**COMPASS LEARNING PARTNERSHIP**  
(A company limited by guarantee)

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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
COMPASS LEARNING PARTNERSHIP**

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

We have nothing to report in this regard.

**OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006**

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

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

**MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

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

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

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

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**COMPASS LEARNING PARTNERSHIP**  
**(A company limited by guarantee)**

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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
COMPASS LEARNING PARTNERSHIP**

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**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.

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

**USE OF OUR REPORT**

This report is made solely to the academy's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the academy's members those matters we are required to state to them in an 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 academy and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

 for Landau Baker Limited

Michael Durst (Senior statutory auditor)

for and on behalf of

**Landau Baker Limited**

Chartered Accountants  
Statutory Auditor

Mountcliff House  
154 Brent Street  
London  
NW4 2DR  
26 November 2018



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**COMPASS LEARNING PARTNERSHIP**  
**(A company limited by guarantee)**

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**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO COMPASS LEARNING PARTNERSHIP AND THE EDUCATION & SKILLS FUNDING AGENCY**

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In accordance with the terms of our engagement letter dated 15 January 2014 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2017 to 2018, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Compass Learning Partnership during the year 1 September 2017 to 31 August 2018 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 Compass Learning Partnership and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Compass Learning Partnership and the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Compass Learning Partnership and the ESFA, for our work, for this report, or for the conclusion we have formed.

**RESPECTIVE RESPONSIBILITIES OF COMPASS LEARNING PARTNERSHIP'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT**

The Accounting Officer is responsible, under the requirements of Compass Learning Partnership's funding agreement with the Secretary of State for Education dated 24 March 2014, and the Academies Financial Handbook extant from 1 September 2017, 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 2017 to 2018. 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 2017 to 31 August 2018 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

**APPROACH**

We conducted our engagement in accordance with the Academies Accounts Direction 2017 to 2018 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw to our conclusion includes:

- review of management reporting documents.
- review of Trustees/Governors meeting minutes.
- confirming compliance with the Academy Trust's Scheme of Delegation.
- compliance with delegated authorities.
- consideration of whether any personal benefit has been derived from the Academy Trust's transactions by staff or related parties.

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**COMPASS LEARNING PARTNERSHIP**  
(A company limited by guarantee)

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**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO COMPASS  
LEARNING PARTNERSHIP AND THE EDUCATION & SKILLS FUNDING AGENCY (continued)**

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- adherence to tendering policies.

**CONCLUSION**

In the course of our work, except for the matters listed below, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 2017 to 31 August 2018 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Matter 1: We are aware that there is currently an ESFA investigation with regards to historical non-compliance in relation to the following:

- Non disclosure of a related party transaction in prior year financial statements. The Academy has resolved this by filing amended financial statements that have been filed at Companies House and uploaded to the Trust's website.
- The historical procurement process in place at the Trust and the approval basis for this at Board level.

*Landau Baker Limited*

Reporting Accountant

**Landau Baker Limited**

Chartered Accountants  
Statutory Auditor

Mountcliff House  
154 Brent Street  
London  
NW4 2DR

26 November 2018

**COMPASS LEARNING PARTNERSHIP**  
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31 AUGUST 2018**

	Note	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £	Total funds 2017 £
<b>INCOME FROM:</b>					
Donations and capital grants	2	4,800	9,198	13,998	11,563
Charitable activities	3	4,450,851	-	4,450,851	4,196,159
Teaching schools	26	278,945	-	278,945	159,670
Other trading activities	4	129,466	-	129,466	81,955
<b>TOTAL INCOME</b>		<b>4,864,062</b>	<b>9,198</b>	<b>4,873,260</b>	<b>4,449,347</b>
<b>EXPENDITURE ON:</b>					
Charitable activities		4,214,720	199,582	4,414,302	4,026,047
Teaching schools	26	233,922	-	233,922	236,124
<b>TOTAL EXPENDITURE</b>	5	<b>4,448,642</b>	<b>199,582</b>	<b>4,648,224</b>	<b>4,262,171</b>
<b>NET INCOME / (EXPENDITURE) BEFORE TRANSFERS</b>					
Transfers between Funds	18	415,420 (102,282)	(190,384) 102,282	225,036 -	187,176 -
<b>NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES</b>					
Actuarial gains on defined benefit pension schemes	22	313,138 257,000	(88,102) -	225,036 257,000	187,176 187,000
<b>NET MOVEMENT IN FUNDS</b>		<b>570,138</b>	<b>(88,102)</b>	<b>482,036</b>	<b>374,176</b>
<b>RECONCILIATION OF FUNDS:</b>					
Total funds brought forward		(788,072)	6,574,541	5,786,469	5,412,293
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>(217,934)</b>	<b>6,486,439</b>	<b>6,268,505</b>	<b>5,786,469</b>

**COMPASS LEARNING PARTNERSHIP**  
(A company limited by guarantee)  
REGISTERED NUMBER: 08905350

**BALANCE SHEET**  
**AS AT 31 AUGUST 2018**

	Note	£	2018 £	£	2017 £
<b>FIXED ASSETS</b>					
Tangible assets	14		6,486,439		6,574,541
<b>CURRENT ASSETS</b>					
Debtors	15	112,973		123,963	
Cash at bank and in hand		1,143,883		870,638	
		<u>1,256,856</u>		<u>994,601</u>	
<b>CREDITORS:</b> amounts falling due within one year	16	<u>(141,303)</u>		<u>(295,983)</u>	
<b>NET CURRENT ASSETS</b>			<u>1,115,553</u>		698,618
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>7,601,992</u>		<u>7,273,159</u>
<b>CREDITORS:</b> amounts falling due after more than one year	17		<u>(384,487)</u>		<u>(353,690)</u>
<b>NET ASSETS EXCLUDING PENSION SCHEME LIABILITIES</b>			<u>7,217,505</u>		6,919,469
Defined benefit pension scheme liability	22		<u>(949,000)</u>		<u>(1,133,000)</u>
<b>NET ASSETS INCLUDING PENSION SCHEME LIABILITIES</b>			<u><u>6,268,505</u></u>		<u><u>5,786,469</u></u>
<b>FUNDS OF THE ACADEMY</b>					
Restricted income funds:					
Restricted income funds	18	731,066		344,928	
Restricted fixed asset funds	18	6,486,439		6,574,541	
Restricted income funds excluding pension liability		<u>7,217,505</u>		<u>6,919,469</u>	
Pension reserve		<u>(949,000)</u>		<u>(1,133,000)</u>	
Total restricted income funds			<u><u>6,268,505</u></u>		<u><u>5,786,469</u></u>
<b>TOTAL FUNDS</b>			<u><u>6,268,505</u></u>		<u><u>5,786,469</u></u>

The financial statements on pages 25 to 48 were approved by the Trustees, and authorised for issue, on 26 November 2018 and are signed on their behalf, by:

  
P.P

**Adrian Hughes**  
Chair of Governors

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**COMPASS LEARNING PARTNERSHIP**  
(A company limited by guarantee)

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**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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	Note	2018 £	2017 £
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	20	<u>433,151</u>	<u>547,217</u>
<b>Cash flows from investing activities:</b>			
Purchase of tangible fixed assets		(111,480)	(377,427)
Capital grants from DfE Group		<u>9,198</u>	<u>9,299</u>
<b>Net cash used in investing activities</b>		<u>(102,282)</u>	<u>(368,128)</u>
<b>Cash flows from financing activities:</b>			
Repayments of borrowings		<u>(22,105)</u>	<u>(22,105)</u>
<b>Net cash used in financing activities</b>		<u>(22,105)</u>	<u>(22,105)</u>
<b>Change in cash and cash equivalents in the year</b>		<b>308,764</b>	<b>156,984</b>
Cash and cash equivalents brought forward		<u>450,634</u>	<u>293,650</u>
<b>Cash and cash equivalents carried forward</b>		<u><u>759,398</u></u>	<u><u>450,634</u></u>

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**COMPASS LEARNING PARTNERSHIP**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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**1. ACCOUNTING POLICIES**

**1.1 Basis of preparation of financial statements**

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2017 to 2018 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Compass Learning Partnership constitutes a public benefit entity as defined by FRS 102.

**1.2 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 academy 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 academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

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**COMPASS LEARNING PARTNERSHIP**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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**1. ACCOUNTING POLICIES (continued)**

**1.3 Income**

All income is recognised once the academy has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Statement of financial activities incorporating income and expenditure account on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

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

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

Sponsorship income provided to the academy which amounts to a donation is recognised in the Statement of financial activities incorporating income and expenditure account in the period in which it is receivable, where receipt is probable and it is measurable.

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

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

**1.4 Expenditure**

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

Expenditure on charitable activities are costs incurred on the academy's educational operations, including support costs and those costs relating to the governance of the academy appointed to charitable activities.

All expenditure is inclusive of irrecoverable VAT.

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**COMPASS LEARNING PARTNERSHIP**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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**1. ACCOUNTING POLICIES (continued)**

**1.5 Tangible fixed assets and depreciation**

All assets costing more than £1,000 are capitalised 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 incorporating income and expenditure account 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 incorporating income and expenditure account. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of these assets, less their estimated residual value, over their expected useful lives on the following bases:

Leasehold property	-	125 years
Building improvements	-	6.7% Straight-line basis
Furniture and fixtures	-	20% Straight-line basis
Plant and equipment	-	10% Straight-line basis
Motor vehicles	-	10% Straight-line basis
Computer equipment	-	33% Straight-line basis

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 incorporating income and expenditure account.

**1.6 Debtors**

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

**1.7 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.



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**COMPASS LEARNING PARTNERSHIP**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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**1. ACCOUNTING POLICIES (continued)**

**1.8 Liabilities and provisions**

Liabilities and provisions are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the academy anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

**1.9 Financial instruments**

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

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

*Financial liabilities* - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised costs as detailed in notes 16 and 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 instruments. Amounts due to the academy's wholly owned subsidiary are held at face value less any impairment.

**1.10 Taxation**

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

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**COMPASS LEARNING PARTNERSHIP**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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**1. ACCOUNTING POLICIES (continued)**

**1.11 Pensions**

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 22, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore 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 scheme and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each Balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of financial activities incorporating income and expenditure account and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

**1.12 Agency Arrangements**

The academy trust acts as an agent in distributing 16-19 bursary funds from the ESFA. Payments received from the ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the trust does not have control over the charitable application of the funds. The trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the statement of financial activities. The funds received and paid and any balances held are disclosed in note 25.

**1.13 Fund accounting**

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by 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.

**COMPASS LEARNING PARTNERSHIP**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2018**

**1. ACCOUNTING POLICIES (continued)**

**1.14 Critical accounting estimates and areas of judgment**

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

Critical accounting estimates and assumptions:

The academy 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 (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 22, 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 August 2018 has been used by the actuary in valuing the pensions liability at 31 August 2018. 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.

**2. INCOME FROM DONATIONS AND CAPITAL GRANTS**

	<b>Restricted funds 2018 £</b>	<b>Restricted fixed asset funds 2018 £</b>	<b>Total funds 2018 £</b>	<i>Total funds 2017 £</i>
Donations	4,800	-	4,800	2,264
Capital Grants	-	9,198	9,198	9,299
	<u>4,800</u>	<u>9,198</u>	<u>13,998</u>	<u>11,563</u>
<i>Total 2017</i>	<u>2,264</u>	<u>9,299</u>	<u>11,563</u>	

**COMPASS LEARNING PARTNERSHIP**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2018**

**3. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS**

**Compass Learning Partnerhip**

	<b>Restricted funds 2018 £</b>	<b>Total funds 2018 £</b>	<i>Total funds 2017 £</i>
<b>DfE/ESFA grants</b>			
General Annual Grants	1,715,137	1,715,137	1,755,580
Pupil Premium	58,204	58,204	60,308
Other ESFA Grants	24,824	24,824	13,215
	<u>1,798,165</u>	<u>1,798,165</u>	<u>1,829,103</u>
<b>Other government grants</b>			
SEN Income	2,561,253	2,561,253	2,312,381
Pupil Premium LA	7,100	7,100	18,441
Other Government Grants	19,333	19,333	36,234
	<u>2,587,686</u>	<u>2,587,686</u>	<u>2,367,056</u>
<b>Other funding</b>			
Teaching school	40,000	40,000	-
Other Income	25,000	25,000	-
	<u>65,000</u>	<u>65,000</u>	<u>-</u>
	<u>4,450,851</u>	<u>4,450,851</u>	<u>4,196,159</u>
<i>Total 2017</i>	<u>4,196,159</u>	<u>4,196,159</u>	

**4. OTHER TRADING ACTIVITIES**

	<b>Restricted funds 2018 £</b>	<b>Total funds 2018 £</b>	<i>Total funds 2017 £</i>
Letting Income	3,718	3,718	5,411
Other fees & charges	42,388	42,388	40,412
Catering	30,340	30,340	28,176
Trips	5,965	5,965	7,956
Other training income	47,055	47,055	-
	<u>129,466</u>	<u>129,466</u>	<u>81,955</u>
<i>Total 2017</i>	<u>81,955</u>	<u>81,955</u>	

**COMPASS LEARNING PARTNERSHIP**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2018**

**5. EXPENDITURE**

	Staff costs 2018 £	Premises 2018 £	Other costs 2018 £	Total 2018 £	Total 2017 £
Educational operations:					
Direct costs	1,700,783	-	372,631	2,073,414	2,147,449
Support costs	1,676,735	123,259	540,894	2,340,888	1,878,598
Teaching schools	-	-	233,922	233,922	236,124
	<u>3,377,518</u>	<u>123,259</u>	<u>1,147,447</u>	<u>4,648,224</u>	<u>4,262,171</u>
<i>Total 2017</i>	<u>3,246,558</u>	<u>118,256</u>	<u>897,357</u>	<u>4,262,171</u>	

**6. ANALYSIS OF EXPENDITURE BY ACTIVITIES**

	Activities undertaken directly 2018 £	Support costs 2018 £	Total 2018 £	Total 2017 £
Educational operations	2,073,414	2,340,888	4,414,302	4,026,047
<i>Total 2017</i>	<u>2,147,449</u>	<u>1,878,598</u>	<u>4,026,047</u>	

**7. DIRECT COSTS**

	Educational operations £	Total 2018 £	Total 2017 £
Educational supplies	65,734	65,734	76,844
Technology costs	22,502	22,502	12,277
Examination fees	4,602	4,602	7,105
Staff development	60,889	60,889	15,938
Other Direct Costs	18,840	18,840	45,876
Teaching supply costs	56,256	56,256	81,156
Other staff costs	482	482	7,146
Wages and salaries	1,327,636	1,327,636	1,375,708
National insurance	142,601	142,601	150,460
Pension cost	174,290	174,290	194,387
Depreciation	199,582	199,582	180,552
	<u>2,073,414</u>	<u>2,073,414</u>	<u>2,147,449</u>
<i>Total 2017</i>	<u>2,147,449</u>	<u>2,147,449</u>	

**COMPASS LEARNING PARTNERSHIP**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**8. SUPPORT COSTS**

	<b>Educational operations £</b>	<b>Total 2018 £</b>	<i>Total 2017 £</i>
Pension finance costs	29,000	29,000	26,000
Technology costs	42,829	42,829	39,385
Recruitment & support	1,650	1,650	1,650
Maintenance of premises & equipment	54,741	54,741	46,845
Professional fees	153,442	153,442	140,745
Cleaning	11,390	11,390	9,367
Water	15,312	15,312	5,083
Energy costs	41,816	41,816	31,959
Insurance	14,411	14,411	19,502
Security and transport	14,525	14,525	8,579
Catering	33,626	33,626	34,306
Bank interest and charges	66,522	66,522	13,625
Other support costs	119,736	119,736	35,532
Support staff supply costs	399,222	399,222	259,065
Other staff costs	55,993	55,993	14,124
Governance costs	9,160	9,160	7,050
Wages and salaries	958,938	958,938	885,004
National insurance	80,844	80,844	80,971
Pension cost	237,731	237,731	219,806
	<b>2,340,888</b>	<b>2,340,888</b>	<b>1,878,598</b>
	<b>2,340,888</b>	<b>2,340,888</b>	<b>1,878,598</b>
<i>Total 2017</i>	<i>1,878,598</i>	<i>1,878,598</i>	
	<i>1,878,598</i>	<i>1,878,598</i>	

**9. NET INCOME/(EXPENDITURE)**

This is stated after charging:

	<b>2018 £</b>	<i>2017 £</i>
Depreciation of tangible fixed assets:		
- owned by the charity	199,582	180,552
Auditors' remuneration - audit	4,000	4,000
Governance Internal audit costs	5,160	3,050
	<b>208,742</b>	<b>187,602</b>
	<b>208,742</b>	<b>187,602</b>

**COMPASS LEARNING PARTNERSHIP**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2018**

**10. STAFF COSTS**

**a. Staff costs**

Staff costs were as follows:

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Wages and salaries	2,286,574	2,260,713
Social security costs	223,445	231,431
Operating costs of defined benefit pension schemes	412,021	414,193
	<b>2,922,040</b>	<b>2,906,337</b>
Supply teacher costs	56,256	81,156
Support staff supply costs	399,222	259,065
	<b>3,377,518</b>	<b>3,246,558</b>

**b. Staff numbers**

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

	<b>2018</b>	<b>2017</b>
	<b>No.</b>	<b>No.</b>
Teachers	26	28
Admin (incl. support & teaching assistants)	35	47
Management	7	4
	<b>68</b>	<b>79</b>

**c. Higher paid staff**

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

	<b>2018</b>	<b>2017</b>
	<b>No.</b>	<b>No.</b>
In the band £60,001 - £70,000	3	2
In the band £70,001 - £80,000	0	2
In the band £80,001 - £90,000	1	0
In the band £100,001 - £110,000	0	1

**d. Key management personnel**

The key management personnel of the academy comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy was £567,487 (2017: £493,529).

**COMPASS LEARNING PARTNERSHIP**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**11. RELATED PARTY TRANSACTIONS - TRUSTEES' REMUNERATION AND EXPENSES**

One or more Trustees has been paid remuneration or has received other benefits from an employment with the academy. The Principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and other staff members under their contracts of employment, and not in respect of their role as Trustees. The value of Trustees' remuneration and other benefits was as follows:

		2018	2017
		£	£
Desi Lodge-Patch (Headteacher and Trustee)	Remuneration	NIL	90,000-95,000
	Pension contributions paid	NIL	10,000-15,000
Nick Cooper (Staff Trustee)	Remuneration	80,000-85,000	NIL
	Pension contributions paid	10,000-15,000	NIL
David Phillips (Staff Trustee)	Remuneration	NIL	55,000-60,000
	Pension contributions paid	NIL	5,000-10,000
Rihana Hussain (Staff Trustee)	Remuneration	NIL	15,000-20,000
	Pension contributions paid	NIL	5,000-10,000
Kay Charles (50% share) (Executive Head and Ex-Officio Trustee)	Remuneration	65,000-70,000	NIL
	Pension contributions paid	10,000-15,000	NIL
Tim Hunt (Staff Trustee)	Remuneration	30,000-35,000	NIL
	Pension contributions paid	5,000-10,000	NIL
Renu Singh (Staff Trustee)	Remuneration	15,000-20,000	NIL
	Pension contributions paid	5,000-10,000	NIL

During the year ended 31 August 2018, no Trustees received any reimbursement of expenses (2017 - £NIL).

**12. TRUSTEES' AND OFFICERS' INSURANCE**

In accordance with normal commercial practice the academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £2,000,000 on any one claim and the cost for the year ended 31 August 2018 was £157 (2017 - £832).

**13. PENSION FINANCE COST**

	2018	2017
	£	£
Interest income on pension scheme assets	14,000	12,000
Interest on pension scheme liabilities	(43,000)	(38,000)
	<u>(29,000)</u>	<u>(26,000)</u>



**COMPASS LEARNING PARTNERSHIP**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2018**

**14. TANGIBLE FIXED ASSETS**

	Leasehold property £	Furniture and fixtures £	Plant and equipment £	Motor vehicles £	Computer equipment £	Total £
<b>Cost</b>						
At 1 September 2017	6,545,432	271,696	82,830	71,620	110,371	7,081,949
Additions	60,662	13,077	1,308	26,415	10,018	111,480
At 31 August 2018	<u>6,606,094</u>	<u>284,773</u>	<u>84,138</u>	<u>98,035</u>	<u>120,389</u>	<u>7,193,429</u>
<b>Depreciation</b>						
At 1 September 2017	231,192	124,680	40,618	37,529	73,389	507,408
Charge for the year	95,931	55,325	12,531	14,574	21,221	199,582
At 31 August 2018	<u>327,123</u>	<u>180,005</u>	<u>53,149</u>	<u>52,103</u>	<u>94,610</u>	<u>706,990</u>
<b>Net book value</b>						
At 31 August 2018	<u>6,278,971</u>	<u>104,768</u>	<u>30,989</u>	<u>45,932</u>	<u>25,779</u>	<u>6,486,439</u>
At 31 August 2017	<u>6,314,240</u>	<u>147,016</u>	<u>42,212</u>	<u>34,091</u>	<u>36,982</u>	<u>6,574,541</u>

**15. DEBTORS**

	2018 £	2017 £
Trade debtors	23,890	11,402
Other debtors	35,406	58,127
Prepayments and accrued income	53,677	54,434
	<u>112,973</u>	<u>123,963</u>

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

	2018 £	2017 £
Other taxation and social security	55,250	56,300
Other creditors	40,741	76,575
Accruals and deferred income	45,312	163,108
	<u>141,303</u>	<u>295,983</u>

**COMPASS LEARNING PARTNERSHIP**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**16. CREDITORS: Amounts falling due within one year (continued)**

	2018 £	2017 £
<b>Deferred income</b>		
Deferred income at 1 September 2017	40,363	4,998
Resources deferred during the year	19,930	40,363
Amounts released from previous years	(40,363)	(4,998)
	19,930	40,363
Deferred income at 31 August 2018	19,930	40,363

As at 31 August 2018, the academy was holding funds received in advance relating to NCLT grant of £18,655 and £1,275 of rental income.

**17. CREDITORS: Amounts falling due after more than one year**

	2018 £	2017 £
Other loans	384,487	353,690

Included within the above are amounts falling due as follows:

	2018 £	2017 £
<b>Over five years</b>		
Other loans	384,487	353,690

Creditors include amounts not wholly repayable within 5 years as follows:

	2018 £	2017 £
Repayable by instalments	384,487	353,690

At 31 August 2018, the academy owed £384,487 (2017: £353,690) to the London Borough of Brent, The Principal Sum plus interest shall be paid in 20 equal instalments of £35,476 per annum. The first payment date being 1 April 2014.

**COMPASS LEARNING PARTNERSHIP**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2018**

**18. STATEMENT OF FUNDS**

	Balance at 1 September 2017 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2018 £
<b>Restricted funds</b>						
Restricted Funds - all funds	344,928	4,864,062	(4,375,642)	(102,282)	-	731,066
Pension reserve	(1,133,000)	-	(73,000)	-	257,000	(949,000)
	<u>(788,072)</u>	<u>4,864,062</u>	<u>(4,448,642)</u>	<u>(102,282)</u>	<u>257,000</u>	<u>(217,934)</u>
<b>Restricted fixed asset funds</b>						
Restricted Fixed Asset Funds - all funds	6,574,541	9,198	(199,582)	102,282	-	6,486,439
Total restricted funds	<u>5,786,469</u>	<u>4,873,260</u>	<u>(4,648,224)</u>	<u>-</u>	<u>257,000</u>	<u>6,268,505</u>
Total of funds	<u><u>5,786,469</u></u>	<u><u>4,873,260</u></u>	<u><u>(4,648,224)</u></u>	<u><u>-</u></u>	<u><u>257,000</u></u>	<u><u>6,268,505</u></u>

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

Restricted fixed assets funds have been increased by capital grants provided by the DfE and reduced by depreciation charges.

Restricted general funds have been increased by revenue grants provided by the DfE and reduced by expenditure incurred in the operation of the academy.

The restricted funds can only be used in terms of limitations imposed by the Funding Agreement with the DfE and the terms of any specific grant.

Unrestricted funds have been increased by voluntary contributions by parents and reduced by expenditure incurred in the operation of the academy.

Under the funding agreement with the Secretary of State, the academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2018.

**COMPASS LEARNING PARTNERSHIP**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2018**

**18. STATEMENT OF FUNDS (continued)**

**STATEMENT OF FUNDS - PRIOR YEAR**

	<i>Balance at 1 September 2016 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2017 £</i>
<b>Restricted funds</b>						
Restricted Funds - all funds	307,626	4,440,048	(4,034,619)	(368,127)	-	344,928
Pension reserve	(1,273,000)	-	(47,000)	-	187,000	(1,133,000)
<b>Restricted fixed asset funds</b>						
Restricted Fixed Asset Funds - all funds	6,377,667	9,299	(180,552)	368,127	-	6,574,541

**A CURRENT YEAR 12 MONTHS AND PRIOR YEAR 12 MONTHS COMBINED POSITION IS AS FOLLOWS:**

	<i>Balance at 1 September 2016 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2018 £</i>
<b>Restricted funds</b>						
Restricted Funds - all funds	307,626	9,304,110	(8,410,261)	(470,409)	-	731,066
Pension reserve	(1,273,000)	-	(120,000)	-	444,000	(949,000)
<b>Restricted fixed asset funds</b>						
Restricted Fixed Asset Funds - all funds	6,377,667	18,497	(380,134)	470,409	-	6,486,439
	<u>5,412,293</u>	<u>9,322,607</u>	<u>(8,910,395)</u>	<u>-</u>	<u>444,000</u>	<u>6,268,505</u>

**COMPASS LEARNING PARTNERSHIP**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**19. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £
Tangible fixed assets	-	6,486,439	6,486,439
Current assets	1,256,856	-	1,256,856
Creditors due within one year	(141,303)	-	(141,303)
Creditors due in more than one year	(384,487)	-	(384,487)
Provisions for liabilities and charges	(949,000)	-	(949,000)
	<u>(217,934)</u>	<u>6,486,439</u>	<u>6,268,505</u>

**ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR**

	<i>Restricted funds 2017 £</i>	<i>Restricted fixed asset funds 2017 £</i>	<i>Total funds 2017 £</i>
Tangible fixed assets	-	6,574,541	6,574,541
Current assets	994,601	-	994,601
Creditors due within one year	(295,983)	-	(295,983)
Creditors due in more than one year	(353,690)	-	(353,690)
Provisions for liabilities and charges	(1,133,000)	-	(1,133,000)
	<u>(788,072)</u>	<u>6,574,541</u>	<u>5,786,469</u>

**20. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	2018 £	2017 £
Net income for the year (as per Statement of Financial Activities)	225,036	187,176
<b>Adjustment for:</b>		
Depreciation charges	199,582	180,552
Decrease/(increase) in debtors	10,990	(33,910)
(Decrease)/increase in creditors	(154,680)	175,698
Capital grants from DfE and other capital income	(9,198)	(9,299)
Defined benefit pension scheme cost less contributions payable	44,000	21,000
Defined benefit pension scheme finance cost	29,000	26,000
Brent loan repaid	88,421	-
<b>Net cash provided by operating activities</b>	<u>433,151</u>	<u>547,217</u>

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**COMPASS LEARNING PARTNERSHIP**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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**21. ANALYSIS OF CASH AND CASH EQUIVALENTS**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Cash in hand	<b>1,143,883</b>	<b>870,638</b>
Brent Loan	<b>(384,485)</b>	<b>(420,004)</b>
Total	<b>759,398</b>	<b>450,634</b>

**22. PENSION COMMITMENTS**

The academy's employees belong to two principal pension schemes: the Teacher's Pension Scheme for England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by London Borough of Brent. Both are Multi-employer defined benefit pension schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 August 2018.

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

**Teachers' Pension Scheme**

**Introduction**

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

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

**Valuation of the Teachers' Pension Scheme**

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

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

**COMPASS LEARNING PARTNERSHIP**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2018**

**22. PENSION COMMITMENTS (continued)**

- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%.

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

The employer's pension costs paid to TPS in the period amounted to £185,414 (2017 - £194,387).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website ([www.teacherspensions.co.uk/news/employers/2014/06/publication-of-the-valuation-report.aspx](http://www.teacherspensions.co.uk/news/employers/2014/06/publication-of-the-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 scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2018 was £237,000 (2017 - £227,000), of which employer's contributions totalled £198,000 (2017 - £188,000) and employees' contributions totalled £39,000 (2017 - £39,000). The agreed contribution rates for future years are 35.0% for employers and 12.5% for employees.

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

London Borough of Brent Pension Fund

Principal actuarial assumptions:

	<b>2018</b>	2017
Discount rate for scheme liabilities	<b>2.30 %</b>	2.40 %
Rate of increase in salaries	<b>2.60 %</b>	2.70 %
Rate of increase for pensions in payment / inflation	<b>2.80 %</b>	2.40 %

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

	<b>2018</b>	2017
Retiring today		
Males	<b>22.3</b>	22.3
Females	<b>24.5</b>	24.5
Retiring in 20 years		
Males	<b>24.1</b>	24.1
Females	<b>26.4</b>	26.4

**COMPASS LEARNING PARTNERSHIP**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2018**

**22. PENSION COMMITMENTS (continued)**

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

	<b>Fair value at 31 August 2018 £</b>	<i>Fair value at 31 August 2017 £</i>
Equities	537,980	348,080
Bonds	72,700	50,380
Property	29,080	27,480
Cash	87,240	32,060
	<u>727,000</u>	<u>458,000</u>
Total market value of assets	<u><u>727,000</u></u>	<u><u>458,000</u></u>

The amounts recognised in the Statement of financial activities incorporating income and expenditure account are as follows:

	<b>2018 £</b>	<i>2017 £</i>
Current service cost	(242,000)	(209,000)
Interest income	14,000	12,000
Interest cost	(43,000)	(38,000)
	<u>(271,000)</u>	<u>(235,000)</u>
Total	<u><u>(271,000)</u></u>	<u><u>(235,000)</u></u>

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

	<b>2018 £</b>	<i>2017 £</i>
Opening defined benefit obligation	1,591,000	1,782,000
Current service cost	242,000	209,000
Interest cost	43,000	38,000
Employee contributions	39,000	39,000
Actuarial gains	(237,000)	(475,000)
Benefits paid	(2,000)	(2,000)
	<u>1,676,000</u>	<u>1,591,000</u>
Closing defined benefit obligation	<u><u>1,676,000</u></u>	<u><u>1,591,000</u></u>



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**COMPASS LEARNING PARTNERSHIP**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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**22. PENSION COMMITMENTS (continued)**

Movements in the fair value of the academy's share of scheme assets:

	<b>2018</b>	<i>2017</i>
	<b>£</b>	<b>£</b>
Opening fair value of scheme assets	<b>458,000</b>	<i>509,000</i>
Interest income	<b>14,000</b>	<i>12,000</i>
Actuarial (losses)/gains	<b>20,000</b>	<i>(288,000)</i>
Employer contributions	<b>198,000</b>	<i>188,000</i>
Employee contributions	<b>39,000</b>	<i>39,000</i>
Benefits paid	<b>(2,000)</b>	<i>(2,000)</i>
	<hr/>	<hr/>
Closing fair value of scheme assets	<b>727,000</b>	<i>458,000</i>
	<hr/> <hr/>	<hr/> <hr/>

**23. 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.

**24. RELATED PARTY TRANSACTIONS**

Owing to the nature of the academy's operations and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trust has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the academy's financial regulations and normal procurement procedures.

The Trust received services from School Business Strategic Services Ltd, a related company, as Mr G Foley the School Business Consultant and also the Chair of Governors to 2 October 2017. The invoices covering the period up to 2 October 2017 amounted to £4,630 (2017: £92,708 full year), with £NIL (2017: £NIL) being outstanding as at the year end.

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

**25. AGENCY ARRANGEMENTS**

The academy distributes 16-19 bursary funds to students as an agent for the ESFA. In the accounting period ended 31 August 2018 the academy received £4,398 (2017: £8,796) and distributed £4,389 (2017: £8,576) from the fund. An amount of £NIL (2017: £NIL) is included in other creditors relating to undistributed funds that is repayable to the ESFA.

**COMPASS LEARNING PARTNERSHIP**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2018**

**26. TEACHING SCHOOL TRADING ACCOUNT**

	2018 £	2018 £	2017 £	2017 £
<b>INCOME</b>				
<b>DIRECT INCOME</b>				
School direct salary	263,400		159,670	
<b>OTHER INCOME</b>				
School direct salary 2017	15,545		-	
<b>TOTAL INCOME</b>		<b>278,945</b>		<b>159,670</b>
<b>EXPENDITURE</b>				
<b>DIRECT EXPENDITURE</b>				
Direct staff costs	-		95,515	
Training costs	233,922		129,101	
<b>TOTAL DIRECT EXPENDITURE</b>	<b>233,922</b>		<b>224,616</b>	
<b>OTHER EXPENDITURE</b>				
Overheads	-		11,508	
<b>TOTAL EXPENDITURE</b>		<b>233,922</b>		<b>236,124</b>
<b>SURPLUS / (DEFICIT) FROM ALL SOURCES</b>		<b>45,023</b>		<b>(76,454)</b>
<b>TEACHING SCHOOL BALANCES AT 1 SEPTEMBER 2017</b>		<b>(76,454)</b>		<b>-</b>
<b>TEACHING SCHOOL BALANCES AT 31 AUGUST 2018</b>		<b>(31,431)</b>		<b>(76,454)</b>