

BUSINESS INTERESTS & RELATED PARTIES POLICY

Learning Academies Trust

For period 1st September 2022 – 31st August 2023



LEARNING
ACADEMIES TRUST

1. ETHICAL THREATS AND SAFEGUARDS

Principal Threats Safeguards Implemented	Principal Threats Safeguards Implemented
<p>Accountancy work:</p> <p>Threat of being perceived as too closely involved with your management decisions. Also, a member of the audit team could be reviewing their own work:</p> <p>Management and self-review threat from identifying period end adjustments for example prepayments, accruals etc.</p>	<p>Any adjustments or period end journals will be discussed with the Trustees and the amendments will be authorised by the Trustees. This will ensure no accounting judgements are made by the Auditor.</p>
<p>Other:</p> <p>Performing Teachers' Pension audit. AAR reporting, and Annex G assurance reports</p>	<p>These are audit related services and therefore no threats to our independence arise.</p>
<p>Taxation work:</p> <p>Threat of being perceived as too closely involved with your management decisions and threat of us reviewing our own work if a CT600 is required:</p> <ul style="list-style-type: none"> • Preparation of corporation tax computations and returns. 	<p>All computations, returns and forms are prepared or reviewed by the corporation tax department, who are not members of the audit team.</p> <p>For any decisions relating to the accounts or treatment of items on the tax return we will explain your options in layman's terms.</p>

2. RELATED PARTIES

Text Definitions per FRS 102

Related party

A related party is a person or entity that is related to the entity that is preparing its financial statements (in this definition referred to as the 'reporting entity').

1. A person or a close member of that person's family is related to a reporting entity if that person:
 - a. Has control or joint control over the reporting entity;
 - b. Has significant influence over the reporting entity; or
 - c. Is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.
2. An entity is related to a reporting entity if any of the following conditions applies:
 - a. The entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 - b. One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - c. Both entities are joint ventures of the same third party. vii. One entity is a joint venture of a third entity and the other entity is an associate of the third entity. viii. The entity is a retirement benefit scheme for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a scheme, the sponsoring employers are also related to the reporting entity.

- d. The entity is controlled or jointly controlled by a person identified in (a).
- e. A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

Close family

Close members of the family of a person are those family members, who may be expected to influence, or be influenced by, that person in their dealings with the entity and include:

1. that person's children and spouse or domestic partner;
2. children of that person's spouse or domestic partner; and
3. dependants of that person or that person's spouse or domestic partner.

Control

The ability to direct the financial and operating policies of an entity with a view to gaining economic benefits from its activities.

Key management personnel

Those persons having authority and responsibility for planning, directing, and controlling the activities of the entity, directly or indirectly, including any Director (whether executive or otherwise) of that entity.

Related party transaction

The transfer of assets or liabilities or the performance of services by, to or for a related party irrespective of whether a price is charged.

Definitions per the Charities SORP

Related parties is a term used by the SORP that combines the requirements of charity law, company law and the Financial Reporting Standard in the UK and Republic of Ireland. The term is used to identify those persons or entities that are closely connected to the reporting charity or its trustees.

The following 'natural persons' are classed as related parties:

1. any charity trustee and custodian trustee of the charity;
2. a person who is the donor of any land to the charity (whether the gift was made on or after the establishment of the charity); and
3. any person who is:
 - A. a child, parent, grandchild, grandparent, brother or sister of any such trustee (A) or donor (B) of land;
 - B. an officer, agent of a member of the key management personnel of the charity;
 - C. the spouse or civil partner of any of the above persons (A, B, C1 and C2);
 - D. carrying on business in partnership with any of the above persons (A, B, C1, C2 and C3);
 - E. a person, or a close member of that person's family, who has control or joint control over the reporting charity;
 - F. a person, or a close member of that person's family, who has significant influence over the reporting charity;

'Close member of a person's family' refers to:

1. that person's children or spouse;
2. the children, stepchildren or illegitimate children of that person's spouse or domestic partner;

3. dependents of that person; and
4. that person's domestic partner who lives with as husband or wife or in an equivalent same-sex relationship.

A charity is not necessarily related to another charity simply because a particular person happens to be a trustee of both. It will only be 'related' if the relationship means that one charity, in furthering its charitable aims, is under the direction or control of the trustees of another charity.

The following entities which are not 'natural persons' are classed as related parties of a reporting entity (including a reporting charity) if any of the following conditions apply:

- the entity and the reporting charity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
- one entity is an associate or joint venture of the other entity (or a member of the group in which the other entity is the parent or a member);
- both entities are joint ventures of the same third entity;
- one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
- the entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity;
- an entity that is controlled or jointly controlled by a person, or two or more persons, identified in A, B or C;
- an entity in which a person, or two or more such persons, identified in A, B or C, taken together, have a substantial interest or a significant interest or significant influence over the entity;

Control is presumed to exist when one or more persons identified in A, B or C, taken alone or together, hold directly or indirectly, more than half the voting power of an entity. However, control can also exist when they, directly or indirectly, control half or less than half of the voting power of an entity, if they have: power over more than half of the voting rights by virtue of agreement with other investors;

- the power to govern the financial and operating policies of the entity under a statute or an agreement;
- the power to appoint or remove the majority of the members of the board of directors or equivalent governing body, and control of the entity is by that board or body; or
- the power to cast the majority of votes at the meeting of the board of directors or equivalent governing body, and control of the entity is by that board or body.

An individual has a substantial or significant interest in an entity where that person, or two or more persons identified in A, B or C, taken together, have an interest in the equity share capital, or is entitled to exercise, or control the exercise of, more than one-fifth of the voting power any general meeting of that entity.

Control (of an entity) is the power to govern the financial and operating policies of an entity in order to obtain benefits from its activities. For example, a charity may exercise control over a subsidiary in order to raise funds for the charity through trading activities or as a vehicle to carry out the charity's aims.

Key management personnel is a term used by FRS 102 for those persons having authority and responsibility for planning, directing, and controlling the activities of the charity, directly or indirectly, including any Director (whether executive or otherwise) of the charity. This definition includes trustees and those members of staff who are the senior management personnel to whom the trustees have delegated significant authority or responsibility in the day-to-day running of the charity.

Related party transactions are the transfer of resources, services or obligations between related parties regardless of whether a price is charged.

3. RELATED PARTIES FORM

This form should be completed as a minimum, by each Trustee and member of key management personnel. We are happy to accept your own forms if they contain the same information.

Please duplicate additional copies as required and complete the below. Alternatively, we can email this template to you separately, please let us know if you would like us to do this.

Learning Academies Trust Year ended 31 st August 2023	
Name:	
Position in the Trust:	

Please list out your related party relationships within the table below. Please summarise any transactions with the Trust during the period or confirm that there have been none in the period.

Name of the related party	Nature of the interest (i.e. % shareholder, director, trustee)	Nature of the business	Date the interest began	Summary of Transactions during the period or confirm if none
Example XYZ Co Limited	Director and 50% shareholder	Marketing agency	Appointment date to the Trust, 01.03.202X	Marketing services provided to the Trust. Total sales in the year of £25,000. Related party transaction managed in line with the AFH.

Please list out your close family, as defined in Appendix 2, and their relationship to you. Please summarise their related party relationships (or confirm that there are none) within the table below. Please summarise any transactions between the related party and/or their interests with the Trust during the period; or confirm that there have been none in the period.

Close family name and relationship to you	Name of the related party	Nature of the interest (i.e. % shareholder, director, trustee)	Nature of the business	Date the interest began	Summary of Transactions during the period or confirm if none
Example Mr L Eagle, Brother	Legal Eagles LLP	Mr L Eagle is a partner with 30% interest in the partnership.	Legal and HR advisors	Partnership formed 30.04.202X	No transactions in the year

Notes:

- If there are no entries to be made in a table, please mark “none to all” on the first row.
- If any of the information in this form is unknown or uncertain, please indicate this, and give an indication of when the information will be made available or will have been verified at the audit date so that the audit team can follow up on this.
- If you have any queries in completing this form, please contact the audit team.

I confirm that the above is a complete and accurate record of my business and related interests for the year ended 31 August 2023.

These details have been provided in order to assist in the compilation of the related party transaction disclosures in the year end statutory accounts. Where there have been no material transactions with any of my business interests, no disclosure is required.

I will make The Trust aware of any changes with regard to the above.

Signed:

Date:

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