

**Company Registration No. 09734238 (England and Wales)**

**LEARN SHEFFIELD**

**A COMPANY LIMITED BY GUARANTEE WITH NO SHARE CAPITAL**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2018**

**LEARN SHEFFIELD**  
**A COMPANY LIMITED BY GUARANTEE WITH NO SHARE CAPITAL**  
**COMPANY INFORMATION**

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<b>Directors</b>	M D Allen S D Betts J A Smith C D Holder A Hughes A Lant C French A Bainbridge A Hartley J G Henderson D Tidmarsh	(Appointed 18 September 2017) (Appointed 22 March 2018) (Appointed 7 September 2018) (Resigned 30 October 2017 & reappointed 18 May 2018)
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**Company number** 09734238

**Registered office** Training and Development Hub  
Lees Hall Road  
Sheffield  
South Yorkshire  
S8 9JP

**Auditor** Hart Shaw LLP  
Europa Link  
Sheffield Business Park  
Sheffield  
S9 1XU

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**LEARN SHEFFIELD  
A COMPANY LIMITED BY GUARANTEE WITH NO SHARE CAPITAL  
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**LEARN SHEFFIELD**  
**A COMPANY LIMITED BY GUARANTEE WITH NO SHARE CAPITAL**  
**DIRECTORS' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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The directors present their annual report and financial statements for the year ended 31 August 2018.

**Principal activities**

Learn Sheffield is a not for profit organisation incorporated on 14 August 2015 to support a school-led system to deliver improvement through partnerships and improve outcomes for the children and young people of Sheffield.

**Directors**

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

M D Allen	
S D Betts	
J A Smith	
C D Holder	
A Hughes	
J M Wirth	(Resigned 30 October 2017)
A Lant	
C French	
A Bainbridge	(Appointed 18 September 2017)
A Hartley	(Appointed 22 March 2018)
J G Henderson	(Appointed 7 September 2018)
D Tidmarsh	(Resigned 30 October 2017 & reappointed 18 May 2018)

**Auditor**

Hart Shaw LLP were appointed auditor to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

**Statement of directors' responsibilities**

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors 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 company and of the surplus or deficit of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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**A COMPANY LIMITED BY GUARANTEE WITH NO SHARE CAPITAL**  
**DIRECTORS' REPORT (CONTINUED)**  
***FOR THE YEAR ENDED 31 AUGUST 2018***

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**Statement of disclosure to auditor**

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board

S D Betts  
**Director**  
15 February 2019

**LEARN SHEFFIELD**  
**A COMPANY LIMITED BY GUARANTEE WITH NO SHARE CAPITAL**  
**INDEPENDENT AUDITOR'S REPORT**  
**TO THE MEMBERS OF LEARN SHEFFIELD**

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**Opinion**

We have audited the financial statements of Learn Sheffield (the 'company') for the year ended 31 August 2018 which comprise the statement of income and retained earnings, the balance sheet 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, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 August 2018 and of its deficit 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.

**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 company 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.

**Emphasis of matter**

We draw attention to Note 1.2 of the financial statements, which describes the cumulative deficit position of Learn Sheffield and the intention of future support from Sheffield City Council. Our opinion is not modified in respect of this matter.

**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 directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company'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 directors are responsible for the other information. The other information comprises the information included in the 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.

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.

**LEARN SHEFFIELD**  
**A COMPANY LIMITED BY GUARANTEE WITH NO SHARE CAPITAL**  
**INDEPENDENT AUDITOR'S REPORT (CONTINUED)**  
**TO THE MEMBERS OF LEARN SHEFFIELD**

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

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

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

**Matters on which we are required to report by exception**

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

We have nothing to report in respect of the following matters where 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report and take advantage of the small companies exemption from the requirement to prepare a strategic report.

**Responsibilities of directors**

As explained more fully in the directors' responsibilities statement, the directors 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 directors 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 directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

**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: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

**LEARN SHEFFIELD  
A COMPANY LIMITED BY GUARANTEE WITH NO SHARE CAPITAL  
INDEPENDENT AUDITOR'S REPORT (CONTINUED)  
TO THE MEMBERS OF LEARN SHEFFIELD**

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

**Hannah Jones (Senior Statutory Auditor)  
for and on behalf of Hart Shaw LLP**

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**Chartered Accountants  
Statutory Auditor**

Europa Link  
Sheffield Business Park  
Sheffield  
S9 1XU



**LEARN SHEFFIELD**  
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**INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

	2018 £	2017 £
<b>Income</b>	1,204,139	1,153,016
Direct costs	(1,223,666)	(946,329)
<b>Gross (deficit)/surplus</b>	(19,527)	206,687
Administrative expenses	(206,308)	(147,427)
<b>Operating (deficit)/surplus</b>	(225,835)	59,260
Interest receivable and similar income	123	92
<b>(Deficit)/surplus on ordinary activities before taxation</b>	(225,712)	59,352
Taxation	22,004	(22,004)
<b>(Deficit)/surplus for the year</b>	(203,708)	37,348
<b>Other comprehensive income</b>		
Actuarial gain on defined benefit pension schemes	17,000	4,000
<b>Total comprehensive income for the year</b>	(186,708)	41,348
Accumulated fund at 1 September 2017	56,234	14,886
Accumulated fund at 31 August 2018	(130,474)	56,234

**LEARN SHEFFIELD**  
**A COMPANY LIMITED BY GUARANTEE WITH NO SHARE CAPITAL**  
**BALANCE SHEET**  
**AS AT 31 AUGUST 2018**

	Notes	2018		2017	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	3		10,680		16,292
<b>Current assets</b>					
Debtors	4	145,197		333,781	
Cash at bank and in hand		46,793		111,269	
		<u>191,990</u>		<u>445,050</u>	
<b>Creditors: amounts falling due within one year</b>	5	<u>(278,144)</u>		<u>(371,108)</u>	
<b>Net current (liabilities)/assets</b>			(86,154)		73,942
<b>Total assets less current liabilities</b>			<u>(75,474)</u>		<u>90,234</u>
<b>Provisions for liabilities</b>			(55,000)		(34,000)
<b>Net (liabilities)/assets</b>			<u>(130,474)</u>		<u>56,234</u>
<b>Reserves</b>					
Pension reserve			(55,000)		(30,000)
Income and expenditure account			(75,474)		86,234
<b>Members' funds</b>			<u>(130,474)</u>		<u>56,234</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 15 February 2019 and are signed on its behalf by:

S D Betts  
**Director**

**Company Registration No. 09734238**

# **LEARN SHEFFIELD**

## **A COMPANY LIMITED BY GUARANTEE WITH NO SHARE CAPITAL**

### **NOTES TO THE FINANCIAL STATEMENTS**

#### **FOR THE YEAR ENDED 31 AUGUST 2018**

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#### **1 Accounting policies**

##### **Company information**

Learn Sheffield is a private company, limited by guarantee and incorporated in England and Wales. The registered office is Training and Development Hub, Lees Hall Road, Sheffield, South Yorkshire, S8 9JP.

##### **1.1 Accounting convention**

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

##### **1.2 Going concern**

Learn Sheffield is a newly established entity (incorporated 14 August 2015) and is still in its initial stages of growth and development.

During the reporting period, Learn Sheffield has undertaken a significant new project in the development of a school subscription model. This was a planned development which is in part necessitated by a substantial reduction in their school improvement commission from Sheffield City Council (from £860k to £320k from September 2018). At its current stage of development Learn Sheffield has been challenged by its limited capacity to simultaneously manage the increase in the financial complexity of the organisation and the need to develop a new core operating model. The outcome of these challenges is that the entity is in a cumulative deficit position as at 31 August 2018.

The board of directors believe that Learn Sheffield is a going concern and has sufficient resources to continue to operate for at least the next 12 months. Learn Sheffield continues to be supported by Sheffield City Council who are members of the company and have expressed their intention to provide additional support in a letter of comfort.

##### **1.3 Income and expenditure**

Income represents amounts in respect of the funding received from Sheffield City Council together with other amounts receivable for goods and services.

Expenses include irrecoverable VAT where applicable.

##### **1.4 Tangible fixed assets**

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures, fittings & equipment	20% straight line
Computer equipment	33.33% straight line

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**A COMPANY LIMITED BY GUARANTEE WITH NO SHARE CAPITAL**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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**1 Accounting policies** **(Continued)**

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to surplus or deficit.

**1.5 Impairment of fixed assets**

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

**1.6 Cash and cash equivalents**

Cash and cash equivalents are basic financial assets and include cash at bank and in hand.

**1.7 Financial instruments**

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

***Basic financial assets***

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price. Financial assets classified as receivable within one year are not amortised.

***Classification of financial liabilities***

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into.

***Basic financial liabilities***

Basic financial liabilities, including creditors, are initially recognised at transaction price. Financial liabilities classified as payable within one year are not amortised.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less.

**1.8 Taxation**

The tax expense represents the sum of the tax currently payable and deferred tax.

***Current tax***

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

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**A COMPANY LIMITED BY GUARANTEE WITH NO SHARE CAPITAL**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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**1 Accounting policies**

**(Continued)**

***Deferred tax***

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

**1.9 Employee benefits**

When employees have rendered service to the company, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

**1.10 Retirement benefits**

The LGPS is a funded scheme and the assets are held separately from those of the 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 and are updated at each balance sheet date. The amounts charged to the income and expenditure account are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of direct costs. Net interest on the net defined benefit liability/asset is also recognised in the income and expenditure account and comprises of 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 the statement of other comprehensive income.

**1.11 Leases**

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

**1.12 Departure from standard formats**

Due to the special circumstances of the company, the directors have departed from the provisions of Chapter 4 of the Companies Act 2006 with regard to the format and the content of the profit and loss account in order that the financial statements give a true and fair view.

**2 Employees**

The average monthly number of persons (including directors) employed by the company during the year was 14 (2017 - 8).

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**A COMPANY LIMITED BY GUARANTEE WITH NO SHARE CAPITAL**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**3 Tangible fixed assets**

**Plant and machinery etc**  
**£**

**Cost**

At 1 September 2017	31,083
Additions	3,620
At 31 August 2018	<u>34,703</u>

**Depreciation and impairment**

At 1 September 2017	14,791
Depreciation charged in the year	9,232
At 31 August 2018	<u>24,023</u>

**Carrying amount**

At 31 August 2018	<u>10,680</u>
At 31 August 2017	<u>16,292</u>

**4 Debtors**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
<b>Amounts falling due within one year:</b>		
Trade debtors	71,902	328,790
Corporation tax recoverable	18,004	-
Prepayments and accrued income	55,291	4,991
	<u>145,197</u>	<u>333,781</u>

**5 Creditors: amounts falling due within one year**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Trade creditors	56,460	7,634
Corporation tax	-	18,004
Other taxation and social security	26,501	23,599
Other creditors	28,082	20,827
Accruals and deferred income	167,101	301,044
	<u>278,144</u>	<u>371,108</u>

**LEARN SHEFFIELD**  
**A COMPANY LIMITED BY GUARANTEE WITH NO SHARE CAPITAL**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**6 Deferred taxation**

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

	<b>Liabilities</b> <b>2018</b>	<b>Liabilities</b> <b>2017</b>
	<b>£</b>	<b>£</b>
<b>Balances:</b>		
Accelerated capital allowances	-	4,000
	<u>          </u>	<u>          </u>

There were no deferred tax movements in the year.

**7 Retirement benefit schemes**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
<b>Defined contribution schemes</b>		
Charge to profit or loss in respect of defined contribution schemes	6,300	6,300
	<u>          </u>	<u>          </u>

**Defined benefit schemes**

The company operates a defined benefit scheme for qualifying employees.

The company's employees were transferred from Sheffield City Council into Learn Sheffield under the Transfer of Undertakings (Protection of Employment) Regulations 2006. The LGPS deficit attributable to these employees was not transferred to Learn Sheffield and the liability remains with Sheffield City Council. Learn Sheffield is liable for any deficit that arises from the date of transfer.

	<b>2018</b>	<b>2017</b>
	<b>%</b>	<b>%</b>
<i>Key assumptions</i>		
Discount rate	2.8	2.40%
Expected rate of increase of pensions in payment	2.2	2.20%
Expected rate of salary increases	3.35	3.45%
Inflation assumption (CPI)	2.1	2.20%
	<u>          </u>	<u>          </u>

*Mortality assumptions*

	<b>2018</b>	<b>2017</b>
	<b>Years</b>	<b>Years</b>
Assumed life expectations on retirement at age 65:		
Retiring today		
- Males	23	22.90
- Females	25.8	25.70
	<u>          </u>	<u>          </u>
Retiring in 20 years		
- Males	25.2	25.10
- Females	28.1	28.00
	<u>          </u>	<u>          </u>

**LEARN SHEFFIELD**  
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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

<b>7 Retirement benefit schemes</b>	<b>(Continued)</b>	
	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
<i>Amounts recognised in the profit and loss account</i>		
Current service cost	75,000	68,000
Net interest on defined benefit liability/(asset)	2,000	-
Other costs and income	(2,000)	(1,000)
	<u>75,000</u>	<u>67,000</u>
Total costs	<u><u>75,000</u></u>	<u><u>67,000</u></u>
	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
<i>Amounts taken to other comprehensive income</i>		
Actual return on scheme assets	(1,000)	(2,000)
Less: calculated interest element	-	-
	<u>(1,000)</u>	<u>(2,000)</u>
Return on scheme assets excluding interest income	(1,000)	(2,000)
Actuarial changes related to obligations	(16,000)	(2,000)
	<u>(17,000)</u>	<u>(4,000)</u>
Total costs/(income)	<u><u>(17,000)</u></u>	<u><u>(4,000)</u></u>
 The amounts included in the balance sheet arising from the company's obligations in respect of defined benefit plans are as follows:		
	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Present value of defined benefit obligations	165,000	84,000
Fair value of plan assets	(110,000)	(54,000)
	<u>55,000</u>	<u>30,000</u>
Deficit in scheme	<u><u>55,000</u></u>	<u><u>30,000</u></u>
		<b>2018</b>
		<b>£</b>
<i>Movements in the present value of defined benefit obligations</i>		
Liabilities at 1 September 2017		84,000
Current service cost		75,000
Contributions from scheme members		20,000
Actuarial gains and losses		(16,000)
Interest cost		2,000
		<u>165,000</u>
At 31 August 2018		<u><u>165,000</u></u>



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

**7 Retirement benefit schemes** **(Continued)**

**2018**  
**£**

*The defined benefit obligations arise from plans funded as follows:*

Wholly unfunded obligations	-
Wholly or partly funded obligations	165,000
	165,000
	165,000

**2018**  
**£**

*Movements in the fair value of plan assets*

Fair value of assets at 1 September 2017	54,000
Return on plan assets (excluding amounts included in net interest)	1,000
Contributions by the employer	34,000
Contributions by scheme members	20,000
Other	1,000
	110,000
At 31 August 2018	110,000

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>

*Fair value of plan assets at the reporting period end*

Equity instruments	58,000	33,000
Property	11,000	5,000
Government bonds	16,000	7,000
Cash and other liquid assets	5,000	1,000
Other bonds	8,000	4,000
Other assets	12,000	4,000
	110,000	54,000
	110,000	54,000

**8 Members' liability**

The company is limited by guarantee, not having a share capital and consequently the liability of members is limited, subject to an undertaking by each member to contribute to the net assets or liabilities of the company on winding up such amounts as may be required not exceeding £25.

**LEARN SHEFFIELD**  
**A COMPANY LIMITED BY GUARANTEE WITH NO SHARE CAPITAL**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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**9 Operating lease commitments**

**Lessee**

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

2018	2017
£	£
37,671	35,149
<u>37,671</u>	<u>35,149</u>

**10 Related party transactions**

**Sheffield City Council**

Sheffield City Council is a member of the company and is considered to have significant influence over the financial and operational decisions of the company. During the year, Learn Sheffield received funding of £912,279 (2017: £1,216,667) from Sheffield City Council. Learn Sheffield also procured services from Sheffield City Council to the value of £71,359 (2017: £107,898).

**The Harmony Trust Ltd**

The Harmony Trust Ltd is a company in which A Hughes is also a director. During the year, the company received income of £17,735 (2017: £4,176) from The Harmony Trust Ltd.

**Tapton School Academy Trust**

Tapton School Academy Trust is a company in which D Tidmarsh was previously a director (resigned 12 September 2017). During the year the company received £615 (2017: £615) from and paid £3,150 (2017: £5,000) to Tapton School Academy Trust for services provided.

**Sheffield South East Trust**

Sheffield South East Trust is a company in which S D Betts is also a director. During the year, Learn Sheffield procured services of £14,468 (2017: £nil) from Sheffield South East Trust and paid £3,900 (2017: Nil) for to Sheffield South East Trust services provided.

**Malin Bridge Primary School**

Malin Bridge Primary School is a school at which S D Betts (director) was previously positioned as the Head Teacher. Learn Sheffield received £49,267 (2017: £210) from Malin Bridge Primary School and paid £12,520 (2017: £20,350) to Malin Bridge Primary School for services received.