

# Lampton School Academy Trust

## Annual Report and Financial Statements

31 August 2020

Company Limited by Guarantee  
Registration Number  
07345776 (England and Wales)



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## Reference and administrative information

### Members

D Meaden  
F W Wingate  
S J Davis  
K Newland

### Trustees

S Davis (Accounting Officer)  
D Dadhwal  
G Dhaliwal  
E Ellis  
P S Garcha  
B Hussein  
E Locke  
R Patel  
G Sisoda  
C Wedderburn  
R Williams  
N Woolman (Chair from 22 June 2020)

### Company Secretary

R Sehgal

### Senior Management Team

Headteacher	S J Davis
Deputy Head	L J Isham
Deputy Head	A M Leggett
Deputy Head	M Bates
Assistant Head	A Kapila
Assistant Head	J Pavey
Assistant Head	L Kapoor
Assistant Head	M Bolton
Assistant Head	R Jackson
Assistant Head	M Leregle
Business Manager/Director of finance and administration	M Dempsey

### Registered address

Lampton School  
Lampton Avenue  
Hounslow  
TW3 4EP

### Company registration number

07345776 (England and Wales)

## Reference and administrative information

**Auditor** Buzzacott LLP  
130 Wood Street  
London  
EC2V 6DL

**Bankers** HSBC  
127 High Street  
Hounslow  
TW3 1QP

**Solicitors** Browne Jacobson LLP  
Mowbray House  
Castle Meadow Road  
Nottingham  
NG2 1BJ

## **Trustees' report Year to 31 August 2020**

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 Academy operates an Academy for pupils aged 11 to 18 servicing a catchment area in Hounslow. It has a pupil capacity of 1,500 and had a roll of 1,501 in the school census on 1 October 2020.

The financial statements have been prepared in accordance with the accounting policies set out on pages 35 to 40 of the attached financial statements and comply with the Academy's memorandum and articles of association, applicable laws and 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 United Kingdom and Republic of Ireland (FRS 102).

### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

#### **Constitution**

The Academy is a company limited by guarantee with no share capital (registration number 07345776) and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Academy.

The Board of Trustees are the trustees of Lampton School Academy Trust and are also the directors of the charitable company for the purposes of company law. Details of the Trustees who served during the year, except as noted, are included in the Reference and Administrative Details on page 1.

As trustees, we have reviewed and taken account of the guidance in DfE's Governance Handbook and competency framework for governance. This formed part of the external review of governance by the National Governors' Association in 2019-2020.

#### **Members' liability**

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

#### **Trustees' indemnities**

In accordance with normal commercial practice, the Academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £2,000,000 on any one claim and the cost for the year ended 31 August 2020 cannot be ascertained as it is included with all insurance.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)**

### **Method of recruitment and appointment or election of Trustees**

The members of the Academy Trust shall comprise no less than 3 persons, 1 person appointed by the Secretary of State, in the event that the Secretary of State appoints a person for this purpose, the Chairman of the Trustees and any person appointed under Article 19.

The number of Trustees shall be not less than 3, but shall not be subject to a maximum. The first Trustees shall be those named in the initial Memorandum. The Academy Trust shall have the 3 Trustees; the Trust Board comprises of: 3 signatories to the memorandum; five appointed by the members of the trust including staff; one LA; three co-opted and the Headteacher. The Trustees may not co-opt an employee of the Academy Trust as a Co-opted Trustee if the number of Trustees who are employed by the Academy Trust would thereby exceed three.

The term of office for any Trustee shall be 4 years, save that this time limit shall not apply to the Headteacher. Subject to remaining eligible to be a particular type of Trustee, any Trustee may be re-appointed or re-elected.

### **Policies and procedures adopted for the induction and training of Trustees**

During the period under review the Trustees held 3 meetings of the Full Trust Board and 3 meetings of the Standards and Curriculum and HR and Finance Committee. The Admissions Committee met twice and the Audit Committee and Pay Committee once. The Trustees' Building Group meets half-termly while the construction of the new dining hall takes place. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees. Training and induction for new Trustees is now much more comprehensive as a result of the NGA Review commissioned by the Accounting Officer in 2019-2020 and the appointment of a new Chair of the Trust Board from June 2020. The whole Trust Board has undertaken extensive training with the support of the NGA in 2019-2020 about being strategic – including providing financial oversight - fulfilling their core functions and values and vision. A programme of training has been put in place for 2020-21 and Hounslow Governing Bodies training is being utilised more by the Board to develop their skills as individuals and as a whole. A new Clerk to the Trust Board was appointed in September 2020.

### **Organisational structure**

The structure consists of three levels: the Trustees, Senior Leadership Team and Heads of curriculum departments and Heads of Year – Middle Leaders. The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels.

The Trustees are responsible for setting general policy, adopting an annual plan and budget, monitoring the Academy by the use of budgets and making major decisions about the direction of the Academy, capital expenditure and participate in senior staff appointments.

**STRUCTURE, GOVERNANCE AND MANAGEMENT** (continued)

The following trustees were in office at 31 August 2020 and served throughout the period except as stated:

Trustees	Appointed/ resigned
K Alshawabka	Resigned 6 July 2020
D Dadhwal	
S Davis (Accounting Officer)	
G Dhaliwal	
E Ellis	
P S Garcha	Reappointed 18 <sup>th</sup> November 2019
R Gupta- Chaudhary	Resigned 8 October 2019
B Hussein	Appointed 7 November 2019
E Locke	
R Mir	Resigned 18 November 2019
R Patel	
T Samuel	Resigned 10 December 2019
G Sisoda	
M Stuart (Chair until 22 June 2020)	Resigned 22 June 2020
C Wedderburn	Appointed 8 July 2020
R Williams	
N Woolman (Vice Chair acting up from 23 June 2020)	Appointed Chair 12 November 2020

The Senior Leadership Team are the Headteacher, Deputy Headteachers, Assistant Headteachers and the Business Manager. These leaders control the Academy at an executive level implementing the policies laid down by the Trustees and reporting back to them. As a group, the Senior Leadership Team are responsible for the authorisation of spending within agreed budgets and the appointment of staff; though appointment boards for middle and senior leader posts will contain Trustees as per the agreed senior appointments panel, which is reviewed annually and comprises of trustees who have received appropriate training. Some spending control is devolved to Heads of Departments/Years, with limits above which a Senior Leader must countersign up to a certain limit, after which Trustee approval is required.

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

The arrangements for setting the pay of key management personnel are as per the Academy's Pay policy.

The pay of the Headteacher and Senior Leaders is determined as follows:

- ♦ The school will be assigned to a Headteacher group calculated using its total unit score, in accordance with STPCD.
- ♦ A pay range will be determined for the Headteacher which will not normally exceed the maximum of the Headteacher group, unless the specific exceptional circumstances or candidate warrant it, up to an additional 25%.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)**

### **Arrangements for setting pay and remuneration of key management personnel (continued)**

- ◆ Additional payments may be made to a Headteacher for temporary responsibilities that are in addition to the duties taken in to account for the determination at 8.1-8.3. The total sum of any temporary payments will not normally exceed 25% of the Headteacher's annual salary.
- ◆ In addition, the total sum of annual salary combined with any temporary payments (where applicable) will not exceed the maximum of the Headteacher group, calculated at 8.2, by more than 25%. Where this, or exceeding the limits set out at 8.3 and 8.4 are being considered by the Pay committee of the governing body, there must be wholly exceptional circumstances and that committee must make a business case to the full governing body who will seek external independent advice.

#### **Deputy Headteachers and Assistant Headteachers:**

- ◆ A pay range will be determined for any Deputy Headteacher and Assistant Headteacher, considering how the role fits within the wider leadership structure of the school. The pay range will not exceed the maximum of the Headteacher group for the school and will not normally overlap with the pay range of the Headteacher, except in exceptional circumstances.

#### **Pay progression for members of the Senior Leadership group:**

- ◆ Eligible members of the leadership group will be automatically considered for further progression and no application will be necessary. However annual pay progression within the range is not automatic and decisions regarding pay progression will be clearly attributable to the leadership group member's performance with reference to the appraisal process.
- ◆ Leadership group members will progress by one point until they reach the top of their range if they can demonstrate and the Governing Body is satisfied that there is evidence of sustained high quality of performance in school leadership and management and pupil progress, clearly linked to school improvement priorities and outcomes. The group size for this school is 8.
- ◆ Additional progression may be considered for members of the leadership group where performance is judged to be exceptional taking in to account the criteria at 8.8 and where all objectives have been exceeded.



## Trustees' report Year to 31 August 2020

### Trade union facility time

#### Relevant union officials

Number of employees who were relevant union officials during the period	Full-time equivalent employee number
1	1

#### Percentage of time spent on facility time

Percentage of time	Number of employees
0%	—
1% - 50%	9.7%
51% - 99%	—
100%	—

#### Percentage of pay bill spent on facility time

Total cost of facility time	£16,308
Total pay bill	£600,193
Percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time ÷ total pay bill) x 100	2.7%

#### Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as:  (total hours spent on paid trade union activities by relevant union officials during the relevant period ÷ total paid facility time hours) x 100	9.7%
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### Related parties and other connected charities and organisations

Lampton School is a stand-alone Academy.

The Academy has formal links with the National College for Teaching and Leadership as the lead school in the London West Teaching School Alliance and as a senior partner and hub-school for Challenge Partners.

## **OBJECTIVES AND ACTIVITIES**

### **Objects and aims**

Lampton is a mixed 11-18 comprehensive school which sees its rich cultural heritage as perhaps the most important of its many strengths. It is truly an international school. We foster a genuine sense of respect for the individual alongside an appreciation of the culture and beliefs of others. Our three core values are: excellence, respect and integrity.

The principal object of the school is specifically restricted to the following, to advance 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 being Lampton School Academy Trust.

### **Objectives, strategies and activities**

The main objectives of the Academy during the year ended 31 August 2020 are summarised below:

- ◆ to ensure that every child enjoys the same high quality education in terms of resourcing, tuition and care;
- ◆ to raise the standard of educational achievement of all pupils;
- ◆ to improve the effectiveness of the school by keeping the curriculum and organisational structure under continual review;
- ◆ to provide value for money for the funds expended;
- ◆ to comply with all appropriate statutory requirements;
- ◆ to maintain close links with industry and commerce; and
- ◆ to conduct the school's business in accordance with the highest standards of integrity, probity and openness.

Our vision statement is:

Lampton School is dedicated to providing exceptional learning experiences where there are no limits to achievement.

We provide inspirational teaching and support all pupils to become superb learners and good citizens. This is done within a harmonious, diverse and safe environment where all members of the school community are valued and respected.

We celebrate excellence and take pride in ourselves, our school and our community.

## **OBJECTIVES AND ACTIVITIES (continued)**

### **Objectives, strategies and activities (continued)**

The key admissions criteria of the academy trust are outlined below.

#### **Admissions criteria:**

- ◆ Admissions to the school are the responsibility of the Trustees of the school.
- ◆ The following criteria will be applied in accordance with current legislation and the expressed policies of the school.
- ◆ The Trust Board will operate an equal preference system in accordance with the Pan-London admissions System. In accordance with the school's expressed values and practice and current legislation the following pupils will have priority where parents have expressed a preference for Lampton School.

#### **Oversubscribing and in-term admissions priorities:**

- ◆ Where applications exceed the number of available places the following criteria will be applied in the order set out to decide which children to admit.
- ◆ Children looked after and some who have been looked after by a Local Authority, and children who have been adopted (or made subject to a residence order or special guardianship orders) immediately following having been looked after.

#### **Medical or social reasons:**

- ◆ Applicants who can demonstrate an urgent social or medical reason why their child requires attendance at Lampton school rather than any other school. This includes disability as defined by the Disability and Discrimination Act 1995 and a priority need as defined by the Children Act 1989. Parents must complete the appropriate section of the application and the reasons must be supported by relevant medical certificates or supporting evidence. Applications on these grounds will be determined by the Trustees admissions committee.

#### **Siblings:**

- ◆ Applicants who will have an older son or daughter - including all blood, half-, step-, adoptive and foster brothers and sisters of the child (not cousins) who live at the same home as the child - who will be attending Lampton at the time of admission in September 2020.
- ◆ Children of Members of Staff
- ◆ Children of any member of staff, regardless of role in the school, where the member of staff has been employed at the school for two or more years at the time at which the application for admission to the school is made.

## **OBJECTIVES AND ACTIVITIES (continued)**

### **Objectives, strategies and activities (continued)**

#### **Distance**

- ◆ Distance will be measured by computer software based on Ordnance Survey and postal address data. The software measures using public roads and footpaths adopted and recorded by Hounslow Council's Highways Team. When using roads for measurement purposes the software measures along the middle of the road. It starts from a point in the footprint of the property provided as the child's address and continues by the shortest available route to the nearest of the school gates which is used by pupils to enter the school grounds. Blocks of flats are treated as one address. In blocks of flats, priority will normally be given to the lowest flat number. Addresses in private roads will measure from the footprint of the property, along the middle of the private road leading to the public road/footpath as adopted and recorded by Hounslow Highways Team. Not used are routes using common land, open spaces, public parks, subways or footpaths not adopted by the Highways team.

#### **Tie Break**

- ◆ If there is one place available and two or more children next in order of priority or next on the waiting list meet the appropriate criterion equally, the place will be allocated using the distance criterion. If the distances are equal, the place will be allocated by drawing lots. The drawing of lots will be in the presence of an independent witness.

#### **Appeals**

- ◆ Appeals will be heard in accordance with appropriate legislation. An Independent Appeals Panel appointed by the local education authority will adjudicate on all appeals for places in Lampton School. Any parent wishing to appeal should follow the procedure set out in the admissions brochure. There will be no other appeal to the Trustees for a place at Lampton School.

#### *Children with Statements of Special Educational Needs*

The Trustees must admit children with statements naming Lampton School but authorities have a duty to consult the school before naming it in the statement. Such admissions are separate from those provided for in this policy.

For the September 2020 intake the school received 1,241 applications for the 240 places available in Year 7. The maximum distance offered under the distance criteria was 1.1 miles.

#### **Public Benefit**

The Trustees have complied with their duty to have due regard to the guidance on public benefit issued by the Charity Commission in exercising their powers and duties. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set.

## STRATEGIC REPORT

### **Achievements and performance**

The Academy continues to achieve the forecast numbers of students. Total students in the year ended 31 August 2020 numbered 1,241 (2019: 1,222 ) and the Academy has a full complement in all period groups.

Students enter the school with broadly average attainment. By the end of Year 11, attainment is above average. In 2020 with the cancelling of public examinations the school implemented a robust process for the setting of Centre Assessed Grades (CAGs). No public examination data will be published by the DfE regarding school performance in 2020. The 2019 data remains the last public performance data for the school.

The Government's validated Progress 8 measure for the school in 2019 was +0.55 – which was well above the national average.

Post 16, results were above those achieved both locally and nationally, with the school being in the top 25% of schools for sixth form value added for the last three years based on the ALPS valued added system, an ALPS score of 3.

To ensure that standards are continually raised the school operates a programme of internal and external reviews of curriculum areas and has an external quality assurance review as part of its membership of Challenge Partners. The school is a National Teaching School, designated as part of the first round in September 2011.

The Teaching School Alliance (TSA) is known as the London West Alliance (LWA) and has 20 schools as members. The three main objectives of the TSA are: provision of continuing professional learning to improve students' outcomes, the provision of initial teacher training and school to school support. To fulfil these aims the LWA runs a comprehensive programme of courses for teachers at all levels of development from NQTs to senior leaders; the LWA is a SCITT (School Centred Initial Teacher Training provider). LWA works in close partnership with the Hounslow Education Partnership to provide local opportunities for school improvement.

### ***Key financial performance indicators***

The school improvement plan (SIP) identifies the following key performance indicators to be achieved by the school:

The key areas of the School Improvement Plan 2020-21 have been modified in light of the Covid 19 pandemic and are:

- ◆ Curriculum recovery
- ◆ Pastoral recovery
- ◆ Financial recovery

## **STRATEGIC REPORT (continued)**

### **Achievements and performance (continued)**

#### ***Key financial performance indicators (continued)***

In September 2019 the school embarked on a 5 year development plan with the main elements being to achieve the following objectives by 2024:

- ◆ Key Stage 4 progress +0.75 or better
- ◆ Key Stage 5 progress ALPS T score of 2
- ◆ Quality of Education: enabling us to achieve our target outcomes
- ◆ Climate for Learning: an enjoyable, harmonious atmosphere where staff and students work together to ensure achievement for all. Students are able to self-regulate, feel safe and are on time to all lessons.
- ◆ Communication: all stakeholders know and care about our KPIs and feel that they can contribute to them
- ◆ Leadership development: Lampton leadership development is bespoke at all levels so to universally support and challenge members of the community to achieve excellence in all areas
- ◆ Finance: we have a robust financial plan that meets the needs of our vision and achieves our KPIs. A key KPI is having the value of at least one month's operating expenditure in unrestricted reserves (i.e. £878k)

The school received an external quality assurance review from Challenge Partners in November 2019.

The overall judgements were:

Leadership at all Levels: Leading

Quality of Provision and Outcomes: Leading

Quality of Provision and Outcomes for disadvantaged pupils and pupils with additional needs: Leading

#### ***Overall review evaluation***

The senior leadership team (SLT) continues its relentless focus on producing the best possible outcomes and life experiences for students in the school. Senior colleagues portray a united vision for the school; this is shared with all staff, with everyone at the school striving for the same goals. The vision is led by pedagogy that meets the needs of the diverse groups of students in the school and, in doing so, it allows teachers to innovate within their own classrooms.

## **STRATEGIC REPORT (continued)**

### **Achievements and performance (continued)**

#### ***Overall review evaluation (continued)***

- ◆ The school improvement plan (SIP) identifies clear priorities that are the result of the forensic examination of outcomes data or practice that requires development. A comprehensive programme of continuing professional learning (CPL), the school's Area of Excellence, enables leaders and teachers to drive consistently high academic standards.
- ◆ Senior leaders have developed and nurtured high quality subject leaders and strong pastoral leaders so that effective leadership pervades every stratum. Some of these leaders are from astute external appointments; many have emerged through the school's own leadership development programmes. Lampton is renowned for 'producing their own'.
- ◆ 'Building Learning Power' was a strategy that was established in the school some years ago. Leaders have refreshed this aspect such that, once again, it has a high profile in and impact on teaching and learning.
- ◆ 'Lampton 7' has been introduced to staff this academic year and, following more explicit training, it will be fully unveiled in the spring term. It is a pedagogical strategy that will become an expectation of all teachers. The seven concepts to be a feature of every lesson are 'Prompt Start, Differentiation, Academic Literacy, Metacognition, Learning Style, Monitoring and Targeted Questioning'. While none of these variables are new to the school, they have been brought together to form a bespoke teaching method across the school. Leaders refer to this as the school's 'signature' pedagogy.

#### **Going concern**

After making appropriate enquiries, the board of Trustees has a reasonable expectation that the Academy has adequate resources to continue in operational existence for the foreseeable future and has put in place a number of steps as described on page 15 and 16. For this reason the board of Trustees continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the statement of accounting policies.

#### **Financial review**

Most of the Academy's income is obtained from the Educational and Skills Funding Agency (ESFA) in the form of recurrent grants, some of which are restricted to particular purposes. The grants received during the year ended 31 August 2020 and the associated expenditure are shown as restricted funds in the statement of financial activities.

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

## **STRATEGIC REPORT (continued)**

### **Financial review (continued)**

The 2020 Covid-19 global pandemic had a significant impact on the school's financial position. From March 2020 self-generated income via lettings and catering decreased significantly and by year-end had not been re-established. The loss of catering/lettings income due to COVID has been approximately £70k. The school did however save on utilities to the value of £32k and examination costs to the value of £47k. A claim of £42k was received from the government in November 2020.

During the year ended 31 August 2020, the expenditure of £11,457k (2019: £11,695k) exceeded recurrent grant funding from the ESFA together with other incoming resources of £11,454k (2019: £11,484k). However, the Academy achieved an operating surplus for the year (excluding pension, restricted fixed asset funds and transfers to restricted fixed assets funds) of £21k (2019: deficit of £71k).

At 31 August 2020 the net book value of fixed assets was £29,412k (2019: £28,848k). Movements in tangible fixed assets are shown in note 12 of the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

### ***Reserves policy***

The Trustees review the reserve levels of the Academy annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. In line with ESFA guidance, the Trustees have determined that the appropriate level of free reserves should be equivalent to four weeks' operating expenditure, approximately £878k (2019: £822k).

The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance. The Academy's current level of free reserves of £52k, consists solely of the unrestricted funds and falls short of the target level set of £878k noted above.

It should be noted that the reserves target is the level of reserves that the Academy aspires to hold. However, in the current funding climate, it is unrealistic that the Academy will achieve this level in the short to medium term.

However, the Trustees intend to make every effort to build up free reserves. Through the course of the next year the Academy will analyse further the effective and efficient deployment of staff in order to continue to fulfil its aims with greater value for money.

The Academy's restricted pension reserve was £6,639k in deficit (2019: £6,525k) as at 31 August 2020. This deficit is not an immediate liability of the Academy. Instead, the deficit will be met through the increased pension contributions on behalf of staff in the future.



***Investment policy***

Under the Memorandum and Articles of Association, the Academy has the power to invest funds not immediately required for its own purposes, in any way the Trustees see fit. The organisation has a positive cash balance to cover eventualities and unforeseen expenses. The banking facilities are reviewed on a regular basis.

**PRINCIPAL RISKS AND UNCERTAINTIES**

The financial risks to which Lampton School Academy Trust is exposed to relates primarily to:

- ◆ Change in government and legislation;
- ◆ Potential of reduced funding and cash flow;
- ◆ Reduction in student numbers; and
- ◆ The potential loss of Teaching School designation due to a change in Government policy and associated income generation.

A risk arises in relation to the defined benefit pension scheme, due to the fact that there is a deficit of £6,639k (2019: £6,525k).

The principal risks and uncertainties that Lampton School Academy Trust faces are mitigated by the risk management process that the Academy Trust has in place.

The Trustees have assessed the major risks to which the Academy is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the Academy, and its finances. The Trustees have implemented a number of systems to assess risks that the school faces, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and school trips) and in relation to the control of finance. The Trustees have introduced systems, including operational procedures and internal financial controls in order to minimise risk. Where significant financial risk still remains they have ensured they have adequate insurance cover. The Academy has an effective system of internal financial controls and this is explained in more detail in the Governance Statement on page 18.

**FUNDRAISING**

The Academy Trust does not perform any fundraising activities.

**PLANS FOR FUTURE PERIODS**

The Academy will continue striving to improve the levels of performance of its students at all levels and will continue its efforts to ensure its students get jobs or a place in higher education once they leave.

The school has an outstanding understanding of its strengths and areas for development based on rigorous analysis of data and monitoring of teaching and learning. The school also makes good use of external validation to secure its judgement on the quality of provision and subsequent outcomes.

**PLANS FOR FUTURE PERIODS** (continued)

The School Improvement Plan (SIP) has all the correct areas identified for improvement and is based on regular analysis of data which is meticulously analysed by the Headteacher and the senior leadership team.

The SIP is regularly monitored and amended termly and annually by the SLT and Trustees. It is underpinned by appropriate budget links.

School improvement strategies are highly effective because subjects identified as previously underperforming have been successfully addressed through a combination of rigorous monitoring, outstanding CPD, including coaching and thorough analysis of examination results. The school makes good provision for personalised learning, support and intervention programmes for individual students and the quality of provision for inclusion is outstanding due to bespoke programmes aimed at raising achievement.

The drive for excellence is evident in many aspects of school life, but particularly in the strong culture of collaboration, openness and commitment to professional learning. Staff CPD is outstanding in the way that all staff work relentlessly at sharing best practice with schools and fulfil the school's moral imperative at improving the quality of learning both at a local, national and international level. The school's 5 year plan 2019 -2024 is outlined above.

Financially, the school is facing very challenging circumstances as a result of the Covid-19 pandemic. It has acted swiftly in response to this and has already put in place the following strategies to address these challenges during this on-going period of uncertainty:

- ◆ Produced a Going Concern report for consideration by Trustees;
- ◆ Engaged in a School Resource Management Adviser (SRMA) deployment to identify further areas of efficiency;
- ◆ Deployment of the integrated curriculum and finance planning toolkit further to identify in-year staffing efficiencies;
- ◆ Review of teaching support staff;
- ◆ Re-establishment of lettings from Spring 2021 once government restrictions have been lifted;
- ◆ Increased income from catering in Spring 2021 once the new dining facility is open;
- ◆ New Chair of Trustees and Chair of Resources committee in place from September 2020 with the ability and skills to fulfil the required financial oversight required by the Trust, including robust scrutiny of monthly management accounts with consideration of cash flow;
- ◆ Training of all Trustees by the NGA on fulfilling their required duties, especially financial oversight of the Trust.

## Trustees' report Year to 31 August 2020


### AUDITOR

In so far as the Trustees are aware:

- ♦ there is no relevant audit information of which the charitable company's auditor is unaware; and
- ♦ 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.

The Trustees' report, incorporating a strategic report, approved by order of the members of the board of Trustees on [ 8/12/02 ] and signed on its behalf by:

Chair



Date:

11/12/2022

### Scope of responsibility

As Trustees we acknowledge we have overall responsibility for ensuring that Lampton School Academy Trust 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 have delegated the day-to-day responsibility to the Headteacher, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Lampton School Academy Trust 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 3 times during the year. Attendance during the year at meetings of the board of Trustees was as follows:

Trustees	Meetings attended	Out of a possible
K Alshawabka	3	3
S Davis (Accounting Officer)	3	3
E Ellis	3	3
P S Garcha	3	3
D Dadhwal	2	3
G Dhaliwal	1	3
E Locke	2	3
B Hussein	2	3
R Patel	2	3
M Stuart (Chair until 22 June 2020)	3	3
R Williams	2	3
T Samuel	0	1
G Sisoda	1	3
N Woolman (Vice Chair acting up from 23 June 2020)	3	3

The board meet 6 times a year – 3 times as a full board and 3 times as a Finance committee. At each one of these meetings a report outlining financial oversight is tabled.

**Governance (continued)**

The Finance Committee is a sub-committee of the main board of Trustees. Attendance at meetings in the year was as follows:

Trustees	Meetings attended	Out of a possible
S Davis (Accounting Officer)	3	3
D Dadhwal	0	3
E Locke	3	3
R Mir	0	3
M Stuart (Chair until 22 June 2020)	3	3
T Samuel	1	1
G Dhaliwal	2	3
P Garcha	2	3
R Patel	0	2
N Woolman (Vice Chair acting up from 23 June 2020)	1	1

The audit committee is a sub-committee of the main board of Trustees. Its purpose is to receive the findings from the internal and external audit.

Attendance at meetings in the year was as follows:

Trustees	Meetings attended	Out of a possible
S J Davis (Accounting Officer)	1	1
M Stuart (Chair)	1	1
T Samuel	0	1
E Locke	1	1

**Review of value for money**

The Trust paid suppliers during the lockdown period as per their contractual requirement to do so. Some cleaning staff are paid through an agency and they were still paid throughout the lock down period and were not furloughed. The catering staff that are in house were not furloughed due to the ambiguity of the advice that was issued. Additional costs were incurred during the period and a claim was put in for these as they are to be reimbursed by the Department of Education. The Trust did lose approximately £70k in lettings and catering revenue. Savings were made during the lockdown period in Gas/Electricity/Telephone to the value of £32k. Examination fees and invigilation were also reduced significantly due to the lockdown to the value of £47k.

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

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

**Review of value for money (continued)**

***Robust governance and oversight of Academy Trust finances***

The Academy benefits from the provision by Wilkins Kennedy of a suitably qualified Internal auditor. The Internal auditor reviews key financial policies, systems and procedures, including the use of tenders and presents reports on compliance to the Governing Body's Finance Committee.

The Finance Committee receives termly budget monitoring reports and report detailing compliance with Academy Trusts tender policy.

The full Governing Body approves the budget each year and is mindful of the need to balance expenditure against income to ensure the Academy Trust remains a 'going concern'. The Governing Body Audit Committee also receives and approves the Annual Accounts and the External Auditor's Management Report.

***Ensuring the operation of the Trust demonstrates good value for money and efficient and effective use of resources***

The Academy benchmarks financial performance against other academy trusts to demonstrate that the Trust provides good value for money.

Tender exercises are regularly undertaken to ensure that high value contracts are assessed against the marketplace on a regular basis to ensure that long term contracts (3 to 5 years) remain competitive.

Capital projects are overseen by a sub-committee of Trustees established for the duration of the project. There is currently a Buildings Group which meets to monitor the building of the new canteen. This meets half-termly at a minimum. The group comprises of the Accounting Officer, Business Manager, a nominated representative from the Trust Board, the Operations Manager and one of the Deputy Headteachers. Minutes of these meetings are tabled at Full Trust Board and Resources Committee meetings and posted on Governor Hub for all Trustees to scrutinise.

***Maximising income generation***

The Academy explore every opportunity to generate income through the hire of Academy facilities to the local community. This ranges from study groups, religious organisations and sports events. Covid 19 had a severe impact of income generation. The school has now started to plan to re-establish income generation from Spring 2021 when government restrictions are predicted to have been eased.

***Reviewing controls and managing risks***

Monthly budget monitoring reports are produced and reviewed by the Business Manager, the Head Teacher, Chair of Trustees and Chair of Resources and any necessary remedial action taken to address any significant variances that may have an impact on the budget out-turn.

The Academy ensures that all surplus cash balances are invested in interest bearing accounts to maximise interest earning potential.

**Review of value for money (continued)**

***Reviewing operation to maximise use of resources***

The Senior Leadership Team review expenditure within each budget heading annually and make adjustments based on the effectiveness of strategies introduced in previous years, curriculum offer and any new strategies identified in the Academy Development Plan.

**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 Academy policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Lampton School Academy Trust for the period 1 September 2019 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 is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy's significant risks that has been in place for the period 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of Trustees.

**The risk and control framework**

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

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

**The risk and control framework (continued)**

**Weaknesses in internal control – irregularity and impropriety**

During the financial year it was noted that the level of controls and financial reporting that is required under the Academies Financial Handbook had been affected, particularly with regards to financial scrutiny. As a result the Trust has been materially non-compliant with its funding agreement during the year.

Whilst basic record keeping processes were maintained and segregation of duties exercised over payments and receipts, areas of non-compliance included:

1. Financial review and scrutiny of monthly management accounts by the Chair of Trustees and Chair of the Finance and HR Committee;
2. Review of cash flow by Trustees to ensure the Academy has sufficient funds to cover spending; and
3. Adequate scrutiny of costs by Trustees.

The above deficiencies meant that significant cost savings required in expenditure were not identified sufficiently quickly to prevent a deficit being forecasted for the 2020/21 budget.

The financial reporting deficiencies (items 1 to 3 above) are now being addressed as part of the 2020/21 financial year. As a result of the external review of governance commissioned by the Accounting Officer in 2019-2020 a new Chair of Trustees and HR and Finance have been appointed with the skills necessary to fulfil these roles correctly. Work has commenced to review costs and contractual terms to maximise cost savings. Income is being more actively reviewed with additional funding being applied for where applicable.

The board of trustees is satisfied that it has a plan in place to improve processes and controls to improve compliance with the standards expected under the Academies Financial Handbook and internal policies and to improve the achievement of value for money.

**Internal audit**

The Trust Board has considered the need for a specific internal audit appointed Wilkins Kennedy, to complete the internal audit function. Wilkins Kennedy's role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. On an annual basis, Wilkins Kennedy reports to the Governing body on the operation of the systems of control and on the discharge of the Governing Body's financial responsibilities.

The role was carried out by Wilkins Kennedy, a firm who is separate to the external audit for the year ended 31 August 2020.

On an annual basis, the auditor reports to the board of Trustees through the audit committee on the operation of the systems of control and on the discharge of the financial responsibilities of the board of Trustees.



### Review of effectiveness

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

- ♦ the work of the internal auditor;
- ♦ the work of the external auditor; and
- ♦ the work of the senior management team within the Academy who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the board of Trustees on [ 8/12/2020 ] and signed on their behalf by:

Chair



Approved on: 11/12/2020

  
Accounting Officer

**Statement on regularity, propriety and compliance 31 August 2020**

As accounting officer of Lampton School Academy Trust, 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 ESFA 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.

Instances of irregularity, impropriety or funding non-compliance were discovered, where it had been noted that there was a lack of financial scrutiny by Trustees during the year. Details of these irregularities, improprieties and funding non-compliance are provided in the Governance Statement on page 22.

As Accounting Officer I commissioned an external review of governance in November 2019 by the National Governors' Association (NGA) to ensure that the Board was fulfilling their statutory functions. As a result, there has been a change of Chair and I am satisfied that, following support from the NGA, the Board is now better placed to perform its duties.

Other than these instances, I confirm that no other instances of material irregularity, impropriety or funding non-compliance have been discovered to date. If any instances are identified after the date of this statement, these will be notified to the board of trustees and ESFA.

Accounting Officer



Date: 11/12/2020

## Statement of governors' responsibilities 31 August 2020

The Trustees (who act as trustees for Lampton School Academy Trust are also the directors of Lampton School Academy Trust for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with the Academies Accounts Direction 2019 to 2020 published by the Education & Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- ♦ select suitable accounting policies and then apply them consistently;
- ♦ observe the methods and principles in the Charities' SORP 2015 and the Academies Accounts Direction 2019 to 2020;
- ♦ make judgments and estimates that are reasonable and prudent;
- ♦ state whether applicable United Kingdom Accounting Standards (FRS 102) 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 Academy will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Academy's transactions and disclose with reasonable accuracy at any time the financial position of the Academy 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 Academy 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 Academy 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 ESFA/DfE have been applied for the purposes intended.

The Trustees are responsible for the maintenance and integrity of the charity and financial information included on the Academy'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 [ 8/12/2020 ] and signed on its behalf by:

Chair



**Independent auditor's report to the members of Lampton School Academy Trust**

**Opinion**

We have audited the financial statements of Lampton School Academy Trust (the 'charitable company') for the year ended 31 August 2020 which comprise the statement of financial activities, the balance sheet, the 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, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (the Charities SORP 2015) and the Academies Accounts Direction 2019 to 2020.

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 income and expenditure for the year then ended;
- ♦ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- ♦ have been prepared in accordance with the requirements of the Companies Act 2006; and
- ♦ have been prepared in accordance with the Charities SORP 2015 and Academies Accounts Direction 2019 to 2020.

**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 charitable 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 the accounting policies which set out the basis of the trustees' assessment of going concern, despite the low level of reserves at the year end and the disruption the Academy Trust is facing as a result of COVID-19 as described in the trustees' report. 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 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 charitable 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 (covers the Reference and Administrative Details, the Report of the Trustees and Strategic Report and the Governance Statement)**

The Trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our 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.

**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, which is also the directors' report for the purposes of company law and includes the strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- ◆ the Trustees' report, which is also the directors' report for the purposes of company law and includes the strategic report, has been prepared in accordance with applicable legal requirements.

## **Independent auditor's report on the financial statements 31 August 2020**

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

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

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

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

### **Responsibilities of Trustees**

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors 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 charitable 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 Trustees either intend to liquidate the charitable 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.

**Auditor's responsibilities for the audit of the financial statements (continued)**

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 charitable 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 charitable 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Catherine Biscoe (Senior Statutory Auditor)  
For and on behalf of Buzzacott LLP, Statutory Auditor  
130 Wood Street  
London  
EC2V 6DL

17 December 2020

**Independent reporting accountant's assurance report on regularity to Lampton School Academy Trust and the Education and Skills Funding Agency**

In accordance with the terms of our engagement letter dated 20 May 2020 and further to the requirements of the Education and 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 Lampton School Academy Trust during the period from 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 Lampton School Academy Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Lampton School Academy Trust and the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Lampton School Academy Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

**Respective responsibilities of Lampton School Academy Trust's accounting officer and the reporting auditor**

The accounting officer is responsible, under the requirements of Lampton School Academy Trust's funding agreement with the Secretary of State for Education dated 31 August 2010 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 period from 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 the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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



**Approach (continued)**

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 to our conclusion includes:

- ◆ An assessment of the risk of material irregularity and impropriety across all of the academy trust's activities;
- ◆ Further testing and review of the areas identified through the risk assessment including enquiry, identification of control processes and examination of supporting evidence across all areas identified as well as additional verification work where considered necessary; and
- ◆ Consideration of evidence obtained through the work detailed above and the work completed as part of our financial statements audit in order to support the regularity conclusion.

**Conclusion**

During the financial year it was noted that the level of controls and financial reporting that is required under the Academies Financial Handbook had been affected, particularly with regards to financial scrutiny. Further details are provided on page 22. In the course of our work, other than the points highlighted on page 22, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period from 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.



Buzzacott LLP  
Chartered Accountants  
130 Wood Street  
London  
EC2V 6DL

17 December 2020

**Statement of financial activities**  
(including income and expenditure account)

Year to 31 August 2020

	Notes	Unrestricted funds £'000	Restricted funds		2020 Total funds £'000	2019 Total funds £'000
			General £'000	Fixed assets fund £,000		
<b>Income from:</b>						
Donations and capital grants	1	2	—	948	950	965
Charitable activities						
· Funding for the academy's educational operations	2	319	9,452	—	9,771	9,374
· Teaching school	23	251	428	—	679	946
Other trading activities	3	52	—	—	52	196
Investments	4	2	—	—	2	3
<b>Total</b>		<b>626</b>	<b>9,880</b>	<b>948</b>	<b>11,454</b>	<b>11,484</b>
<b>Expenditure on:</b>						
Charitable activities						
· Academy's educational operations	7	234	9,994	539	10,767	10,649
· Teaching school	23	262	428	—	690	1,046
<b>Total</b>		<b>496</b>	<b>10,422</b>	<b>539</b>	<b>11,457</b>	<b>11,695</b>
<b>Net income (expenditure)</b>		<b>130</b>	<b>(542)</b>	<b>409</b>	<b>(3)</b>	<b>(211)</b>
Transfers between funds		(109)	158	(49)	—	—
<b>Other recognised gains and losses</b>						
Actuarial gains (losses) on defined benefit pension scheme	19	—	270	—	270	(958)
<b>Net movement in funds</b>		<b>21</b>	<b>(114)</b>	<b>360</b>	<b>267</b>	<b>(1,169)</b>
<b>Reconciliation of funds</b>						
Total fund balances brought forward at 1 September 2019		31	(6,525)	29,587	23,093	24,262
<b>Total fund balances carried forward at 31 August 2020</b>		<b>52</b>	<b>(6,639)</b>	<b>29,947</b>	<b>23,360</b>	<b>23,093</b>

All of the Academy's activities derived from continuing operations during the above two financial periods.

**Balance sheet 31 August 2020**

	Notes	2020 £'000	2020 £'000	2019 £'000	2019 £'000
<b>Fixed assets</b>					
Tangible fixed assets	12		<u>29,412</u>		<u>28,848</u>
<b>Current assets</b>					
Debtors	13	566		575	
Cash at bank and in hand		<u>812</u>		<u>864</u>	
		<b>1,378</b>		<b>1,439</b>	
<b>Liabilities</b>					
Creditors: amounts falling due within one year	14	<u>(791)</u>		<u>(669)</u>	
<b>Net current assets (liabilities)</b>			<u>587</u>		<u>770</u>
<b>Total assets less current liabilities</b>			<b>29,999</b>		<b>29,618</b>
Pension scheme liability	19		<u>(6,639)</u>		<u>(6,525)</u>
<b>Total net assets</b>			<u><b>23,360</b></u>		<u><b>23,093</b></u>
<b>Funds of the Academy</b>					
Restricted funds					
. Fixed assets fund	16		<u>29,947</u>		<u>29,587</u>
. Pension reserve	16		<u>(6,639)</u>		<u>(6,525)</u>
			<b>23,308</b>		<b>23,062</b>
Unrestricted funds					
. General fund	16		<u>52</u>		<u>31</u>
<b>Total funds</b>			<u><b>23,360</b></u>		<u><b>23,093</b></u>

The financial statements on page 32 to 56 were approved by the trustees, and authorised for issue on [ **8<sup>th</sup> December 2020** ] 2020 and are signed on their behalf by:

Chair



Lampton School Academy Trust  
Company Limited by Guarantee  
Registration Number: 07345776 (England and Wales)

**Statement of cash flows** Year to 31 August 2020

	Note	2020 £'000	2019 £'000
<b>Net cash inflow from operating activities</b>			
Net cash provided by (used in) operating activities	A	101	(238)
<b>Cash flows from investing activities</b>	B	(153)	765
<b>Cash inflow from financing activities</b>		—	—
<b>Change in cash and cash equivalents in the year</b>		<u>(52)</u>	<u>527</u>
<b>Reconciliation of net cash flow to movement in net funds:</b>			
<b>Cash and cash equivalents at 1 September 2019</b>		864	337
<b>Cash and cash equivalents at 31 August 2020</b>	C	<u>812</u>	<u>864</u>

**A Reconciliation of expenditure to net cash flow from operating activities**

	2020 £'000	2019 £'000
<b>Net income (expenditure) for the year (as per the statement of financial activities)</b>	(3)	(211)
<b>Adjusted for:</b>		
Capital grants from DfE and other capital income	(948)	(959)
Investment income receivable	(2)	(3)
Defined benefit pension costs less contributions payable	266	335
Defined benefit pension scheme finance cost	118	131
Depreciation of tangible fixed assets	539	539
Decrease (increase) in debtors	9	(69)
Increase (decrease) in creditors	122	(1)
<b>Net cash provided by (used in) operating activities</b>	<u>101</u>	<u>(238)</u>

**B Cash flows from investing activities**

	2020 £'000	2019 £'000
Investment income receivable	2	3
Purchase of tangible fixed assets	(1,103)	(197)
Capital grants from DfE/ESFA	948	959
<b>Net cash (used in) provided by investing activities</b>	<u>(153)</u>	<u>765</u>

**C Analysis of changes in net debt**

	At 1 September 2019 £'000	Cash flows £'000	At 31 August 2020 £'000
Cash	864	(52)	812
<b>Total</b>	<u>864</u>	<u>(52)</u>	<u>812</u>

**Statement of accounting policies**

Lampton School Academy Trust is a charitable company, limited by guarantee and registered in England and Wales. The address of its principle place of business is given on page 1 and the nature of its operations are set out in the Trustees' report.

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

**Basis of preparation**

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2019 to 2020 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Lampton School Academy Trust meets the definition of a public benefit entity under FRS 102.

**Going concern**

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy Trust to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements.

At 31 August 2020 the unrestricted funds of the Academy are £52,000. Trustees have developed various plans to increase the level of unrestricted funds, including reviewing the fees charged and nature of the courses offered by the Teaching School. The Trust have engaged in a School Resource Management Adviser (SRMA) deployment to identify further areas of efficiency to minimise this deficit and potential cash flow issues.

On this basis, the Trustees have concluded that the Academy has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy's ability to continue as a going concern. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

**Income**

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

## **Income (continued)**

### **Grants**

Grants are included in the statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of meeting any performance-related conditions there is not unconditional entitlement to the income and its recognition is deferred and included in creditors as deferred income until the performance-related conditions are met. Where entitlement occurs before income is received, the income is accrued.

The 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.

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

### **Donations**

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

### **Other income**

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

### **Donated fixed assets**

Donated fixed assets are measured at fair value unless it is impractical to measure this reliably, in which case the cost of the item to the donor is used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the Academy's accounting policies.

Upon becoming an academy trust, ownership of the school site transferred to the charitable company. This asset was recognised in the financial statements and its valuation under the depreciated replacement cost model.

### **Interest receivable**

Interest receivable is included within the statement of financial activities on a receivable basis.

**Income (continued)**

***Teaching School***

Income comprises:

- a) grants from other charitable institutions, which are subject to the same recognition criteria as described above; and
- b) fee income which is invoiced to participant schools. Income is recognised in the statement of financial activities when an invoice is issued.

**Expenditure**

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

***Expenditure on raising funds***

This includes all expenditure incurred by the Academy 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's educational operations, including support costs and costs relating to the governance of the academy trust apportioned to charitable activities.

***Teaching School***

These are costs directly related to the operation of the teaching school. At present, no support costs have been allocated to this charitable activity.

All resources expended are stated net of irrecoverable VAT.

**Tangible fixed assets**

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

#### **Tangible fixed assets (continued)**

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'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 freehold land, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful economic life, as follows:

♦ Land and buildings	2% per annum
♦ Long leasehold buildings	0% per annum
♦ Fixtures, fittings and equipment	10% - 25% per annum
♦ Plants and machinery	10% per annum

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use and reclassified to freehold or leasehold land and buildings.

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.

#### **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.

#### **Leased assets**

Rentals payable under operating leases are charged against income on a straight line basis over the period of the lease.

#### **Financial Instruments**

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

*Financial assets* – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.



#### **Financial Instruments (continued)**

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

*Financial liabilities* – trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

#### **Taxation**

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

#### **Pensions benefits**

Retirement benefits to employees of the Academy are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes and the assets are held separately from those of the Academy.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. The TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions are recognised in the period to which they relate.

The LGPS is a funded scheme and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the statement of financial activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

### **Fund accounting**

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

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

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from the Education and Skills Funding Agency.

### **Agency arrangements**

The academy trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the trust does not have control over the charitable application of the funds. The trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the statement of financial activities. The funds received and paid and any balances held are disclosed in note 22.

### **Critical accounting estimates and areas of judgement**

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 19, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 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.

### **Critical areas of judgement**

No judgements have been made in arriving at the results disclosed in the financial statements.

Notes to the Financial Statements Year to 31 August 2020

**1 Donations and capital grants**

	Unrestricted funds £'000	Restricted funds £'000	2020 Total funds £'000	2019 Total funds £'000
Capital grants	—	948	948	959
Other donations	2	—	2	6
<b>2020 Total funds</b>	<b>2</b>	<b>948</b>	<b>950</b>	<b>965</b>

	Unrestricted funds £'000	Restricted funds £'000	2019 Total funds £'000
Capital grants	—	959	959
Other Donations	6	—	6
<b>2019 Total funds</b>	<b>6</b>	<b>959</b>	<b>965</b>

**2 Funding for the academy's educational operations**

	Unrestricted funds £'000	Restricted funds £'000	2020 Total funds £'000	2019 Total funds £'000
<b>DfE / ESFA revenue grants</b>				
General Annual Grant (GAG)	—	8,398	8,398	8,323
Other DfE / ESFA	—	803	803	460
	—	9,201	9,201	8,783
<b>Other government grants</b>				
Local authority grants	—	193	193	177
	—	193	193	177
<b>Exceptional government funding</b>				
Coronavirus exceptional support	—	42	42	—
	—	42	42	—
<b>Other income from the academy's educational operations</b>	<b>319</b>	<b>16</b>	<b>335</b>	<b>414</b>
<b>2020 Total funds</b>	<b>319</b>	<b>9,452</b>	<b>9,771</b>	<b>9,374</b>

The academy trust has been eligible to claim additional funding in year from government support schemes in response to the coronavirus outbreak. The funding received is shown above under "exceptional government funding".

- ♦ The funding received for coronavirus exceptional support covers £42,210 of free school meal vouchers and additional cleaning costs. These costs are included in notes 5 and 6 below as appropriate.

**2 Funding for the academy's educational operations (continued)**

	Unrestricted funds £'000	Restricted funds £'000	2019 Total funds £'000
<b>DfE / ESFA revenue grants</b>			
General Annual Grant (GAG)	—	8,323	8,323
Other DfE / ESFA	—	460	460
	—	8,783	8,783
<b>Other government grants</b>			
Local authority grants	—	177	177
	—	177	177
Other income from the academy's educational operations	414	—	414
<b>2019 Total funds</b>	<b>414</b>	<b>8,960</b>	<b>9,374</b>

**3 Other trading activities**

	Unrestricted funds £'000	Restricted funds £'000	2020 Total funds £'000
<b>2020 Total funds: Hire of facilities</b>	<b>52</b>	<b>—</b>	<b>52</b>
<b>2019 Total funds: Hire of facilities</b>	<b>196</b>	<b>—</b>	<b>196</b>

**4 Investment income**

	Unrestricted funds £'000	Restricted funds £'000	Total funds £'000
<b>2020 Total funds: Interest receivable</b>	<b>2</b>	<b>—</b>	<b>2</b>
<b>2019 Total funds: Interest receivable</b>	<b>3</b>	<b>—</b>	<b>3</b>

**5 Expenditure**

	Non pay expenditure			2020 Total funds £'000	2019 Total funds £'000
	Staff costs £'000	Premises £'000	Other costs £'000		
<b>Academy's educational operations</b>					
. Direct Costs	6,604	502	577	<b>7,683</b>	7,438
. Allocated support costs	1,573	599	912	<b>3,084</b>	3,211
<b>Teaching school</b>					
. Direct costs	222	—	408	<b>630</b>	962
. Allocated support costs	60	—	—	<b>60</b>	84
<b>2020 Total funds</b>	<b>8,459</b>	<b>1,101</b>	<b>1,897</b>	<b>11,457</b>	<b>11,695</b>

**5 Expenditure (continued)**

	Staff costs £'000	Non pay expenditure		2019 Total funds £'000
		Premises £'000	Other costs £'000	
<i>Academy's educational operations</i>				
. Direct Costs	6,361	502	575	7,438
. Allocated support costs	1,632	600	979	3,211
<i>Teaching school</i>				
. Direct costs	190	—	772	962
. Allocated support costs	84	—	—	84
<b>2019 Total funds</b>	<b>8,267</b>	<b>1,102</b>	<b>2,326</b>	<b>11,695</b>

**6 Net expenditure for the year includes:**

	2020 £'000	2019 £'000
Operating leases	358	339
Depreciation	539	539
Fees payable to auditor		
. Statutory audit	11	9
. Other services	7	9

**7 Charitable activities - academy's educational operations**

	2020 Total funds £	2019 Total funds £
<b>Direct costs</b>		
. Educational operations	7,683	7,438
. Teaching school	630	962
<b>Support costs</b>		
. Educational operations	3,084	3,211
. Teaching school	60	84
	<b>11,457</b>	<b>11,695</b>

	Teaching school £'000	Educational operations £'000	2020 Total funds £'000	2019 Total funds £'000
<b>Analysis of support costs</b>				
Support staff costs	60	1,573	1,633	1,716
Depreciation	—	37	37	37
Technology costs	—	384	384	348
Premises costs	—	562	562	563
Legal costs	—	—	—	—
Other support costs	—	488	488	586
Governance costs	—	40	40	45
<b>Total support costs</b>	<b>60</b>	<b>3,084</b>	<b>3,144</b>	<b>3,295</b>

# Notes to the Financial Statements Year to 31 August 2020

## 7 Charitable activities - academy's educational operations

	Teaching school £'000	Educational operations £'000	2019 Total funds £'000
<i>Analysis of support costs</i>			
Support staff costs	84	1,632	1,716
Depreciation	—	37	37
Technology costs	—	348	348
Premises costs	—	563	563
Other support costs	—	586	586
Governance costs	—	45	45
<b>Total support costs</b>	<b>84</b>	<b>3,211</b>	<b>3,295</b>

## 8 Comparative information

Analysis of income and expenditure in the year ended 31 August 2019 between restricted and unrestricted funds:

	Unrestrict ed funds £,000	Restricted funds		2019 Total funds £'000
		General £'000	Fixed assets fund £,000	
<b>Income from:</b>				
Donations and capital grants	6	—	959	965
Charitable activities				
· Funding for the academy's educational operations	414	8,960	—	9,374
· Teaching school	298	648	—	946
Other trading activities	196	—	—	196
Investments	3	—	—	3
<b>Total</b>	<b>917</b>	<b>9,608</b>	<b>959</b>	<b>11,484</b>
<b>Expenditure on:</b>				
Charitable activities				
· Academy's educational operations	590	9,520	539	10,649
· Teaching school	395	651	—	1,046
<b>Total</b>	<b>985</b>	<b>10,171</b>	<b>539</b>	<b>11,695</b>
<b>Net income (expenditure)</b>	<b>(68)</b>	<b>(563)</b>	<b>420</b>	<b>(211)</b>
Transfers between funds	—	94	(94)	—
<b>Other recognised gains and losses</b>				
Actuarial gains (losses) on defined benefit pension scheme	—	(958)	—	(958)
<b>Net movement in funds</b>	<b>(68)</b>	<b>(1,427)</b>	<b>326</b>	<b>(1,169)</b>
<b>Reconciliation of funds</b>				
Total fund balances brought forward at 1 September 2018	99	(5,098)	29,261	24,262
<b>Total fund balances carried forward at 31 August 2019</b>	<b>31</b>	<b>(6,525)</b>	<b>29,587</b>	<b>23,093</b>

## 9 Staff

### (a) Staff costs

Staff costs during the year were:

	2020 Total funds £'000	2019 Total funds £'000
Wages and salaries	6,195	6,177
Social security costs	602	586
Pension costs	1,572	1,322
Amounts paid to employees	8,369	8,085
Agency staff costs	90	133
Amounts paid to staff	8,459	8,218
Staff development and other staff costs	—	49
<b>Total staff expenditure</b>	<b>8,459</b>	<b>8,267</b>

No non-contractual severance payments (2019 -none) were made during the year.

### (b) Staff numbers

The average numbers of persons (including senior management team) employed by the Academy during the year was as follows:

Charitable activities	2020 No.	2019 No.
Teachers	97	107
Administration and support	80	51
Management	12	1
	<b>189</b>	<b>159</b>

### (c) Higher paid staff

The number of employees whose employee benefits (excluding employer pension costs) fell within the following bands was:

	2020 No.	2019 No.
£60,001 - £70,000	5	3
£70,001 - £80,000	3	1
£80,001 - £90,000	1	1
£90,001 - £100,000	1	—
£110,001 - £120,000	—	1
£120,001 - £130,000	1	—

### (d) Key management personnel

The key management personnel of the Academy comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the Academy was £1,154,323 (2019: £923,347).

**9 Staff (continued)**

**(d) Key management personnel**

The variance in key management remuneration is due to several factors, including: low staff turnover within the senior team; long serving staff reaching the top of their pay scales; and staff who were previously on maternity leave or working part-time returning to full time employment within the year.

**10 Trustees' remuneration and expenses**

The Headteacher and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Headteacher and staff, and not in respect of their services as Trustees. Other Trustees did not receive any payments, other than expenses, from the academy trust in respect of their role as Trustees.

There were no Trustees expenses paid for the years ended 31 August 2020 and 31 August 2019.

	2020 £'000	2019 £'000
S Davis (Headteacher)		
. Remuneration	120 – 130	110 – 120
. Employer's pension contributions	25 – 30	15 – 20
E Ellis (staff)		
. Remuneration	45 – 50	35 – 40
. Employer's pension contributions	10 – 15	5 – 10
R Williams (staff)		
. Remuneration	45 – 50	45 – 50
. Employer's pension contributions	10 – 15	5 – 10

Other related party transactions involving the Trustees are set out within the related parties note.

**11 Trustees' and Officers' insurance**

In accordance with normal commercial practice the Academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £2,000,000 on any one claim and the cost for the year ended 31 August 2020 and 31 August 2019 cannot be ascertained as it is included with all insurance.



## Notes to the Financial Statements Year to 31 August 2020

### 12 Tangible fixed assets

	Freehold land and buildings £'000	Assets under construction £'000	Furniture and equipment £'000	Computer equipment £'000	Plant and machinery £'000	Total funds £'000
<b>Cost/valuation</b>						
At 1 September 2019	32,827	217	189	10	163	33,406
Additions	71	1,032	—	—	—	1,103
At 31 August 2020	32,898	1,249	189	10	163	34,509
<b>Depreciation</b>						
At 1 September 2019	4,339	—	98	7	114	4,558
Charge in year	502	—	19	2	16	539
At 31 August 2020	4,841	—	117	9	130	5,097
<b>Net book value</b>						
At 31 August 2020	28,057	1,249	72	1	33	29,412
At 31 August 2019	28,488	217	91	3	49	28,848

Included in the cost of freehold land and buildings is land value at £7,729,000 which is not depreciated.

### 13 Debtors

	2020 £'000	2019 £'000
Trade debtors	107	72
VAT recoverable	173	119
Other debtors	4	2
Prepayments and accrued income	282	382
	<b>566</b>	<b>575</b>

### 14 Creditors: amounts falling due within one year

	2020 £'000	2019 £'000
Trade creditors	104	247
Taxation and social security	152	157
Other creditors	93	57
Accruals and deferred income	442	208
	<b>791</b>	<b>669</b>

### 15 Deferred income

	2020 £'000	2019 £'000
Deferred income at 1 September 2019	34	56
Released from previous years	(34)	(56)
Resources deferred in the year	137	34
Deferred income at 31 August 2020	<b>137</b>	<b>34</b>

## 16 Funds

	Balance at 1 September 2019 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2020 £'000
<b>Restricted general funds</b>					
General Annual Grant (GAG)	—	8,398	(8,556)	158	—
Pupil Premium	—	329	(329)	—	—
Other government grants	—	725	(725)	—	—
Teaching School	—	428	(428)	—	—
Pension reserve	(6,525)	—	(384)	270	(6,639)
	(6,525)	9,880	(10,422)	428	(6,639)
<b>Restricted fixed asset funds</b>					
DfE Group capital grants	29,587	948	(539)	(49)	29,947
<b>Total restricted funds</b>	<b>23,062</b>	<b>10,828</b>	<b>(10,961)</b>	<b>379</b>	<b>23,308</b>
<b>Unrestricted funds</b>					
General funds	128	375	(234)	(109)	160
Teaching School	(97)	251	(262)	—	(108)
<b>Total unrestricted funds</b>	<b>31</b>	<b>626</b>	<b>(496)</b>	<b>(109)</b>	<b>52</b>
<b>Total funds</b>	<b>23,093</b>	<b>11,454</b>	<b>(11,457)</b>	<b>270</b>	<b>23,360</b>

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

### **General Annual Grant (GAG)**

Income received from the ESFA to cover the normal running costs of the Academy.

Under the funding agreement with the Secretary of State, the academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2020.

### **Other DfE/ESFA grants**

This is included in pupil premium, devolved capital formula grant, ESFA SEN funding, National College grants, redundancy contribution, summer school funding and looked after children funding.

### **Other government grants**

This includes SEN funding from London Borough of Hounslow, teaching school grants and staff sickness insurance claim.

### **Teaching school**

Restricted income comprises grants from the Researches in Schools programme. Unrestricted income comprises self-generated fees charged to other schools.

# Notes to the Financial Statements Year to 31 August 2020

## 16 Funds (continued)

### Transfers

- ◆ £428,000: reallocates NCTL funding received for the Schools Direct programme against the Teaching School expenditure.
- ◆ £49,000: reallocates Devolved Formula Capital Funding from the Fixed Asset fund to match against the cost of repairs such as the roof works.

### Comparative information

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

	Balance at 1 September 2018 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2019 £'000
<b>Restricted general funds</b>					
General Annual Grant (GAG)	—	8,323	(8,417)	94	—
Other DfE/ESFA grants	—	992	(460)	(532)	—
Other government grants	—	177	(177)	—	—
Teaching School	3	116	(651)	532	—
Pension reserve	(5,101)	—	(466)	(958)	(6,525)
	<u>(5,098)</u>	<u>9,608</u>	<u>(10,171)</u>	<u>(864)</u>	<u>(6,525)</u>
<b>Restricted fixed asset funds</b>					
DfE Group capital grants	29,261	959	(539)	(94)	29,587
<b>Total restricted funds</b>	<u>24,163</u>	<u>10,567</u>	<u>(10,710)</u>	<u>(958)</u>	<u>23,062</u>
<b>Unrestricted funds</b>					
General funds	99	619	(590)	—	128
Teaching School	—	298	(395)	—	(97)
<b>Total unrestricted funds</b>	<u>99</u>	<u>917</u>	<u>(985)</u>	<u>—</u>	<u>31</u>
<b>Total funds</b>	<u>24,262</u>	<u>11,484</u>	<u>(11,695)</u>	<u>(958)</u>	<u>23,093</u>

## 17 Subsidiary undertakings

The academy has a dormant subsidiary, Lampton School Trading Company Limited that did not trade in the year ended 30 June 2020.

# 18 Analysis of net assets between funds

	Unrestricted funds £'000	Restricted General Funds £'000	Restricted Fixed Asset Fund £'000	Total 2020 £'000
<b>Fund balances at 31 August 2020 are represented by:</b>				
Tangible fixed assets	—	—	29,412	29,412
Current assets	52	791	535	1,378
Current liabilities	—	(791)	—	(791)
Pension scheme liability	—	(6,639)	—	(6,639)
<b>Total net assets</b>	<b>52</b>	<b>(6,639)</b>	<b>29,947</b>	<b>23,360</b>

	Unrestricted funds £'000	Restricted General Funds £'000	Restricted Fixed Asset Fund £'000	Total 2019 £'000
<b>Fund balances at 31 August 2019 are represented by:</b>				
Tangible fixed assets	—	—	28,848	28,848
Current assets	700	—	739	1,439
Current liabilities	(669)	—	—	(669)
Pension scheme liability	—	(6,525)	—	(6,525)
<b>Total net assets</b>	<b>31</b>	<b>(6,525)</b>	<b>29,587</b>	<b>23,093</b>

# 19 Commitments under operating leases

At 31 August 2020, the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:

	2020 £'000	2019 £'000
Amounts due within one year	358	346
Amounts due between one and five years	340	264
	<b>698</b>	<b>610</b>

# 20 Pension and similar obligations

The Academy'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 the London Borough of Hounslow. Both are multi-employer defined benefit schemes.

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

## 20 Pension and similar obligations (continued)

### ***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 2019. 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; and
- ♦ 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. The assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

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

The employer's pension costs paid to TPS in the period amounted to £991k (2019: £679k).

A copy of the valuation report and supporting documentation is on the [Teachers' Pension Scheme 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.

## 20 Pension and similar obligations (continued)

### *Valuation of the Teachers' Pension Scheme (continued)*

#### **Scheme changes**

The arrangements for a reformed Teachers' Pension Scheme, in line with the recommendations made by Lord Hutton, in particular the introduction of a Career Average Revalued Earnings (CARE) scheme, were implemented from 1 April 2015.

In December 2018, the Court of Appeal held that transitional protection provisions contained in the reformed judicial and firefighter pension schemes, introduced as part of public service pension reforms in 2015, gave rise to direct age discrimination and were therefore unlawful. The Supreme Court, in a decision made in June 2019, have rejected the Government's application for permission to appeal the Court of Appeal's ruling. The case will now be referred to an Employment Tribunal for a decision regarding the remedy which will need to be offered to those members of the two schemes who were subject of the age discrimination.

HM Treasury are clear that the ruling has implications for the other public service schemes, including the Teachers' Pension Scheme. Those implications are currently being considered and any impact on scheme costs is expected to be looked at within the next scheme valuation, which is currently scheduled to be base on April 2020 date and implemented in April 2023.

#### **Local Government Pension Scheme (LGPS)**

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The agreed contribution rates for future years are 14.4% for employers and variable rates for employees. The estimated value of employer contributions for the forthcoming year is £326,000.

The LGPS is in a deficit and the academy trust has entered in to an agreement to make additional contributions in addition to the normal funding levels. The deficit recovery plan has been set by the actuary over the next 17 years.

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

	2020 £'000	2019 £'000
<b>Total contributions made</b>		
Employer's contributions	310	302
Employees' contributions	88	90
<b>Total contributions</b>	<b>398</b>	<b>392</b>

20 Pension and similar obligations (continued)

*Local Government Pension Scheme (LGPS) (continued)*

Principal Actuarial Assumptions	At 31 August 2020 %	At 31 August 2019 %
Rate of increase in salaries	3.3	3.7
Rate of increase for pensions in payment / inflation	2.3	2.2
Discount rate for scheme liabilities	1.6	1.85
CPI increase (%)	2.3	2.2

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	21.3	20.6
Females	23.9	24.9
<i>Retiring in 20 years</i>		
Males	22.8	22.3
Females	25.5	25.8

Scheme liabilities would have been affected by changes in assumptions as follows:

Sensitivity analysis	2020 £'000	2019 £'000
Discount rate +0.1%	(276)	(260)
Discount rate -0.1%	282	266
Mortality assumption – 1 year increase	495	418
Mortality assumption – 1 year decrease	(476)	(402)
Pension increase +0.1%	248	227
Pension increase -0.1%	(242)	(221)
Salary increase +0.1%	32	38
Salary increase -0.1%	(32)	(37)

Defined benefit pension scheme net liability	2020 £'000	2019 £'000
Scheme assets	5,375	4,616
Scheme obligations	(12,014)	(11,141)
<b>Net liability</b>	<b>(6,639)</b>	<b>(6,525)</b>

**20 Pension and similar obligations (continued)**

***Local Government Pension Scheme (LGPS) (continued)***

The Academy's share of the assets and liabilities in the scheme were:

	Fair value at 31 August 2020 £'000	Fair value at 31 August 2019 £'000
Equities	3,327	2,830
Corporate bonds	625	414
Gilts	247	251
Absolute Return funds	942	819
Property	241	218
Other assets	83	84
<b>Total market value of assets</b>	<b>5,375</b>	<b>4,616</b>

	2020 £'000	2019 £'000
<b>Amounts recognised in statement of financial activities</b>		
Current service cost	576	512
Past service cost	—	125
Interest income	(88)	(111)
Interest cost	206	242
<b>Total amount recognised in the SOFA</b>	<b>694</b>	<b>768</b>

Changes in the present value of defined benefit obligations were as follows:	2020 £'000	2019 £'000
At 1 September 2019	11,141	9,176
Current service cost	576	512
Interest cost	206	242
Employee contributions	88	90
Actuarial loss	81	1,151
Benefits paid	(78)	(155)
Past service cost	—	125
<b>At 31 August 2020</b>	<b>12,014</b>	<b>11,141</b>

Changes in the fair value of academy's share of scheme assets:	2020 £'000	2019 £'000
At 1 September 2019	4,616	4,075
Interest income	88	111
Actuarial gain	351	193
Employer contributions	310	302
Employee contributions	88	90
Benefits paid	(78)	(155)
<b>At 31 August 2020</b>	<b>5,375</b>	<b>4,616</b>



## **21 Contingent liabilities**

During the period of the Funding Agreement, in the event of the sale or disposal by other means of any asset for which a Government capital grant was received, the Academy is required to either re-invest the proceeds or to repay the Secretary of State for Children, Schools and Families the same proportion of the proceeds 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 the sums determined by reference to:

- ♦ the value at that 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 in providing those assets was met by payments by the Secretary of State under the Funding Agreement.

## **22 Related party transactions**

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

No related party transaction took place in the period of account, other than certain Trustees' remuneration and expenses already disclosed in notes 9 and 10.

## **23 Agency arrangements**

The academy trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ended 31 August 2020, the brought forward balance from the year ended 31 August 2019 was £69,894, the trust received £36,328 and disbursed £14,519 from the fund. An amount of £83,618 is included in other creditors relating to undistributed funds that are repayable to ESFA.

Notes to the Financial Statements Year to 31 August 2020

**24 Teaching school trading account**

	2020 £'000	2020 £'000	2019 £'000	2019 £'000
<b>Direct income</b>				
Teaching school fees		205		298
Non-government grants		46		116
NCTL grants		428		532
		<u>679</u>		<u>946</u>
<b>Direct costs</b>				
Direct staff costs	222		190	
Placement payments	313		483	
Training costs (including tuition fees)	51		212	
Other direct costs	44		77	
	<u>630</u>		<u>962</u>	
<b>Other costs</b>				
Support staff costs	60		84	
<b>Total expenditure</b>		<u>690</u>		<u>1,046</u>
<b>Deficit from all sources</b>		(11)		(100)
Teaching school balances at 1 September 2019		(97)		3
<b>Teaching school balances at 31 August 2020</b>		<u>(108)</u>		<u>(97)</u>