

# **Big Life Schools**

(A Company Limited by Guarantee)

Annual Report and Financial Statements

Year Ended 31<sup>st</sup> August 2020

Company Number: 07945230

# Big Life Schools

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# Big Life Schools

## Reference and Administration Details for the year ended 31 August 2020

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Members	The Big Life Company Nazia Parveen Tayyaba Javed Liam McDaid Matt Willis
Directors	Karina Carter (Chair) Edward Gale (Resigned 11 May 2020) Emma Perry Andrea Heffernan Fay Selvan (representative of the Big Life Company) Sandie Hayes Philip Trohear Lisa Brooks Ian Mello (Appointed 8 April 2020)
Company Secretary	Regina McMorrow
Senior Management Team	Principal LCP - R Ahmed Principal UCP – J Lee Director of Schools – K Smith Group Chief Executive and Accounting Officer–Fay Selvan Chief Finance Officer – Phil Alty
Principle and Registered Office	1 <sup>st</sup> Floor, 463 Stretford Road Manchester M16 9AB
Company Registration Number	07945230
Bankers	Santander Bridle Road Bootle Merseyside L30 4GB
Auditors	Beever and Struthers St George's House 215/219 Chester Road Manchester M15 4JE

# Big Life Schools

## Trustees' Report for the year ended 31 August 2020

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The trustees present their annual report together with, the financial statements and auditor's report of the charitable company for the year 1 September 2019 to 31 August 2020. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The trust operates two primary schools in Manchester, Longsight Community Primary (LCP) and Unity Community Primary (UCP). LCP academy has a pupil capacity of 213 and had a roll of 213 at the most recent school census date. UCP academy will eventually have a capacity of 420 pupils and currently has a roll of 266 at the most recent school census date (May 2020). UCP also operates a nursery for 104 children.

### Principle Activities

LCP provided a Reception and Years 1-6 class for 213 pupils. There are 22 different languages spoken by children at the school and 86% had English as an additional language. 61% of Early Year Foundation Stage children are achieving a 'Good Level of Development (GLD)' (2019:61%) Children assessed at Spring 2020 at Key Stage One showed they were achieving 57% in reading (30% GLD) 57% in writing (10% GLD); and 56% in maths (17% GLD). Children assessed in Spring 2020 at Key Stage Two showed they were achieving; 68% in reading (23% GLD) 68% in writing (16% GLD); and 65% in maths (23% GLD). Ofsted awarded the school 'Good' on inspection in 2019.

UCP provided classes for 275 children from Reception to Year 6 with two classes in Reception and year 1. In addition the school had 104 children (aged 2-4 years) in its nursery. In the school over 95% of children are from ethnic minorities: 85% had English as an additional language (EAL) and children were exposed to 30 home languages. In April 2018 UCP was inspected by Ofsted and judged to be 'Good'. There were no statutory assessments carried out in 2020 but results in summer 2019 showed that 62% of children achieved a Good Level of Development at EYFS, 69% of children achieved the expected level in the Y1 Phonics check. At the end of KS1, 60% in reading (26.7% greater depth) 50% in writing (10% GLD); and 63% in maths (30% GLD) of children were working at Age Related Expectation (ARE).

### Structure, Governance and Management Constitution

The Multi Academy Trust (MAT) is a separate individual company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Multi Academy Trust. The MAT is a subsidiary of the Big Life group of social enterprises and charities.

The trustees of Big Life Schools are also the directors of the charitable company for the purposes of Company Law. The charitable company is known as Big Life Schools.

Details of the trustees who served during the year are included in the Reference and Administrative details on page 3.

### 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.

### Indemnities

The trust through its articles has indemnified its trustees to the fullest extent permissible by law.

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

The recruitment, appointment and election of the trustees is undertaken in accordance with the Articles of Association and the Free School Funding Agreement. The Trust Board comprises of 9 Trustees from a range of professional backgrounds and experiences. Trustees are recruited according to their skillsets, experience and ability to contribute to the strategic leadership of the Trust.

# Big Life Schools

## Trustees' Report

### for the year ended 31 August 2020

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#### **Policies and Procedures Adopted for the induction and Training of Trustees**

The Training and Induction provided for new Trustees will depend on their existing experience and accordingly when necessary, induction is provided on charity, legal and financial matters. All governors are provided with copies of policies, procedures, minutes, accounts, budgets and strategic plans that they will need to undertake their role as Governors. The MAT has an active Board development plan which includes a briefing sessions, and access to internal and external training. All Trustees receive a Handbook outlining their roles and responsibilities and undertake an annual appraisal with the Chair and have tailored training plans.

#### **Organisational Structure**

Trustees are responsible for setting and monitoring the strategic objectives, general policies, budgets and capital expenditure of the Trust.

The Senior Management Team (including the Accounting Officer) as detailed on page 3 implement the policies laid down by the Trustees and report back to them.

In addition MAT Trustees are further supported by individual school's Local Governing Bodies (LGB) that ensure each school's unique character and links with the local community are maintained. The Chair of each LGB is a Board member of the MAT attends each LGB offering support and guidance. The Governor's role on the LGB is to monitor the individual school's approach to learning and ensure policies are implemented and applied effectively

Day to day operational management is delegated to the school principal supported by the senior management team.

A MAT Trustee sits on the Big Life Group Audit Committee which provides a governance overview of Big Life Schools

#### **Arrangements for setting pay of key management personnel**

The Trustees of the MAT do not receive remuneration from the Trust.

Key Management Personnel comprise of the Senior Management Team identified on page 3 and include the Principals. The rules for determining the pay of Principals is laid down in School Teachers Pay and Conditions document (STPC).

The Governing Body may consider, (but as yet have not made), a discretionary payment not exceeding 25% of the Principal's salary, as determined above, for reasons not already taken into account in determining the Individual Student Record and which may include:

- The school is a school causing concern
- Without such additional payment the Governing Body considers that the school would have substantial difficulty filling a vacant Principal post
- Without such additional payment the Governing Body considers the school would have substantial difficulty retaining the existing Principal  
or
- The Principal is appointed as a temporary Principal of one or more additional schools.

In wholly exceptional circumstances the Governing Body may consider a payment in excess of 25%. In such circumstances the Governing Body will seek external independent advice.

The Governing Body may also consider additional payments in respect of:

- Continuing professional development undertaken outside the school day
- Activities relating to the provision of initial teacher training as part of the ordinary conduct of the school
- Participation in out-of-school hours learning agreed between the Principal and the Governing Body
- Additional responsibilities and activities due to, or in respect of, the provision of services by the Principal relating to the raising of educational standards to one or more additional schools
- Residential duties.

# Big Life Schools

## Trustees' Report for the year ended 31 August 2020

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### **Trade Union Facility Time**

Big Life Schools has a Trade Union recognition agreement with all the main teaching and support staff unions. At present we do not have any trade union representatives within school, however we liaise with the unions on a regular basis to ensure that any changes/amends required are consulted with effectively.

Trade Unions have visited both schools and enquired with staff about identifying a trade union representative, however none have been forthcoming. Should an employee wish to become a trade union representative we would discuss this in partnership with the employee and trade union.

Big Life Schools is committed to involving staff in its day to day running and decision making. Staff are supported to take on lead roles including as Health and Safety Representatives and Wellbeing Champions.

### **Connected Organisations including Related Party Relationships**

The MAT operates in partnership and co-operation with the Big Life Company who provide staff and other resources at cost. The Big Life Company is a corporate trustee of Big Life Schools and transactions between these parties are fully disclosed in the notes 21 & 22 to the accounts.

### **Objectives and Activities**

#### ***Objects and Aims***

The objects of Big Life Schools is in accordance with its Articles of Association "to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum."

#### ***Our Vision***

**"Together we can achieve the best future for our children and parents at the heart of Big Life Schools"**

Big Life Schools began as a vision of local parents in Longsight and will always have parents and children leading the growth of the school. They will be involved in all aspects of the school community, their views will be listened to and valued.

#### ***Embracing Language and communication***

Big Life Schools have a strong focus on language and communication and working with families to ensure children are confident communicators from an early age. We will celebrate and value all languages and recognise that communication and language is the foundation of children's attainment.

#### ***Aim***

Our schools will deliver the highest standards of education and behaviour through the community, parents, teachers and children working together. Through learning together children, parents and teachers will:

- value and enjoy education;
- aspire to achieve the best we can;
- respect and value differences;
- express common values and standards;
- help each other to learn; and
- maximise the rich opportunities that life will bring.

# Big Life Schools

## Trustees' Report for the year ended 31 August 2020

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### **Objective**

Big Life School's objectives for when the pupils move onto their next stage of education are that all pupils will:

- be fluent in spoken English;
- have achieved success in English, Mathematics and Science;
- be confident and competent in the use of ICT;
- be able to integrate into the expected secondary school curriculum;
- have support from parents who understand the English education system and how best they can support their children's learning;
- enjoy learning;
- have experience and understanding of the wider world;
- respect the different gifts and values that each unique individual has;
- understand that learning is a lifelong process and that their parents as well as their teachers are partners in this process;
- be creative and courageous learners;
- demonstrate respect for others through their social skills, emotional development and behaviour; and
- be able and willing to challenge themselves to change their lives for the better.

### **Public Benefit**

The Trustees have given due consideration to Charity Commission published guidance on the operation of the public benefit requirement. The trustees confirm that they have complied with their duty in section 4 of the Charities Act 2006 to have due regard to the public benefit guidance provided by the Charities Commission.

### **Strategic report**

#### **Achievements and Performance - Longsight Community Primary (LCP)**

Longsight Community Primary completed its seventh full year as a school with 213 pupils on the roll and its main achievements during the year were

- A 'Good' Ofsted inspection (Sep 2019).
- Development of the Big Life Curriculum
- Stable cohorts across the school
- Longsight Family Hub Hub facilitating integration of nursery, children's Centres, school and local community services for the benefit of children and their families.
- Covid Response – LCP adapted quickly and flexibly ensuring that during lockdown the opportunity for learning never stopped. LCP conducted robust planning that ensured that all appropriate and detailed risk assessment were in place before the school reopened. LCP's approach to the Covid emergency ensured children and staff felt safe, welcomed and that their concerns had been addressed.
- Leadership have been instrumental in ensuring the school runs smoothly and that the health and safety of the people in the building is paramount.
- Recovery planning for 2020-21 despite the uncertain environment for the new academic year.

# Big Life Schools

## Trustees' Report for the year ended 31 August 2020

### LCP Key Priorities for 2020/21

LCP priorities for next year are noted in the table below

Quality of Education	Behaviour and Attitudes
<ul style="list-style-type: none"> <li>To effectively deliver the Recovery Curriculum and narrow the outcomes gaps due to the COVID school closure</li> <li>Continue to diminish the difference in outcomes for all pupils with a focus on PP and SEN pupils. Focus on closing the gap due to Covid closure</li> <li>To diminish the difference with National Standards in the Early Years.</li> <li>Ensure learning environment is accessible to all learners including SEN/EAL/INA</li> <li>Pilot implementation of Big Life curriculum.</li> <li>Ensure that training is provided for subject delivery including core subjects both for teachers and support staff.</li> <li>SRE programme implementation.</li> <li>Continue to implement 'Learning outside the Classroom'</li> </ul>	<ul style="list-style-type: none"> <li>Embed the classroom behaviour for learning system. Ensure that this links back to BL values and RRSA.</li> <li>Evaluate current well-being programmes for universal, targeted and high level support.</li> <li>Implement parent workshops to support behaviour and routines at home with a focus on healthy lifestyles.</li> <li>To improve attendance for PP and SEND pupils.</li> </ul>
Personal Development	Leadership and Management
<ul style="list-style-type: none"> <li>Review our well-being strategy and ensure we link all health and well-being work with Manchester Healthy Schools.</li> <li>Engage Parents/Community in the decision making process.</li> <li>Further develop celebrating diversity opportunities and link to RRSA through events.</li> <li>Achieve RRSA Gold award</li> </ul>	<ul style="list-style-type: none"> <li>Revise linked governors. Regular focused visits to take place for core subjects, curriculum, SEND and safeguarding (statutory).</li> <li>Continue the implementation and roll out of Coaching Trios.</li> <li>To ensure we have well-being opportunities for staff.</li> <li>Implement TA workforce training and development plan.</li> </ul>

### Achievements and Performance - Unity Community Primary (UCP)

Unity Community Primary (UCP) has completed its fifth year with 275 pupils on the roll and its main achievements during the year were

- Serving all year groups with two form entry in EYFS/KS1
- Full and stable classes with transience no longer a significant issue for the school.
- Improved pupil engagement – establishment of a School council and Head Boy & Girl
- Recruitment and development of a strong staff team.
- Development of the Big Life Schools curriculum across the MAT
- Development of SRE policy and consulted with all (except EYFS) families
- Enhanced School's reputation across the city through involvement in key high profile projects such as Big Issue North takeover, Children's climate summit, Unity Dog poo campaign and UNICEF RRSA Gold award



# Big Life Schools

## Trustees' Report for the year ended 31 August 2020

In relation to the Covid emergency, the specific challenges that UCP overcame included:

- Adapted rapidly to a new way of working and managed to engage with all families electronically in a really short timeframe
- Established appropriate communication channels with all families, maintaining weekly contact with families
- 95.9% of Unity children signed up to Class Dojo across the school
- Managed to safely and successfully return all staff and 50% of children to school before the end of the school year
- All staff and children (with consent) took part in a PHE study which tested for Covid and for antibodies.
- Managed transition effectively both children in to school and Y6 to high schools

### UCP Key Priorities for 2020/21

UCP priorities for next year are noted in the table below

Quality of Education	Behaviour and Attitudes
<ul style="list-style-type: none"> <li>• Raise attainment in all year groups to narrow the gap between Unity and national averages</li> <li>• To narrow the attainment gap for identified vulnerable groups; SEN, EAL, FSM, LAC through the effective use of Pupil Premium Grant</li> <li>• Transition the children back into school and to a new year group; wellbeing focus, implement curriculum as above, focus on PE/daily mile/getting children active</li> <li>• Develop a BLSchools' curriculum across the MAT</li> <li>• Develop writing across school to improve outcomes</li> <li>• Further develop assessment processes– implement the Y6 SATS, Y4 MTC and new Reception baseline</li> <li>• Transfer to Microsoft Teams as an online learning platform for home learning</li> </ul>	<ul style="list-style-type: none"> <li>• Improve attendance and punctuality and reduce PA figures to be in line with national averages</li> <li>• Develop behaviour policy through introduction of Zones of Regulation to ensure consistent routines, language and expectations with all new staff</li> <li>• Embed restorative behaviour practices across the school</li> <li>• Develop e-safety practices to ensure appropriate online behaviour</li> <li>• Improve playtimes through staff training and development of the playground</li> </ul>
Personal Development	Leadership and Management
<ul style="list-style-type: none"> <li>• Develop transition procedures with High Schools</li> <li>• Develop a family engagement plan – focus on IT skills and language skills</li> <li>• Out of hours provision; breakfast offer and active families</li> <li>• Offer more parent workshops with a focus on physical and mental health</li> <li>• Safeguarding CPD with a focus on e-safety and ACEs</li> </ul>	<ul style="list-style-type: none"> <li>• To develop staff well-being</li> <li>• To develop subject leadership; annual cycle for leaders, action plan writing training</li> <li>• To further develop the teaching assistant workforce- SEN specialisms</li> <li>• Create a governing body action plan to improve its effectiveness</li> <li>• To further develop extra-curricular activities offered to children</li> <li>• Building project – managing a functioning school through building work and moving all classes to correct classrooms</li> <li>• Embed inclusive practice around all protected characteristics</li> </ul>

# Big Life Schools

## Trustees' Report for the year ended 31 August 2020

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### Performance Indicators

The Trustees consider the following as key performance indicators:

- Student Numbers - Funding is dependent on student numbers and is monitored as part of internal financial reporting.
- Ofsted grading as a measurement of current achievement and Improvements for the future – UCP's inspection in April 2018 achieved 'Good' grading with outstanding features in Personal Development and Welfare.
- Big Life School's Accreditation for Investors in volunteers was renewed and evidences the involvement of parents in all aspects of the school community.

### Going Concern

Longsight Community Primary completed its seventh full year as a school with surpluses in all years. Unity Community Primary completed its fifth full year as an operating school and made a surplus. Prior to opening a full seven year financial budget was submitted, prepared within the parameters from the Department of Education, and this formed the basis for the Free School Funding Agreement. On the basis of results and the planned budgets the Trustees are of the opinion that both schools of Big Life Schools have adequate resources to continue for the foreseeable future. For this reason it has adopted the going concern basis in preparing the financial statements.

### Financial Review

Big Life Schools is made up of two schools Longsight Community Primary (LCP) and Community Primary (UCP). Total income for the year amounted to £3,390,000 (2019: £2,968,000) and the surplus on operations (excluding fixed asset funds) for the year was £252,000 which will be used in future school years.

The deficit for the year on Fixed Asset Funds was £170,000 (2019: £192,000).

The Balance Sheet shows net assets of £8,350,000 (2019: £8,137,000). Liquidity remains strong with cash balances amounting to £1,087,000 (2019: £917,000).

### Reserves Policy

The aim of Reserves is to:

- Reduce the risks to delivery and operations should Income levels fall for a period.
- Allow entry into new projects and initiatives that require investment, be paid in arrears or that may not be profitable in the early periods.

### Reserve level

The Trust has accumulated restricted reserves and a small level of unrestricted reserves as shown on the Balance Sheet. A reasonable reserves level is an aim of the Trust to allow its schools to immediate response to the changing needs of its pupils straight away. Reserves are also held to maintain the capital assets of the company when required. The Trust reviewed its target reserves in November 2020 and set a target of for free reserves of £565,000. The level of free reserves (excluding fixed asset reserves and pension deficit) at the year-end was £920,000. Plans for the use of surplus reserves have been developed which include capital investment to the buildings at Longsight and Unity schools, including a £1.1m development to Unity that will be undertaken in 2020-21.

### Investment Policy

At the year-end Big Life Schools used its bank balances as a current account only. The overriding policy is to ensure that funds are available when required to ensure that liabilities are met when due.

# Big Life Schools

## Trustees' Report for the year ended 31 August 2020

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### Financial and Risk Management Objectives and Policies

Big Life Schools reviews its strategic, financial, operational and people risks on a regular basis throughout the year. The management, Committees and Board all identify and manage risks and contribute to the Risk register and the management of risk. The Risk Register identifies the key risks, the likelihood of those risks occurring, their potential impact on Longsight Community Primary and Unity Community Primary, the actions taken to date and actions to be taken. Risks are prioritised using a consistent scoring system.

### Risk Management

The Trustees have assessed the major risks to which Big Life Schools be exposed, in particular those related to the operation and finances and are satisfied that there are systems in place to mitigate any exposure to major risks. A formal review of Risk management is undertaken on a regular basis and the key controls used by the multi academy Trust include:

- Formal agendas for all committee and board activity;
- Terms of reference for all committees;
- Comprehensive planning, budgeting and management reporting;
- An organizational structure with clear lines of reporting;
- Formal written policies;
- Clear authorization and approval levels; and
- Vetting procedures as required by law for the protection of the vulnerable.

### Principle Risks and Uncertainties

The schools' principle risks are concerned with the delivery of education services for its pupils. The trustees have identified the principle risks as follows:

- Achieving the attendance target of 96%
- Achieving educational outcomes in classes with high transience
- Growing to two form entry in UCP – Early pupil numbers for 2019 indicate this risk has diminished
- The importance of appointing skilled teaching staff in future periods
- That buildings and external environments meet the needs of schools and nurseries.
- Maintaining provision and responding to Covid risks

All risks including these principle risks and uncertainties are reviewed at each Governors' meeting.

### Plans for Future Periods

The plan for future periods is to continue to build on the good standards established at both schools and includes:

- The extension to UCP to provide for enhanced facilities.
- The completion of the Big Life Schools curriculum development across both schools.
- Opening a new Free School in the Greater Manchester area

# Big Life Schools

## Trustees' Report

### for the year ended 31 August 2020

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#### Auditor

The auditor, Beever and Struthers, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Insofar as the trustees are aware:

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

By order of the board of trustees on 5<sup>th</sup> November 2020 the trustees' report, incorporating the strategic report, has been approved by:



**Andrea Heffernan**  
Trustee

Date: 5<sup>th</sup> November 2020

# Big Life Schools

## Governance Statement

### for the year ended 31 August 2020

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#### Scope of Responsibility

As trustees we acknowledge we have overall responsibility for ensuring that Big Life Schools 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 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 Big Life Schools 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 4 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

#### *Multi Academy Trust*

MAT Trustees formally met 4 times during the year. In addition the Local School Governors Boards (which included at least one MAT Trustee) also met 6 times to support effective oversight of funds.

Attendance during the year at meetings of the Board of Trustees was as follows

MAT	Name	Number of meetings attended	Out of possible meetings
	Karina Carter	4	4
	Fay Selvan	4	4
	Emma Perry	4	4
	Andrea Heffernan	4	4
	Ian Mello	2	2
	Sandie Hayes	4	4
	Phil Trohear	2	4
	Lisa Brooks	4	4

# Big Life Schools

## Governance Statement for the year ended 31 August 2020

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### Governance (continued)

#### Board of Governors

During the year the work of the Standards & Effectiveness and the Wellbeing & Experience Sub-Committees was consolidated into the Local Schools Governing boards.

The Local School's Board of Governors formally met 6 times during the year and Attendance during the year at meetings of the Board of Governors was as follows:

Longsight	Name	Number of meetings of attended	Out of possible meetings
	Emma Perry	6	6
	Liam McDaid	5	6
	Susan P-Stone	6	6
	Alia Ali-Beag	6	6
	Charmain Alman	5	5
	Taha Hussain	4	6
	Holly Eckersley	4	5
	Priscilla Nkwenti	5	5

Unity	Name	Number of meetings attended	Out of possible meetings
	Garry Shewan	1	1
	Ian Mello	4	4
	Jon Park	3	4
	Matt Wallis	4	6
	Ian Simpson	2	2
	Farag Edheim	2	6
	Katy Burton	6	6
	Shaun Jackson	5	6
	Nia Stock	2	6
	Fay Selvan	6	6
	Farheen Bizarri	6	6

#### Review of Value for Money

The Accounting Officer has responsibility for ensuring that the MAT delivers good value in the use of public resources. The Senior Management Team understand that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

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

- Improving educational outcomes of its students whilst operating within the financial constraints of the budget.
- Increasing collaboration between its academies, both educationally and financially, and the trust generating savings by negotiating trust wide contracts.
- Maximising third party income for its academies.
- Robust governance and oversight of Academy finances:

# Big Life Schools

## Governance Statement

### for the year ended 31 August 2020

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The Multi Academy Trusts' Directors are committed to ensuring that governance of the Multi Academy Trust's financial management is robust. The Directors and each Local Governing Body are cognisant of their responsibilities in ensuring that the Academy Trust resources are managed effectively, to support the objectives in the Multi Academy Trusts' Development Plan, whilst considering the long term development of the Multi Academy Trust. Directors, Governors, Senior Leadership Teams and staff strive for the best possible outcomes for pupils, achieved at reasonable cost.

A qualified finance team provides assurance over the suitability of, and compliance with, financial systems and controls. Its purpose is ensuring that Big life Schools has a high quality staff team and operates efficient and effective management of its financial resources. It is responsible for

- Setting budgets and monitoring financial performance
- Approving financial policies and procedures

For major capital work a lead trustee was identified and a Capital Committee established to oversee these projects and report back to the MAT. Big Life Schools used a formal tendering process for the awarding of the construction contract of a new school building this. The MAT's Chief Financial Officer provides monthly written financial reports to the school and regularly reviews with the principals and chair. Those reports included funding reconciliations and a full budget monitoring with commentary, thus ensuring a consistent format. A monthly consolidated report is also provided to the Group Chief Executive and Director of Schools which includes a review of academy funding, budget monitoring, and a Balance sheet. The MAT Board of Trustees also receives management accounts at its meetings. It is responsible for approving the budget and staffing structures.

All Directors and Governors are required to complete a Register of Pecuniary Interests form annually. The opportunity to declare any pecuniary interests is provided at all governors' meetings. The MAT takes a prudent approach to expenditure and has an embedded Scheme of Financial Delegation and Financial Procedures that are supported by a formal purchase order system (EReq) to ensure that all expenditure is within appropriate limits. 2019-20 was the seventh year of operation for Longsight and the fifth year for Unity.

For both schools staffing structures are regularly reviewed in the year to ensure that they were fit for purpose and appropriate to the changing needs of its pupils and respond to support the attainment objectives of the MAT.

The MAT has a high proportion of skilled and experienced teaching and associate staff, who are very effectively deployed to provide best value. Teachers' performance management Governance Statement and support staff appraisal systems are in place, and HR policies, such as Managing Absence, Whistleblowing and Dignity at Work, are implemented.

The MAT's payroll is operated by the Big Life Company Ltd and detailed monthly reconciliations of payroll are undertaken by the Chief Financial Officer to ensure that payments to staff are correct.

Each school has an on- site finance member of staff and takes advantage of its corporate membership position with The Big Life Company. The schools have a service level agreement with Big Life Company to provide financial expertise, establish procedures and ensure robust internal control. The services provided by Big Life Company are at cost and it is viewed that this remains the most cost effective way to manage the finances of the academy. Individual budget holders are held accountable for the use of their budgets, and are helped by experienced accountants in sourcing best value.

The MAT is a member of a local cluster group of schools and can procure such services as Speech and Language Therapy as a group making significant savings. For services such as catering, cleaning and caretaking Big Life Schools joined the Big Life group to negotiate contracts as part of a larger agreement thus obtaining economies of scale. Full written quotes from several suppliers were obtained before any contract was agreed.

For all purchases over £5,000, Finance were able to review, obtain sufficient information and challenge the accounting officer for all significant expenditure requests before approval to ensure that an assessment of cost and benefits were duly considered. All purchases under £5,000 should be chosen from a list of approved suppliers.

The significant income and expenditure relating to the new school building, its receipts and payments were monitored and controlled by the qualified finance team in the Big Life Company.

During the year the MAT took advantage of the ESFA's facility to have a review of finances by their Schools Resource Management Advisors.

# Big Life Schools

## Governance Statement

### for the year ended 31 August 2020

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#### Assessing value for money

The MAT is committed to providing a high quality, inclusive education for all. Through regular assessment we have a clear picture of the potential and progress of every student and provide support and extension work for those students for who it is required. Pupils that receive pupil premium are clearly identified and their individual performance reviewed to ensure that progress attainment is achieved.

The Chief Finance Officer scrutinises the academy's budget forecast, ensuring that it complies with agreed policies and procedures, whilst challenging on spending.

Departmental and curriculum allocations are allocated to specifically meet day to day needs, thus ensuring that significant expenditure remains within the control of senior management. Careful and prudent management of financial resources has ensured that the annual expenditure budget remains within the total income received for the year.

The recent report on the MAT from the ESFA School Resource Management Advisor concluded that ***'Big Life Group were relatively new to education and their centralised services were offering good and robust value for money due to their extensive experience of providing community care services'***.

#### Governance Review - Effectiveness

The MAT assesses its effectiveness on an on-going basis by means of conducting Annual appraisals of trustees, Skills audits and formulating and monitoring Board development plan. During the year two new MAT Trustees and three new governors for Local governing Bodies were appointed to meet identified skills gaps. Additionally Board Development Plans identified training to be undertaken. Board Strategy and Forward View events were held to further assess and embed the strategic direction of the MAT.

The MAT formally met 4 times in the year and in addition Local Schools Board (which report to the MAT board) met 6 times in the year. At least one MAT Board member is also a member of the Local Schools Board. This arrangement ensures that effective oversight of funds is achieved.

#### The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of Internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of multi academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Big Life Schools for the year to 31 August 2020 and up to the date of approval of the annual report and financial statements.

#### Capacity to Handle Risk

The board of trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the year to 31 August 2020 and up to the date of approval of the annual report and financial statements.



# Big Life Schools

## Governance Statement

### for the year ended 31 August 2020

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#### The Risk and Control Framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees;
- regular 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 considered the need for a specific internal audit function and as required by the ESFA appointed an external company, Red-rambler Ltd to perform internal scrutiny work.

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

- Assessment of Covid 19 risk
- Review of audit arrangements
- Review of internal control and Governance arrangements
- Review of Budget, Planning Monitoring & Reporting Systems
- Review of purchasing arrangements
- Review of Income systems
- Review of cash control systems

The internal scrutiny work concluded that there were no items of an urgent nature that required reporting to the Audit Committee and that the overall risk was graded as Low.

#### Review of Effectiveness

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

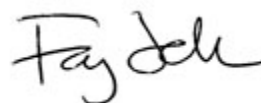
- the work of the peer reviewer;
- the work of the external and internal auditors; and
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.

The Senior Management Team have been advised of the implications of the result of their review of the system of internal control by the trustees and a plan to ensure continuous improvement of the system is in place.

Approved by order of the members of the board of trustees on 5 November 2020 and signed on its behalf by:



**Andrea Heffernan**  
Trustee



**Fay Selvan**  
Accounting Officer

# Big Life Schools

## Statement on Regularity, Propriety and Compliance for the year ended 31 August 2020

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As accounting officer of Big Life Schools I have considered my responsibility to notify the academy trust board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with EFSA terms and conditions of funding, under the funding agreement in place between the academy trust and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2019.

I confirm that I and the academy 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 2019.

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



**Fay Selvan**  
**Accounting Officer**

Date: 5<sup>th</sup> November 2020

# Big Life Schools

## Statement of Trustees' Responsibilities for the year ended 31 August 2020

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The trustees (who act as governors of Big Life Schools and 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 Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 the EFA/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 5<sup>th</sup> November 2020 and signed on its behalf by:



**Andrea Heffernan**  
Trustee

# **Big Life Schools**

## **Independent Auditor's Report to the Board of Trustees of Big Life Schools for the year ended 31 August 2020**

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### **Independent Auditor's Report to the Members of Big Life Schools**

#### **Opinion**

We have audited the financial statements of Big Life Schools (the 'academy trust') for the year ended 31 August 2020 which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows and Notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland, the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020 issued by the Education & Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the academy trust's affairs as at 31 August 2020 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the academy trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

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 trust'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 trustees' annual report, other than the financial statements and our auditor's 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.

# **Big Life Schools**

## **Independent Auditor's Report to the Board of Trustees of Big Life Schools for the year ended 31 August 2020**

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### **Independent Auditor's Report to the Members of Big Life Schools (continued)**

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

We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the trustees' report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' 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 trust and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on page 19 the trustees (who are also the directors of the academy trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

**Big Life Schools**  
**Independent Auditor's Report**  
**to the Board of Trustees of Big Life Schools**  
**for the year ended 31 August 2020**

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**Independent Auditor's Report to the Members of Big Life Schools (continued)**

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

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

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

**Use of our report**

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

*Beever and Struthers*

Sue Hutchinson (Senior Statutory Auditor)  
For and on behalf of Beever and Struthers, Statutory Auditor  
Beever and Struthers  
St George's House  
215-219 Chester Road  
Manchester  
M15 4JE

Date 11 December 2020

# Big Life Schools

## Independent Reporting Accountants Assurance Report on Regularity for the year ended 31 August 2020

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In accordance with the terms of our engagement letter dated 3 August 2018 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Big Life Schools during the period 1 September 2019 to 31 August 2020 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

### **Respective responsibilities of Big Life Schools' accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Big Life School's funding agreements with the Secretary of State for Education dated 20 March 2015 and the Academies Financial Handbook, extant from 1 September 2019, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

### **Approach**

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

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

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

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

The work undertaken to draw our conclusions includes:

- Review and testing of financial systems of internal control
- Sample testing of transactions
- Discussions with management

# Big Life Schools

## Independent Reporting Accountants Assurance Report on Regularity for the year ended 31 August 2020

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### Independent Reporting Accountant's Assurance Report on Regularity to Big Life Schools and the Education & Skills Funding Agency (CONTINUED)

#### Conclusion

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

*Beever and Struthers*

Sue Hutchinson  
Reporting Accountant  
Beever and Struthers  
St George's House  
215-219 Chester Road  
Manchester  
M15 4JE

Date: 11 December 2020.....



# Big Life Schools

## Statement of Financial Activities for the year ended 31 August 2020

	Note	Unrestricted funds £'000	Restricted General Funds £'000	Restricted Fixed Asset Funds £'000	Total 2020 £'000	Total 2019 £'000
<b>Income from:</b>						
Donations and capital grants	2	-	-	122	122	79
<i>Charitable activities:</i>						
Funding for the academy trust's educational operations	3	75	3,193	-	3,268	2,889
<b>Total</b>		<b>75</b>	<b>3,193</b>	<b>122</b>	<b>3,390</b>	<b>2,968</b>
<b>Expenditure on:</b>						
Transfer on Conversion	25	-	-	-	-	-
<i>Charitable activities:</i>						
Academy trust educational operations	4,5	30	2,986	292	3,308	3,124
Other						-
<b>Total</b>	<b>4,5</b>	<b>30</b>	<b>2,986</b>	<b>292</b>	<b>3,308</b>	<b>3,124</b>
<b>Net income/(expenditure)</b>		<b>45</b>	<b>207</b>	<b>(170)</b>	<b>82</b>	<b>(156)</b>
Transfers between funds	13	-	(143)	143	-	-
<b>Other recognised gains and losses</b>						
Actuarial (loss)/gain on defined benefit pension schemes	12, 20	-	131	-	131	(92)
<b>Net movement in funds</b>		<b>45</b>	<b>195</b>	<b>(27)</b>	<b>213</b>	<b>(248)</b>

# Big Life Schools

## Statement of Financial Activities for the year ended 31 August 2020

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		Unrestricted funds	Restricted General Funds	Restricted Fixed Asset Funds	Total 2020	Total 2019
	Note	£'000	£'000	£'000	£'000	£'000
<b>Reconciliation of funds</b>						
Net movement in funds		45	195	(27)	213	(248)
Total funds brought forward at 1 September 2019	13	115	472	7,550	8,137	8,385
<b>Total funds carried forward at 31 August 2020</b>		<b>160</b>	<b>667</b>	<b>7,523</b>	<b>8,350</b>	<b>8,137</b>

All of the academy trust's activities derive from continuing operations during the above two financial periods.

The notes on pages 29 to 50 form part of these accounts.

**Big Life Schools**  
**Balance Sheet**  
**as at 31 August 2020**  
**Company Number: 07945230**

	Note	2020 £'000	2020 £'000	2019 £'000	2019 £'000
<b>Fixed assets</b>					
Tangible assets	9		7,523		7,550
			<u>7,523</u>		<u>7,550</u>
<b>Current assets</b>					
Debtors	10	113		103	
Cash at bank and in hand		1,087		917	
		<u>1,200</u>		<u>1,020</u>	
<b>Liabilities</b>					
Creditors: amounts falling due within one year	11	(280)		(279)	
			<u>920</u>		<u>741</u>
<b>Net current assets</b>					741
<b>Total assets less current liabilities</b>			8,443		8,291
Defined benefit pension scheme liability	20		(93)		(154)
<b>Total net assets</b>			<u>8,350</u>		<u>8,137</u>
<b>Funds of the academy trust</b>					
<b>Restricted funds</b>					
Fixed asset fund	12	7,523		7,550	
Restricted income fund	12	760		626	
Pension reserve	12	(93)		(154)	
<b>Total restricted funds</b>			8,190		8,022
<b>Unrestricted income funds</b>			160		115
<b>Total funds</b>			<u>8,350</u>		<u>8,137</u>

The financial statements on pages 25 to 50 were approved by the trustees, and authorised for issue on 5<sup>th</sup> November 2020 and are signed on their behalf by:



Andrea Heffernan  
Trustee

**Big Life Schools**  
**Statement of Cash Flows**  
**for the year ended 31 August 2020**

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	Note	2020 £'000	2019 £'000
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	15	323	154
<b>Cash flows from investing activities</b>			
	16	(153)	(126)
		<hr/>	<hr/>
<b>Change in cash and cash equivalents in the reporting period</b>		170	28
		<hr/>	<hr/>
Cash and cash equivalents at 1 September 2019		917	889
		<hr/>	<hr/>
<b>Cash and cash equivalents at 31 August 2020</b>	17	1,087	917
		<hr/>	<hr/>

# Big Life Schools

## Notes forming part of the financial statements for the year ended 31 August 2020

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### 1. Accounting Policies

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

#### Basis of Preparation

The financial statements of the academy trust, which is a public benefit entity under FRS102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS102), 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 (FRS102) (Charities SORP (FRS102)), the Academies Accounts Direction 2018 to 2019 issued by EFA, the Charities Act 2011 and the Companies Act 2006.

Big Life Schools meets the definition of a public benefit entity under FRS102.

#### Basis of Preparation

These financial statements for Big Life Schools are prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102) and the Charities SORP 2019 (SORP 2019).

#### 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 company to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the 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.

# Big Life Schools

## Notes forming part of the financial statements for the year ended 31 August 2020

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### 1. Accounting Policies (continued)

#### Income

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

- Grants Receivable

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of 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 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.

- Donations

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

- Other Income

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

- ESFA's Free School Building Programme

The academy trust is benefiting from the ESFA's Free School Building Programme The funding for the programme is not recognised as a capital grant until there is unconditional entitlement from costs being incurred and the development occurring on a site where the academy trust controls.

#### 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.

# Big Life Schools

## Notes forming part of the financial statements for the year ended 31 August 2020

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### 1.Accounting Policies (continued)

- Expenditure on Raising Funds

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

- Charitable Activities

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

All resources expended are inclusive of irrecoverable VAT.

### Tangible Fixed Assets

Assets costing £3,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

- |                            |          |
|----------------------------|----------|
| • Long leasehold buildings | 50 years |
| • Furniture and equipment  | 4 years  |
| • Computer equipment       | 4 years  |

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.

# Big Life Schools

## Notes forming part of the financial statements for the year ended 31 August 2020

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### 1. Accounting Policies (continued)

#### Liabilities

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

#### Provisions

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

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

#### Leased Assets

Rentals under operating leases are charged on monthly basis over the lease term.

#### Taxation

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

#### Pensions Benefits

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 21, 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.



# Big Life Schools

## Notes forming part of the financial statements for the year ended 31 August 2020

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### 1. Accounting Policies (continued)

#### Pensions Benefits (continued)

Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

#### Fund Accounting

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

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

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

#### Critical accounting estimates and areas of judgement

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

##### *Critical accounting estimates and assumptions*

The 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.

- Local Government Pension Scheme

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 21, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

# Big Life Schools

## Notes forming part of the financial statements for the year ended 31 August 2020

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### 1. Accounting Policies (continued)

#### Critical accounting estimates and areas of judgement (continued)

- Tangible fixed assets (see note 9)

Tangible fixed assets, other than investment properties, are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

#### *Critical areas of judgement*

In preparing these financial statements, the trustees have made the following judgements:

- Determine whether there are indicators of impairment of the group's tangible and intangible assets, including goodwill. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit.

The main critical areas relating to the financial statements are the overall profitability, the management of net current assets, the fixed assets value and during the year the management of financial matters within budget agreed by the Trustees. The year-end has resulted in a modest surplus for the year and maintained a positive net current assets position throughout the year to ensure that creditors are paid when due. The fixed assets position is the addition of the new school building, and depreciating the assets when they become useable. Close performance against budget is monitored by management on a monthly basis and reported to the Trustees.

# Big Life Schools

## Notes forming part of the financial statements for the year ended 31 August 2020

### 2. Restricted Fixed Asset Funds

	Restricted Funds £'000	Total 2020 £'000	Total 2019 £'000
Capital grants	122	122	79
	122	122	79
<i>2019 analysis by fund</i>	79	79	79

During the year capital grant income of £122k (2019:£79k) was received.

### 3. Funding for the Academy Trust's Educational Operations

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2020 £'000	Total 2019 £'000
<b>DfES/ESFA revenue grants</b>				
General Annual Grant (GAG)	-	2,403	2,403	2,171
Other DfES/ESFA Grants		404	404	290
	-	2,807	2,807	2,461
<b>Other government grants</b>				
Local Authority Grants	-	345	345	304
	-	345	345	304
<b>Other income from the academy trust's educational operations</b>	75	41	116	124
	75	41	116	124
	75	3,193	3,268	2,889
<i>2019 analysis by fund</i>	<b>104</b>	2,785	2,889	2,889

# Big Life Schools

## Notes forming part of the financial statements for the year ended 31 August 2020

### 4. Expenditure

	Staff Costs £'000	Non-Pay Expenditure <i>Premises</i> £'000	<i>Other</i> £'000	Total 2020 £'000	Total 2019 £'000
Academy Trust educational operations:					
• Direct costs	2,228	321	427	<b>2,976</b>	2,669
• Allocated support costs	134	-	198	<b>332</b>	455
	<u>2,362</u>	<u>321</u>	<u>625</u>	<u><b>3,308</b></u>	<u>3,124</u>

Net income/(expenditure) for the period includes:

	Total 2020 £'000	Total 2019 £'000
Depreciation	290	271
Fees payable to auditor for:		
• Audit	12	11
• Non-audit	2	4
	<u>          </u>	<u>          </u>

### 5. Charitable Activities

	Total 2020 £'000	Total 2019 £'000
Direct costs – educational operations	2,976	2,669
Support costs – educational operations	332	455
	<u>3,308</u>	<u>3,124</u>
Analysis of support costs:	Total 2020 £'000	Total 2019 £'000
Support staff costs	134	129
Other support costs	169	303
Governance Costs	29	23
<b>Total support costs</b>	<u><b>332</b></u>	<u>455</u>

The 2019 and comparative analysis has been adjusted for the reallocation of premises and depreciation costs from support costs to direct costs, and to reallocation of governance costs to other support costs.

# Big Life Schools

## Notes forming part of the financial statements for the year ended 31 August 2020

### 5. Charitable Activities (continued)

#### Total cost analysis by Academy

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

	Teaching and Educational Support Staff Costs 2020 £'000	Other Support Staff Costs 2020 £'000	Educational Supplies 2020 £'000	Other Costs (excl Dep'n) 2020 £'000	Total Costs 2020 £'000
Longsight Community Primary	907	-	78	137	1,122
Unity Community Primary	1,051	-	151	135	1,337
Big Life Schools Trust	-	405	-	154	559
<b>Total</b>	<b>1,958</b>	<b>405</b>	<b>229</b>	<b>426</b>	<b>3,018</b>

	Teaching and Educational Support Staff Costs 2019 £'000	Other Support Staff Costs 2019 £'000	Educational Supplies 2019 £'000	Other Costs (excl Dep'n) 2019 £'000	Total Costs 2019 £'000
Longsight Community Primary	901	-	56	215	1,172
Unity Community Primary	769	-	56	263	1,088
Big Life Schools Trust	-	367	-	226	593
<b>Total</b>	<b>1,670</b>	<b>367</b>	<b>112</b>	<b>704</b>	<b>2,853</b>

### 6. Staff

#### a. Staff costs

Staff costs during the period were:	2020 £'000	2019 £'000
Wages and salaries	1,856	1,642
Social security costs	157	141
Operating costs of defined benefit pension schemes	360	206
	<b>2,373</b>	<b>1,989</b>
Supply staff costs	(10)	48
	<b>2,363</b>	<b>2,037</b>

# Big Life Schools

## Notes forming part of the financial statements for the year ended 31 August 2020

### 6. Staff (continued)

#### *b. Staff numbers*

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

	2020 No.	2019 No.
Teachers	26	18
Administrations and support	56	49
Management	4	6
	<u>86</u>	<u>73</u>

The average number of persons employed by the academy during the period expressed as full time equivalents (35 hours per week) was as follows:

	2020 No.	2019 No.
Teachers	23	15
Administrations and support	42	39
Management	2	6
	<u>67</u>	<u>60</u>

#### *c. Higher paid staff*

The number of employees whose employee benefits (excluding employer pension and employer's national insurance contributions) that exceeded £60,000 was:

	2019 No.	2019 No.
£70,000 - £80,000	1	-
£65,000 - £70,000	2	2
	<u>3</u>	<u>2</u>

#### *d. Key management personnel*

The key management personnel of the academy trust comprise the trustees and the senior management as listed on page 3. The total amount of employee benefits (including employer pension and national insurance contributions) received by key management personnel for their services to the academy trust was £314,103 (2019:£279,888).

# Big Life Schools

## Notes forming part of the financial statements for the year ended 31 August 2020

Key management personnel costs include the CFO and CEO. Their salaries are met by a related party, The Big Life Company Limited. An element of the salary is recharged to the Academy Trust. The recharge of £52,360 is included in the key management personnel salary cost disclosed here. The full salary cost met by the related party is £190,051

### 7. Related party transactions – Trustees’ remuneration and expenses

During the year ended 31 August 2020, £nil remuneration was paid to the trustees and travel and subsistence expenses totalling £210 (2019: £616) was paid to 1 trustee (2019:1 trustees).

The salary of the Chief Executive and Accounting Officer, a Trustee, is paid for as part of the service level agreement with Big Life Company on a cost only basis as detailed in note 21. During the year ended 31 August 2020 approximately £17,000 was charged to Big Life Schools and the full salary of £85,000 was paid by the Big Life Company (2019: £17,000).

### 8. Trustees and officer insurance

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

### 9. Tangible Fixed Assets

	Long Leasehold land and buildings £'000	Furniture and equipment £'000	Computer equipment £'000	Total £'000
<b>Cost</b>				
At 1 September 2019	7,930	358	448	8,736
Additions	168	3	102	273
Disposals	-	-	(10)	(10)
	<b>8,098</b>	<b>361</b>	540	8,999
<b>Depreciation</b>				
At 1 September 2019	547	276	363	1,186
Charged in year	173	59	58	290
	<b>720</b>	<b>335</b>	421	1,476
<b>Net book values</b>				
<b>At 31 August 2020</b>	<b>7,378</b>	<b>26</b>	<b>119</b>	<b>7,523</b>
At 31 August 2019	7,383	82	85	7,550

# Big Life Schools

## Notes forming part of the financial statements for the year ended 31 August 2020

### 10. Debtors

	<b>2020</b>	<b>2019</b>
	<b>£'000</b>	<b>£'000</b>
Trade Debtors	1	-
Intercompany	5	1
VAT recoverable	39	55
Prepayments and accrued income	68	47
	<u>113</u>	<u>103</u>

### 11. Creditors: amounts falling due within one year

	<b>2020</b>	<b>2019</b>
	<b>£'000</b>	<b>£'000</b>
Trade creditors	74	108
Intercompany	10	6
Other creditors	4	61
Accruals and deferred income	192	104
	<u>280</u>	<u>279</u>

#### Deferred income

	<b>2019</b>	<b>2018</b>
	<b>£'000</b>	<b>£'000</b>
Deferred income at 1 September 2019	54	23
Released from previous years	(54)	(23)
Resources deferred in the period	66	54
	<u>66</u>	<u>54</u>

Deferred income is income received in the reported financial period which is intended for use within a future period. The deferred income balance at the end of the financial year was due to the academy trust holding funds received in advance for School Meals, SEN and other MAT development projects.



# Big Life Schools

## Notes forming part of the financial statements for the year ended 31 August 2020

### 12. Funds

	Balance at 1 September 2019	Incoming Resources	Resources expended	Gains, Losses and Transfers	Balance at 31 August 2020
	£'000	£'000	£'000	£'000	£'000
<b>Restricted general funds</b>					
General Annual Grant (GAG)	582	2,403	(2,124)	(213)	648
Pupil Premium	44	185	(187)	-	42
Property Sinking Fund	-	-	-	70	70
Other Grants	-	602	(602)	-	-
Pension reserve	(154)	3	(73)	131	(93)
	<u>472</u>	<u>3,193</u>	<u>(2,986)</u>	<u>(12)</u>	<u>667</u>
<b>Restricted fixed asset funds</b>					
DfE/EFA grants	7,550	122	(292)	143	7,523
	<u>7,550</u>	<u>122</u>	<u>(292)</u>	<u>143</u>	<u>7,523</u>
<b>Total restricted funds</b>	<u><b>8,022</b></u>	<u><b>3,315</b></u>	<u><b>(3,278)</b></u>	<u><b>131</b></u>	<u><b>8,190</b></u>
<b>Unrestricted funds</b>					
Unrestricted funds	115	75	(30)	-	160
<b>Total unrestricted funds</b>	<u><b>115</b></u>	<u><b>75</b></u>	<u><b>(30)</b></u>	<u><b>-</b></u>	<u><b>160</b></u>
<b>Total funds</b>	<u><u><b>8,137</b></u></u>	<u><u><b>3,390</b></u></u>	<u><u><b>(3,308)</b></u></u>	<u><u><b>131</b></u></u>	<u><u><b>8,350</b></u></u>

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

- General Annual Grant (GAG) must be used for the normal running costs of the Trust's academies.
- Other restricted funds comprise funds received from the DfE, EFA, Local Authorities and other government bodies for the use of trust development.
- Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2019.

During the year a transfer of £143,000 was made from the GAG Fund to Restricted Fixed Asset Funds in respect of fixed asset additions.

# Big Life Schools

Notes forming part of the financial statements  
for the year ended 31 August 2020

## 12. Funds (continued)

	Balance at 1 September 2018	Incoming Resources	Resources expended	Gains, Losses and Transfers	Balance at 31 August 2019
	£'000	£'000	£'000	£'000	£'000
<b>Restricted general funds</b>					
General Annual Grant (GAG)	678	2,171	(2,141)	(126)	582
Pupil Premium	25	170	(151)	-	44
Other Grants	-	444	(444)	-	-
Pension reserve	(34)	-	(28)	(92)	(154)
	<u>669</u>	<u>2,785</u>	<u>(2,764)</u>	<u>(218)</u>	<u>472</u>
<b>Restricted fixed asset funds</b>					
DfE/EFA grants	7,616	79	(271)	126	7,550
	<u>7,616</u>	<u>79</u>	<u>(271)</u>	<u>(126)</u>	<u>7,550</u>
<b>Total restricted funds</b>	<u><b>8,285</b></u>	<u><b>2,864</b></u>	<u><b>(3,035)</b></u>	<u><b>(92)</b></u>	<u><b>8,022</b></u>
<b>Unrestricted funds</b>					
Unrestricted funds	100	104	(89)	-	115
<b>Total unrestricted funds</b>	<u><b>100</b></u>	<u><b>104</b></u>	<u><b>(89)</b></u>	<u><b>-</b></u>	<u><b>115</b></u>
<b>Total funds</b>	<u><b>8,385</b></u>	<u><b>2,968</b></u>	<u><b>(3,124)</b></u>	<u><b>(92)</b></u>	<u><b>8,137</b></u>

# Big Life Schools

## Notes forming part of the financial statements for the year ended 31 August 2020

### 12 Funds (continued)

#### Total funds analysis by academy

Fund balances were allocated as follows:

	Balance at 31 August 2020 £'000	Balance at 31 August 2019 £'000
Longsight Community Primary	571	494
Unity Community Primary	413	291
Big Life Schools	(64)	(44)
<b>Total before fixed assets and pension reserve</b>	<b>920</b>	<b>741</b>
Restricted fixed asset fund	7,523	7,550
Pension Reserve	(93)	(154)
	<b>8,350</b>	<b>8,137</b>

### 13. Analysis of net assets between funds

Fund balances at 31 August 2020 are represented by:

	Unrestricted funds £'000	Restricted general funds £'000	Restricted fixed asset funds £'000	Total funds £'000
Tangible fixed assets	-	-	7,523	7,523
Current assets	160	1,040	-	1,200
Current liabilities	-	(280)	-	(280)
Pension scheme liability	-	(93)	-	(93)
<b>Total net assets</b>	<b>160</b>	<b>667</b>	<b>7,523</b>	<b>8,350</b>

Fund balances at 31 August 2019  
represented by

	Unrestricted funds £'000	Restricted general funds £'000	Restricted fixed asset funds £'000	Total funds £'000
Tangible fixed assets	-	-	7,550	7,550
Current assets	115	901	-	1,020
Current liabilities	-	(279)	-	(279)
Pension scheme liability	-	(154)	-	(154)
<b>Total net assets</b>	<b>115</b>	<b>468</b>	<b>7,550</b>	<b>8,137</b>

# Big Life Schools

## Notes forming part of the financial statements for the year ended 31 August 2020

### 14. Capital Commitments

Contracted for but not provided for in the financial statements

	2020 £'000	2019 £'000
Unity School Building Project	856	-
	<u>856</u>	<u>-</u>

The above amount represents the gross cost of refurbishment and extension to Unity School scheduled to be undertaken and completed in 2020-21.

### 15. Reconciliation of net income/(expenditure) to net cash inflow from operating activities

	2020 £'000	2019 £'000
Net income/(expenditure) for the reporting period	213	(248)
<i>Adjusted for:</i>		
Capital grants from DfES and other capital income	(110)	(79)
Depreciation (note 9)	290	271
Defined benefit pension scheme cost less contributions payable (note 20)	(61)	120
(Increase)/Decrease in debtors	(10)	10
Increase in creditors	1	80
<b>Net cash provided by/(used in) Operating Activities</b>	<u><b>323</b></u>	<u><b>154</b></u>

### 16. Cash flows from investing activities

	2020 £'000	2019 £'000
Purchase of tangible fixed assets	(263)	(205)
Capital grants from DfE/ESFA	110	79
<b>Net cash provided by financing activities</b>	<u><b>(153)</b></u>	<u><b>(126)</b></u>

# Big Life Schools

## Notes forming part of the financial statements for the year ended 31 August 2020

### 17. Analysis of cash

	At 1 September 2019 £'000	Cashflow £'000	At 31 August 2020 £'000
Cash in hand and at bank	917	170	1,087
<b>Total cash outflow and cash equivalents</b>	<b>917</b>	<b>170</b>	<b>1,087</b>

### 18. Contingent liabilities

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

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

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

### 19. Members' liabilities

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.

### 20. Pension and similar obligations

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

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

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

# Big Life Schools

## Notes forming part of the financial statements for the year ended 31 August 2020

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### Teachers' Pension Scheme

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

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

### Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions.

Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

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

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

Total contributions paid to TPS in the period amounted to £315k (2019: £198k) which included employer's contributions of £228k (2019: £126k).

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

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

# Big Life Schools

## Notes forming part of the financial statements for the year ended 31 August 2020

### Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2020 was £52,000 (2019: £43,000), of which employer's contributions totalled £39,000 (2019: £32,000) and employees' contributions totalled £13,000 (2019: £11,000). The agreed contribution rates for future years are 17.2 per cent for employers and between 5.5 to 12.5 per cent 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.

### Principal actuarial assumptions

	At 31 August 2020	At 31 August 2019
Rate of increase in salaries	2.6%	3.1%
Rate of increase for pensions in payment / inflation	1.8%	2.3%
Discount rate for scheme liabilities	2.3%	1.9%
Inflation assumption (CPI)	1.8%	2.3%
Commutation of pensions to lump sums (pre Apr 08/post Apr 08)	55%	55%/

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

	At 31 August 2020	At 31 August 2019
<i>Retiring today</i>		
Males	20.5	20.6
Females	23.1	23.1
<i>Retiring in 20 years</i>		
Males	22.0	22.0
Females	25.0	24.8

### Sensitivity Analysis

	At 31 August 2020	At 31 August 2019
	£000	£000
Discount Rate +0.1%	8.4	12.6
Discount Rate -0.1%	(8.4)	(12.6)
Mortality Assumptions – 1 year increase	(3.7)	(6.2)
Mortality Assumptions – 1 year decrease	3.7	6.2
CPI rate +0.1%	(8.4)	(12)
CPI rate -0.1%	8.4	12

# Big Life Schools

## Notes forming part of the financial statements for the year ended 31 August 2020

### 20. Pension and similar obligations (continued)

#### Local Government Pension Scheme (continued)

The academy trust's share of the assets and liabilities in the scheme and the expected rates of return were;

	Fair value at 31 August 2020	Fair value at 31 August 2019
	£'000	£'000
Equity instruments	141	97
Debt instruments	32	21
Property	14	11
Cash	19	14
	<hr/>	<hr/>
<b>Total market value of assets</b>	<b>207</b>	<b>143</b>
	<hr/>	<hr/>
Present value of scheme liabilities	<b>(300)</b>	<b>(297)</b>
	<hr/>	<hr/>
Deficit in the scheme	<b>(93)</b>	<b>(154)</b>
	<hr/>	<hr/>

The actual return on scheme assets was (2.3%) (2019:4.8%).

#### Amounts recognised in the statement of financial activities

	2020	2019
	£'000	£'000
Current service cost (net of employee contributions)	(105)	(62)
Interest income on Assets	3	4
Interest cost on obligations	(7)	(5)
	<hr/>	<hr/>
Total operating charge	(109)	(63)
	<hr/>	<hr/>



# Big Life Schools

## Notes forming part of the financial statements for the year ended 31 August 2020

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

	2020 £'000	2019 £'000
<b>At 1 September</b>	<b>297</b>	126
Current service cost	105	61
Past Service Cost	-	1
Interest cost	7	5
Employee contributions	13	12
Actuarial Gain	(122)	92
	<hr/>	<hr/>
<b>At 31 August</b>	<b>300</b>	297
	<hr/>	<hr/>

### 20. Pension and similar obligations (continued)

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

	2020 £'000	2019 £'000
<b>At 1 September</b>	143	92
Interest income	3	4
Employer contributions	39	34
Return on assets excluding amounts included in net interest	9	1
Employee contributions	13	12
	<hr/>	<hr/>
<b>At 31 August</b>	<b>207</b>	143
	<hr/>	<hr/>

### 21. Related party transactions

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

The Multi Academy Trust has a Service Level Agreement with the Big Life Company Ltd, The Corporate shareholder of Big Life Schools. In that agreement The Big Life Company supplies specific roles including Group Chief Executive, Chief Finance Officer and Clerk to the Governors. The agreement also provides for the supply of various central services such as Finance, Legal and Payroll services, Communications and Marketing activity and Clerk to the Governors.

# Big Life Schools

## Notes forming part of the financial statements for the year ended 31 August 2020

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In addition to this the Big Life Company Ltd pays all staff costs and re-charges these costs to the Trust. There is no profit gained from the re-charges made to Big Life Schools.

For 2019/20 all costs amounted to £2,454,000 of which the activities relating to the SLA amounted to £100,146

For 2018/19 all costs amounted to £2,159,000 of which the activities relating to the SLA amounted to £87,519 accounted for (2019: £2,159,000).

As at 31 August 2020 Big Life Schools was owed £4,701 by Big Life Company.

As at 31 August 2019 Big Life Schools owed £6,134 to Big Life Company.

### 22. Central Services

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

- Finance
- Legal
- Payroll & HR services
- Communications Marketing and Training
- Time from dedicated and qualified management and Clerk to the Governors.

The trust charges for these services on the following basis :

A not for profit, real cost basis apportioned to the relative size of the school based on GAG income

The actual amounts charged during the year were as follows:

	<b>2020</b>	2019
	<b>£000</b>	£000
Longsight Community Primary	<b>73</b>	73
Unity Community Primary	<b>92</b>	81
Unity Nursery	<b>16</b>	-
	<hr/> <b>181</b> <hr/>	<hr/> 154 <hr/>

The central Academy Trust currently operates on a planned deficit as resources are invested in cross academy projects such as curriculum development and community engagement. As the Trust grows the central trust will break even.