

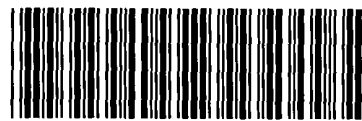
Lampton School Academy Trust

Annual Report and Financial Statements

31 August 2022

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

WEDNESDAY



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Members
D Meaden
F W Wingate (resigned 29.04.22)
S J Davis (resigned 31.08.22)
N Woolman
E J Locke (appointed 22.06.22)
D J Brockie (appointed 18.03.22)
C Stevenson (appointed 23.03.22)

Trustees
S J Davis (Accounting Officer)
D Dadhwal
G Dhaliwal (resigned 06.04.22)
E Ellis (term of office ended 06.10.22)
P S Garcha
L Mackay (appointed 09.05.22)
C Regis (appointed 09.05.22)
R Iglkowski-Broad (appointed 20.09.22)
E Locke (term of office ended 21.06.22)
R Patel
G Sisoda
C Wedderburn (Chair of Risk, Resources & Audit Cttee)
N Woolman (Chair from 01.09.21)

Company Secretary R Sehgal

Senior Leadership Team

Headteacher	S J Davis
Deputy Head	L J Isham
Deputy Head	A M Leggett
Deputy Head	M G 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
Assistant Head	J Hermon (resigned 31.12.21)

Chief Admin Officer	H Lane
Chief Financial Officer	C Humphrey

Registered address
Lampton School
Lampton Avenue
Hounslow
TW3 4EP

Contents

Company registration number 07345776 (England and Wales)

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 2022

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year 1 September 2021 to 31 August 2022. 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 1,544 in the school census on 6 October 2022.

The financial statements have been prepared in accordance with the accounting policies set out on pages 34 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 and subsequent changes to the Trust Board and adoption of new Articles of Association with effect from 1st September 2022.

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 2022 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 4 meetings of the Full Trust Board and 3 meetings of the Outcomes Committee and 3 of the Risk, Resources and Audit Committee. The Admissions Committee met three times, the Audit Committee once and the Pay Committee once. The Trustees' Building Group met half-termly. The Building Group has been replaced by the Estate Development Committee which meets half-termly. 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- these are all accessed via Governor Hub. 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, 2020-21 and 2021-22 about being strategic – including providing financial oversight - fulfilling their core functions and values and vision. A programme of training was put in place for 2020-21 and Hounslow Governing Bodies together with NGA online training is being utilised more by the Board to develop their skills as individuals and as a whole. Post Covid, Full Trust Board meetings have resumed face-to-face with sub-committees being held virtually. Members adopted the new ESFA Articles of Association from 1st September 2022. Clerking also changed to being undertaken by Judicium who are now the Trust's Governance Professionals.

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.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Organisational structure (continued)

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 participating in senior staff appointments.

The following trustees were in office at 31 August 2022 and served throughout the period except as stated:

Trustees	Appointed/ resigned
D Dadhwal	
S Davis (Accounting Officer)	
G Dhaliwal	Resigned 06.04.22
E Ellis	End of office 06.10.22
P S Garcha	
B Hussein	
E Locke	End of term 21.06.22
R Patel	
G Sisodia	
C Wedderburn	
R Williams	
N Woolman	
L Mackay	Appointed 09.05.22
C Regis	Appointed 09.05.22
R Iglukowski-Broad	Appointed 20.09.22

The Senior Leadership Team are the Headteacher, Deputy Headteachers and the Assistant Headteachers. 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)

Organisational structure (continued)

- ◆ Additional payments may be made to a Headteacher for temporary responsibilities that are in addition to the duties taken into 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 trust board, there must be wholly exceptional circumstances and that committee must make a business case to the trust board 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 Trust Board 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.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

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 is a lead school for Challenge Partners and the legacy of being a national teaching school is that the London West Alliance undertakes professional development work as part of the Teach West London Teaching School Hub, Hounslow Education Partnership and is a standalone teacher training provider known as the London West Alliance SCITT.

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.**

The main objectives of the Academy during the year ended 31 August 2022 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)

Objects and aims (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 2022.

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 2022 intake the school received 1,142 (1,131 2021) applications for the 240 places available in Year 7. The maximum distance offered under the distance criteria was 1.348 miles (1.255 miles 2021).

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 2022 numbered 1257 (2021: 1,225) 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. Public Examinations resumed post Covid in 2022 with modifications with regard to content and grading.

The government's Progress 8 data for 2022 was +0.9 – which was significantly above the national and local average and the highest Progress 8 data achieved ever by the school. Attainment also showed a significant increase from 2019, particularly students achieving the challenging benchmark of a grade 5+ in both English and mathematics. This rose from 49% in 2019 to 70% in 2022.

Post 16, 2022 results were above those achieved nationally and locally, with the school being in the top 10% of providers nationally for value added post 16 with an ALPS grade of 2.

To ensure that standards are continually raised the school operates an internal and external review programme of subject areas using a 'Deep Dive' model. Due to Covid, the school did not have an external whole school quality assurance review by Challenge Partners this year, but instead started on a programme of subject 'deep dives' aligned to the Education Inspection Framework. Thematic 'Deep Dives' were also undertaken in the areas of: reading, Personal Development and Safeguarding.

The school was designated as a National Teaching School in 2011 and was de-designated on 31st August 2021 as part of the government's re-organisation and reduction of Teaching Schools and their replacement with Teaching School Hubs. The London West Alliance continues to operate within the framework of the new Hub, known as Teach West London and the Hounslow Education Partnership as well as continuing its membership of Challenge Partners. We provide CPD, local leadership of the Early Career Framework, National Professional Qualifications (NPQs) and the LWA SCITT provides initial teacher training working with a number of other local schools.

Overall review evaluation

The year 2021-2022 was dominated by the return to full time, face-to-face schooling following the disruption of the Covid-19 pandemic. The school and Trustees identified a number of changes of practice brought about by Covid which they decided to retain and embed in 21-22. Examples of these included: split break and lunchtimes; online Parents' Evenings; online meetings – most notably for Trustees; the introduction of 'learning modes' in the classroom to support students and staff with the return to face-to-face education; maintaining year group zones for tutor periods; Virtually Lampton becoming the main conduit of communication for staff; retaining the Headteacher's weekly newsletter via the website for parents, carers and students.

STRATEGIC REPORT (continued)

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 2022 and the associated expenditure are shown as restricted funds in the statement of financial activities.

- ◆ The recommendations from the SRMA visit commissioned by the Accounting Officer in Autumn 2020 were enacted, especially related to the role of the business manager;
- ◆ The Board completed the School Resource Management Self-Assessment Toolkit to support their strategy;
- ◆ Access budget software was introduced in summer 2021 and used throughout 21-22;
- ◆ The Accounting Officer receives weekly reports on cash flow;
- ◆ SLT receive the monthly reports which are produced for the Trustees and all budget holders receive monthly statements for their review;
- ◆ The Trustees Risk, Resources and Audit Committee formed a sub-group of trustees with extensive financial experience who reviewed the monthly reports produced by the school

The school received an additional amount of income from the ESFA as result of recovery premium, mass testing grants, vaccination and exceptional covid grant payments. A significant number of IT devices were provided via the government to the school for disadvantaged students – these and the grants were lower than in 20-21. Lettings recommenced in early summer 2021 and the school migrated its bookings to an online platform to increase the scope of lets and streamline payments.

As a result of the additional income and improved business management practices, the Trust has increased the level of its unrestricted reserves this year.

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 2019), 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.

During the year ended 31 August 2022, the expenditure of £12,405 (2021: £11,740) was funded by recurrent grant funding from the ESFA together with other incoming resources of £11,101k (2021: £11,305k). The Academy achieved an operating surplus for the year excluding pension, restricted fixed asset funds and transfers to restricted fixed assets funds of £330k (2021: surplus of £480k).

STRATEGIC REPORT (continued)

Financial review (continued)

At 31 August 2022 the net book value of fixed assets was £29,041k (2021: £29,500k). Movements in tangible fixed assets are shown in note 11 of the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

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 within future plans 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.

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' expenditure, approximately £860k (2021: £940k).

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 £862k, is in line with the target level noted above.

However, the Trustees still intend to make every effort to continue 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 £2,127k in deficit (2021: £7,450k) as at 31 August 2022. 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 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 20.

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
- ◆ A risk arises in relation to the defined benefit pension scheme, due to the fact that there is a deficit of £2,127k (2021: £7,450k).

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.

FUNDRAISING

The Academy Trust does not perform any fundraising activities.

PLANS FOR FUTURE PERIODS

The school improvement plan (SIP) identifies areas of development for the year ahead. It is underpinned by the Trust's strategic 5-year plan which was launched in 2019. As a result of Covid, this plan and the SIP was modified. The main areas of the 5-year plan are:

- ◆ Quality of education: pedagogical development. Targets of +0.75 or better Progress 8 for Key Stage 4 and ALPS 2 post 16. Both of these outcomes figures were surpassed in 2022, but will remain as targets as examination marking and content reverts to pre-Covid levels in 2023.
- ◆ Climate for learning: embedding our behaviour policy and developing character.
- ◆ Communication: utilising a variety of streams to communicate clear messages with stakeholders.
- ◆ Leadership development: bespoke opportunities to develop leadership at all levels in our community.

PLANS FOR FUTURE PERIODS (continued)

- ♦ Physical environment: developing robust financial plans for the future and developing our school estate.

Specific targets for 2021-22 are:

- ♦ Quality of education: Managing cognitive load and its implications; reading in subject areas and embedding the Lampton Reading Programme; Pupil Progress and its use; presentation at KS3 and KS4;
- ♦ Climate for learning: Consistency; embedding learning routines/modes; personal development via tutor programme and Lampton character education;
- ♦ Communication: bespoke messages used for targeting specific audiences; developing two-way communication.
- ♦ Our physical environment: Robust budget monitoring and planning; Estate Development Plan – including submission of a School Re-building Project bid; celebrating our learning environment; increase community use of our site; renew accessibility plan.

Key financial performance indicators


- ♦ To set a balanced budget for 2022-23 and a three-year balanced budget plan and to continue to build free reserves given the challenging financial climate facing the sector.
- ♦ To continue to use Access software for setting and live tracking of budgets from 2021 onwards and curriculum modelling of cost vs need.
- ♦ Increase 'other income' streams via greater use of the school site and improved catering provision.

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 **01.12.2022** and signed on its behalf by:

Chair 
N. Woolman

Governance statement Year to 31 August 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 4 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
S J Davis (Accounting Officer)	4	4
E Ellis	4	4
P S Garcha	2	4
D Dadhwal	1	4
G Dhaliwal	3	4
E Locke	4	4
R Patel	4	4
C Wedderburn	2	4
G Sisoda	2	4
N Woolman (Chair of Trust Board)	4	4

The Board met 8 times during the year- 4 times as a full board and 4 times as a Risk, Resource and Audit committee. At each one of these meetings a report outlining financial oversight is tabled and the Trust's Risk Register scrutinised.

Conflicts of interest

The trust maintains an up to date register of interests for all Members, Trustees and key post holders – such as SLT, Chief Admin Officer, Operations Manager, Finance Team and Head's PA. Conflicts of interest is a standing item on all Trust Board meeting agenda.

The Risk, Resource and Audit Committee is a sub-committee of the main board of Trustees. Attendance at meetings in the year was as follows:

Governance statement Year to 31 August 2022

Governance (continued)

Trustees	Meetings attended	Out of a possible
S J Davis (Accounting Officer)	3	3
D Dadhwal	2	3
E Locke	3	3
C Wedderburn	2	3
G Dhaliwal	1	2
P S Garcha	2	3
N Woolman (Chair)	2	3

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 the meeting of this committee in the year was as follows:

Trustees	Meetings attended	Out of a possible
S J Davis (Accounting Officer)	1	1
N Woolman (Chair)	0	1
E Locke	1	1
D Dadhwal	0	1
C Wedderburn	1	1

Review of value for money

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:

Robust governance and oversight of Academy Trust finances

The Academy benefits from the provision by Azets 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 Trust Board's Risk, Resources and Audit Committee.

The Risk, Resources and Audit Committee receives monthly budget monitoring reports and report detailing compliance with Academy Trusts tender policy.

The full Trust Board 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 Trust Board Audit Committee also receives and approves the Annual Accounts and the External Auditor's Management Report.

Review of value for money (continued)

Robust governance and oversight of Academy Trust finances (continued)

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. The Trustees completed the School Resource Management Self-Assessment checklist in March 2021 and March 2022 and this has led to much greater efficiency and oversight at Trustee level.

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. In 2020-21 the school used Expense Reduction Analysts (ERA) to procure the best value contract for photocopying in the school, leading to a saving per quarter. They also undertook a review of stationary and janitorial products, leading to a planned saving of 40% on current costs. In 2021-22 the school continued to use their recommendations and undertook evaluation and tender of telephony provision with ERA. A specialist consultant was used for the procurement of the new managed service for IT in 2022 using a national framework for tendering.

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, and in the last phase of the project met fortnightly. The group comprises of the Accounting Officer, Chair of Trustees, 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 Risk, Resources and Audit Committee meetings and posted on Governor Hub for all Trustees to scrutinise. This group has now been replaced by the Estate Development Group which will oversee the formulation of the Estate Development Plan as per the Trust's 5-year plan.

Maximising income generation

The Trust explores 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.

Reviewing controls and managing risks

Monthly budget monitoring reports are produced by Strictly Education, and reviewed by the Head Teacher, Chair of Trustees and Chair of Risk, Resources and Audit. A sub-group of this committee meets monthly to scrutinise these reports, sending questions to the Accounting Officer and Strictly Education. Necessary remedial action taken to address any significant variances that may have an impact on the budget out-turn is taken on the basis of these reports and their scrutiny.

Review of value for money (continued)

Reviewing operation to maximise use of resources

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

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 School Improvement 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 2021 to 31 August 2022 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 2021 to 31 August 2022 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 monthly financial reports which are reviewed and agreed by the Board of Trustees;
- ◆ regular reviews by the Risk, Resource and Audit Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes plus monthly sub-group meetings of this committee;
- ◆ 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

The risk and control framework (continued)

Internal audit

- ♦ identification and management of risks via the Risk Register which is monitored termly by the Risk, Resource and Audit Committee.

The Trust Board has considered the need for a specific internal audit appointed Azets, to complete the internal audit function. Azets'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, Azets reports to the Trust Board on the operation of the systems of control and on the discharge of the Trust Board's financial responsibilities.

The role was carried out by Azets, a firm who is separate to the external audit for the year ended 31 August 2022.

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 leadership 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 **01.12.2022** and signed on their behalf by:

Chair 
N. Woolman
Approved on: **01.12.2022**


Accounting Officer
S. Davis

Statement on regularity, propriety and compliance 31 August 2022

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 Academy Trust Handbook 2021.

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 Academy Trust Handbook 2021.

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

S. Davis

Date: 01.12.2022

Statement of trustees' responsibilities 31 August 2022

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 2021 to 2022 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 2019 and the Academies Accounts Direction 2021 to 2022;
- ◆ 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.

Statement of trustees' responsibilities 31 August 2022

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 ~~01.12.2022~~ 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 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies and the notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law, 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 2019) and the Academies Accounts Direction 2021 to 2022.

In our opinion, the financial statements:

- ◆ give a true and fair view of the state of the charitable company's affairs as at 31 August 2022 and of its income and expenditure, for the period 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 2019 and Academies Accounts Direction 2021 to 2022.

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.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Conclusions relating to going concern (continued)

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

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

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

Matters on which we are required to report by exception (continued)

- ◆ certain disclosures of trustees' remuneration specified by law are not made;
- ◆ 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 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- ◆ the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- ◆ we identified the laws and regulations applicable to the charitable company through discussions with management, and from our knowledge of the academy trust sector;
- ◆ the identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit;

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

- ◆ we considered the legal and regulatory frameworks that are applicable to the charitable company and determined that the most significant are the Companies Act 2006, the Charities SORP 2019, the Academies Accounts Direction 2021 to 2022, the Academy Trust Handbook 2021, and the academy trust's funding agreement with the ESFA as well as legislation pertaining to safeguarding in the UK;
- ◆ we understood how the charitable company is complying with those legal and regulatory frameworks by making inquiries to management and those responsible for legal, compliance and governance procedures. We corroborated our inquiries through our review of the minutes of trustees' meetings and papers provided to the trustees;
- ◆ we planned and carried out a separate limited assurance engagement in respect of regularity, propriety and compliance in accordance with the Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts issued by the ESFA, as set out in our separate independent reporting accountant's assurance report on regularity.

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- ◆ making enquiries of management and those charged with governance as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- ◆ considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- ◆ performed analytical procedures to identify any unusual or unexpected relationships;
- ◆ tested journal entries to identify unusual transactions;
- ◆ tested the authorisation of expenditure as part of our substantive testing thereon;
- ◆ assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policies were indicative of potential bias; and
- ◆ used data analytics to identify any significant or unusual transactions and identify the rationale for them.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- ◆ agreeing financial statement disclosures to underlying supporting documentation;
- ◆ reviewing the minutes of trustees' meetings;
- ◆ enquiring of management and those charged with governance as to actual and potential litigation and claims;

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

- ◆ reviewing any available correspondence with Ofsted, ESFA and HMRC; and
- ◆ the work undertaken in relation to the limited assurance engagement in respect of regularity, propriety and compliance in accordance with the Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts issued by the ESFA, as set out in our separate independent reporting accountant's assurance report on regularity.

There are inherent limitations in our audit procedures described above. The more removed those laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. International Standards on Auditing also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

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. 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

Date: 19 December 2022

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 2021 to 2022, 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 2021 to 31 August 2022 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 Trust Handbook, extant from 1 September 2021, 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 2021 to 2022. 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 2021 to 31 August 2022 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 Framework and Guide for External Auditors and Reporting Accountant of Academy Trusts issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

Independent reporting accountant's report on regularity 31 August 2022

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

In the course of our work nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period from 1 September 2021 to 31 August 2022 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

Date: 19 December 2022

Statement of financial activities (including income and expenditure account) Year to 31 August 2022

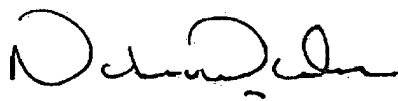
	Notes	Restricted funds			2022 Total funds £'000	2021 Total funds £'000
		Unrestricted funds £'000	General £'000	Fixed assets fund £'000		
Income from:						
Donations and capital grants	1	5	—	108	113	154
Charitable activities						
.. Funding for the academy's educational operations	2	36	10,821	—	10,857	10,300
.. Teaching school	2	—	—	—	—	781
Other trading activities	3	131	—	—	131	70
Total		172	10,821	108	11,101	11,305
Expenditure on:						
Charitable activities						
.. Academy's educational operations	6	—	11,838	567	12,405	11,049
.. Teaching school	4	—	—	—	—	691
Total		—	11,838	567	12,405	11,740
Net income (expenditure)		172	(1,017)	(459)	(1,304)	(435)
Other recognised gains and losses						
Actuarial gains (losses) on defined benefit pension scheme	18	—	6,498	—	6,498	(343)
Net movement in funds		172	5,481	(459)	5,194	(778)
Reconciliation of funds						
Total fund balances brought forward at 1 September 2021		336	(7,254)	29,500	22,582	23,360
Total fund balances carried forward at 31 August 2022		508	(1,773)	29,041	27,776	22,582

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

Balance sheet 31 August 2022

	Notes	2022 £'000	2022 £'000	2021 £'000	2021 £'000
Fixed assets					
Tangible fixed assets	11		<u>29,041</u>		<u>29,500</u>
Current assets					
Debtors	12	226		366	
Cash at bank and in hand		<u>1,781</u>		<u>797</u>	
		2,007		1,163	
Liabilities					
Creditors: amounts falling due within one year	13	<u>(1,145)</u>		<u>(631)</u>	
Net current assets			<u>862</u>		<u>532</u>
Total assets less current liabilities			<u>29,903</u>		<u>30,032</u>
Pension scheme liability	18		<u>(2,127)</u>		<u>(7,450)</u>
Total net assets			<u>27,776</u>		<u>22,582</u>
Funds of the Academy					
Restricted funds					
. Fixed assets fund	15		29,041		29,500
. Restricted income fund	15		354		196
. Pension reserve	15		<u>(2,127)</u>		<u>(7,450)</u>
			27,268		22,246
Unrestricted funds					
. General fund	15		<u>508</u>		<u>336</u>
			508		336
Total funds			<u>27,776</u>		<u>22,582</u>

The financial statements on page 31 to 57 were approved by the trustees, and authorised for issue on 01/12/2022 and are signed on their behalf by:

Chair 
N. Woolman
Approved on: 01.12.2022

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

Statement of cash flows Year to 31 August 2022

	Note	2022 £'000	2021 £'000
Net cash inflow from operating activities			
Net cash provided by operating activities	A	984	545
Cash flows from investing activities	B	—	(560)
Change in cash and cash equivalents in the year		984	(15)
Reconciliation of net cash flow to movement in net funds:			
Cash and cash equivalents at 1 September 2021		797	812
Cash and cash equivalents at 31 August 2022	C	1,781	797

A Reconciliation of expenditure to net cash flow from operating activities

	2022 £'000	2021 £'000
Net expenditure for the year (as per the statement of financial activities)	(1,304)	(435)
Adjusted for:		
Depreciation charges	567	531
Capital grants from DfE and other capital income	(108)	(59)
Defined benefit pension scheme cost less contributions payable	508	365
Defined benefit pension scheme finance cost	667	103
Decrease in debtors	140	200
Increase (decrease) in creditors	514	(160)
Net cash provided by operating activities	984	545

B Cash flows from investing activities

	2022 £'000	2021 £'000
Purchase of tangible fixed assets	(108)	(619)
Capital grants from DfE/ESFA	108	59
Net cash used in investing activities	—	(560)

C Analysis of changes in net debt

	At 1 September 2021 £'000	Cash flows £'000	At 31 August 2022 £'000
Cash	797	984	1,781
Total	797	984	1,781

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 principal 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 2021 to 2022 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 2022 the free reserves of the Academy are £862k. Trustees have developed various plans to increase the level of free reserves, to identify further areas of efficiency and to minimise the risk of potential cash flow issues. Through robust monthly reporting and the use of budget planning tools, Trustees are confident that the Trust is a going concern. Specific strategies have included:

- ◆ Accurate cash flow reports are produced on a monthly basis by Strictly Education – these are shared with the Accounting Officer, Chair of Trustees, the Chair of Risk, Resources and Audit (RRA) Committee and RRA sub-group.
- ◆ The use of Strictly Education as an outsourced experienced finance function. They phase budgeted income based on its sources i.e. ESFA, Pupil Premium quarterly, LA SEN income etc.

Going concern (continued)

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.

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.

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.

Income (continued)

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.

Interest receivable

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

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.

Principal accounting policies 31 August 2022

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 instrument's 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.

Principal accounting policies 31 August 2022

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.

Principal accounting policies 31 August 2022

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 2022. 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 2022

1 Donations and capital grants

	Unrestricted funds £'000	Restricted Fixed assets funds £'000	2022 Total funds £'000	2021 Total funds £'000
Capital grants	—	108	108	59
Other donations	5	—	5	95
2022 Total funds	5	108	113	154

	Unrestricted funds £'000	Restricted Fixed assets funds £'000	2021 Total funds £'000
Capital grants	—	59	59
Other donations	95	—	95
2021 Total funds	95	59	154

2 Funding for the academy's educational operations

	Unrestricted funds £'000	Restricted funds £'000	2022 Total funds £'000	2021 Total funds £'000
DfE / ESFA revenue grants				
General Annual Grant (GAG)	—	9,249	9,249	8,887
Other DfE / ESFA				
· Pupil Premium	—	313	313	311
· Others	—	328	328	609
· Other DfE Group grants	—	132	132	—
	—	10,022	10,022	9,807
Other government grants				
Local authority grants	—	218	218	209
	—	218	218	209
Other income from the academy's educational operations	36	558	594	122
Teaching School Hub				
DfE/ESFA grants	—	—	—	484
Other income	—	—	—	297
	—	—	—	781
COVID-19 additional funding (DfE/ESFA)				
Catch-up premium	—	—	—	98
	—	—	—	98
COVID-19 additional funding (non DfE/ESFA)				
Coronavirus-job retention scheme	—	—	—	17
Other Covid funding	—	23	23	47
	—	23	23	64
2022 Total funds	36	10,821	10,857	11,081

Notes to the financial statements Year to 31 August 2022

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

The trust received £98k of funding for catch-up premium and costs incurred in respect of this funding totalled £98k.

	Unrestricted funds £'000	Restricted funds £'000	2021 Total funds £'000
<i>DfE / ESFA revenue grants</i>			
General Annual Grant (GAG)	—	8,887	8,887
Other DfE / ESFA			
· Pupil Premium	—	311	311
· Others	—	609	609
	—	9,807	9,807
<i>Other government grants</i>			
Local authority grants	—	209	209
	—	209	209
<i>Other income from the academy's educational operations</i>	29	93	122
<i>Teaching School Hub</i>			
DfE/ESFA grants	—	484	484
Other income	—	297	297
	—	781	781
<i>COVID-19 additional funding (DfE/ESFA)</i>			
Catch-up premium	—	98	98
Other DfE/ESFA COVID-19 funding	—	—	—
	—	98	98
<i>COVID-19 additional funding (non DfE/ESFA)</i>	—	17	17
Coronavirus-job retention scheme	—	47	47
Other Covid funding	—	64	64
	—	—	—
2021 Total funds	29	11,052	11,081

3 Other trading activities

	Unrestricted funds £'000	Restricted funds £'000	2022 Total funds £'000	2021 Total funds £'000
Hire of facilities	106	—	106	41
Income from other charitable activities	14	—	14	22
Income from ancillary trading activities	11	—	11	7
	131	—	131	70

Notes to the financial statements Year to 31 August 2022

4 Expenditure

	Non pay expenditure			2022 Total funds £'000	2021 Total funds £'000
	Staff costs £'000	Premises £'000	Other costs £'000		
Academy's educational operations					
. Direct Costs	7,013	567	744	8,324	7,942
. Allocated support costs	1,941	748	1,392	4,081	3,107
Teaching school					
. Direct costs	—	—	—	—	627
. Allocated support costs	—	—	—	—	64
2022 Total funds	8,954	1,315	2,136	12,405	11,740

	Non pay expenditure			2021 Total funds £'000
	Staff costs £'000	Premises £'000	Other costs £'000	
Academy's educational operations				
. Direct Costs	6,973	531	438	7,942
. Allocated support costs	1,688	545	874	3,107
Teaching school				
. Direct costs	144	—	483	627
. Allocated support costs	64	—	—	64
2021 Total funds	8,869	1,076	1,795	11,740

5 Net income for the year includes:

	2022 £'000	2021 £'000
Operating leases	257	94
Depreciation	567	531
Fees payable to auditor		
. Statutory audit	12	11
. Other services	9	7

Notes to the financial statements Year to 31 August 2022

6 Charitable activities - academy's educational operations

	2022 Total funds £	2021 Total funds £
Direct costs		
· Educational operations	8,324	7,942
· Teaching school	—	627
Support costs		
· Educational operations	4,081	3,107
· Teaching school	—	64
	12,405	11,740

	Teaching school £'000	Educational operations £'000	2022 Total funds £'000	2021 Total funds £'000
Analysis of support costs				
Support staff costs	—	1,941	1,941	1,752
Technology costs	—	314	314	395
Premises costs	—	748	748	545
Legal costs	—	2	2	17
Other support costs	—	1,005	1,005	410
Governance costs	—	71	71	52
Total support costs	—	4,081	4,081	3,171

	Teaching school £'000	Educational operations £'000	2021 Total funds £'000
Analysis of support costs			
Support staff costs	64	1,688	1,752
Technology costs	—	395	395
Premises costs	—	545	545
Legal costs	—	17	17
Other support costs	—	410	410
Governance costs	—	52	52
Total support costs	64	3,107	3,171

Notes to the financial statements Year to 31 August 2022

7 Comparative information

Analysis of income and expenditure in the year ended 31 August 2021 between restricted and unrestricted funds:

	Notes	Unrestricted funds £'000	Restricted funds		2021 Total funds £'000
			General £'000	Fixed assets fund £'000	
<i>Income from:</i>					
<i>Donations and capital grants</i>	1	95	—	59	154
<i>Charitable activities</i>					
<i>Funding for the academy's educational operations</i>	2	29	10,271	—	10,300
<i>Teaching school</i>	23	297	484	—	781
<i>Other trading activities</i>	3	70	—	—	70
<i>Investments</i>	4	—	—	—	—
<i>Total</i>		491	10,755	59	11,305
<i>Expenditure on:</i>					
<i>Charitable activities</i>					
<i>Academy's educational operations</i>	7	—	10,518	531	11,049
<i>Teaching school</i>	23	207	484	—	691
<i>Total</i>		207	11,002	531	11,740
<i>Net income (expenditure)</i>		284	(247)	(472)	(435)
<i>Transfers between funds</i>		—	(25)	25	—
<i>Other recognised gains and losses</i>					
<i>Actuarial gains (losses) on defined benefit pension scheme</i>	19	—	(343)	—	(343)
<i>Net movement in funds</i>		284	(615)	(447)	(778)
<i>Reconciliation of funds</i>					
<i>Total fund balances brought forward at 1 September 2020</i>		52	(6,639)	29,947	23,360
<i>Total fund balances carried forward at 31 August 2021</i>		336	(7,254)	29,500	22,582

8 Staff costs

a) Staff costs

Staff costs during the year were:

	2022 Total funds £'000	2021 Total funds £'000
Wages and salaries	6,303	6,454
Social security costs	680	630
Pension costs	1,832	1,727
Amounts paid to employees	8,815	8,811
Agency staff costs	139	58
Total staff expenditure	8,954	8,869

No non-contractual severance payments (2021 -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	2022 No.	2021 No.
Teachers	91	102
Administration and support	81	79
Management	10	11
	182	192

c) Higher paid staff

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

	2022 No.	2021 No.
£60,001 - £70,000	4	3
£70,001 - £80,000	4	4
£80,001 - £90,000	1	—
£90,001 - £100,000	1	1
£120,001 - £130,000	—	1
£130,001 - £140,000	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 £1,083,343 (2021: £1,079,704).

Notes to the financial statements Year to 31 August 2022

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.

9 Trustees' remuneration and expenses

One or more trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment. If this is not the case payments must be disclosed separately. The value of trustees' remuneration and other benefits was as follows:

	2022 £'000	2021 £'000
S Davis (Headteacher)		
. Remuneration	130 – 140	120 – 130
. Employer's pension contributions	30 – 35	30 – 35
E Ellis (staff)		
. Remuneration	35 – 40	35 – 40
. Employer's pension contributions	5 – 10	5 – 10

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

10 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 2022 and 31 August 2021 cannot be ascertained as it is included with all insurance.

Notes to the financial statements Year to 31 August 2022

11 Tangible fixed assets

	Freehold land and buildings £'000	Assets under construction £'000	Furniture and equipment £'000	Plant and machinery £'000	Computer equipment £'000	Total funds £'000
Cost/valuation						
At 1 September 2021	32,959	1,794	197	163	15	35,128
Additions	—	100	—	—	8	108
Transfer	1,894	(1,894)	—	—	—	—
At 31 August 2022	34,853	—	197	163	23	35,236
Depreciation						
At 1 September 2021	5,346	—	132	139	11	5,628
Charge in year	542	—	15	8	2	567
At 31 August 2022	5,888	—	147	147	13	6,195
Net book value						
At 31 August 2022	28,965	—	50	16	10	29,041
At 31 August 2021	27,613	1,794	65	24	4	29,500

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

12 Debtors

	2022 £'000	2021 £'000
Trade debtors	14	41
VAT recoverable	40	72
Other debtors	17	7
Prepayments and accrued income	155	246
	226	366

13 Creditors: amounts falling due within one year

	2022 £'000	2021 £'000
Trade creditors	176	11
Taxation and social security	167	158
Other creditors	495	111
Accruals and deferred income	307	351
	1,145	631

14 Deferred income

	2022 £'000	2021 £'000
Deferred income at 1 September 2021	137	137
Released from previous years	(137)	(137)
Resources deferred in the year	157	137
Deferred income at 31 August 2022	157	137

15 Funds

	Balance at 1 September 2021 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2022 £'000
Restricted general funds					
General Annual Grant (GAG)	196	9,249	(9,091)	—	354
Pupil Premium	—	313	(313)	—	—
Catch-up premium	—	—	—	—	—
Other grants	—	351	(351)	—	—
Other DfE Group Grants	—	132	(132)	—	—
Local authority grants	—	218	(218)	—	—
Other income	—	558	(558)	—	—
Pension reserve	(7,450)	—	(1,175)	6,498	(2,127)
	<u>(7,254)</u>	<u>10,821</u>	<u>(11,838)</u>	<u>6,498</u>	<u>(1,773)</u>
Restricted fixed asset funds					
DfE Group capital grants	29,500	108	(567)	—	29,041
Total restricted funds	<u>22,246</u>	<u>10,929</u>	<u>(12,405)</u>	<u>6,498</u>	<u>27,268</u>
Unrestricted funds					
General funds	651	172	—	(315)	508
Teaching School	(315)	—	—	315	—
Total unrestricted funds	<u>336</u>	<u>172</u>	<u>—</u>	<u>—</u>	<u>508</u>
Total funds	<u>22,582</u>	<u>11,101</u>	<u>(12,405)</u>	<u>6,498</u>	<u>27,776</u>

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 2022.

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.

Notes to the financial statements Year to 31 August 2022

15 Funds (continued)

Teaching school

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

Comparative information

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

	Balance at 1 September 2020 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2021 £'000
<i>Restricted general funds</i>					
General Annual Grant (GAG)	—	8,887	(8,666)	(25)	196
Pupil Premium	—	311	(311)	—	—
Catch-up premium	—	98	(98)	—	—
Other grants	—	975	(975)	—	—
Teaching School	—	484	(484)	—	—
Pension reserve	(6,639)	—	(468)	(343)	(7,450)
	<u>(6,639)</u>	<u>10,755</u>	<u>(11,002)</u>	<u>(368)</u>	<u>(7,254)</u>
<i>Restricted fixed asset funds</i>					
DfE Group capital grants	29,947	59	(531)	25	29,500
<i>Total restricted funds</i>	<u>23,308</u>	<u>10,814</u>	<u>(11,533)</u>	<u>(343)</u>	<u>22,246</u>
<i>Unrestricted funds</i>					
General funds	160	491	—	—	651
Teaching School	(108)	—	(207)	—	(315)
<i>Total unrestricted funds</i>	<u>52</u>	<u>491</u>	<u>(207)</u>	<u>—</u>	<u>336</u>
<i>Total funds</i>	<u>23,360</u>	<u>11,305</u>	<u>(11,740)</u>	<u>(343)</u>	<u>22,582</u>

16 Analysis of net assets between funds

	Unrestricted funds £'000	Restricted General Funds £'000	Restricted Fixed Asset Fund £'000	Total 2022 £'000
Fund balances at 31 August 2022 are represented by:				
Tangible fixed assets	—	—	29,041	29,041
Current assets	508	1,499	—	2,007
Current liabilities	—	(1,145)	—	(1,145)
Pension scheme liability	—	(2,127)	—	(2,127)
Total net assets	<u>508</u>	<u>(1,773)</u>	<u>29,041</u>	<u>27,776</u>

16 Analysis of net assets between funds (continued)

	Unrestricted funds £'000	Restricted General Funds £'000	Restricted Fixed Asset Fund £'000	Total 2021 £'000
<i>Fund balances at 31 August 2021 are represented by:</i>				
<i>Tangible fixed assets</i>	—	—	29,500	29,500
<i>Current assets</i>	336	827	—	1,163
<i>Current liabilities</i>	—	(631)	—	(631)
<i>Pension scheme liability</i>	—	(7,450)	—	(7,450)
<i>Total net assets</i>	336	(7,254)	29,500	22,582

17 Commitments under operating leases

At 31 August 2022, the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:

	2022 £'000	2021 £'000
Amounts due within one year	14	257
Amounts due between one and five years	336	29
	350	286

18 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.

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.

18 Pension and similar obligations (continued)

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 employer's pension costs paid to TPS in the period amounted to £1,080k (2021: £1,146k).

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

18 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 based 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 into 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.

	2022 £'000	2021 £'000
Total contributions made		
Employer's contributions	341	322
Employees' contributions	94	88
Total contributions	435	410

18 Pension and similar obligations (continued)

Local Government Pension Scheme (LGPS) (continued)

	At 31 August 2022 %	At 31 August 2021 %
Principal Actuarial Assumptions		
Rate of increase in salaries	3.0	3.9
Rate of increase for pensions in payment / inflation	3.0	2.9
Discount rate for scheme liabilities	4.3	1.7
CPI increase (%)	3.0	2.9

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 2022	At 31 August 2021
<i>Retiring today</i>		
Males	21.0	21.0
Females	23.5	23.8
<i>Retiring in 20 years</i>		
Males	22.3	22.4
Females	24.9	25.4

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

	2022 £'000	2021 £'000
Sensitivity analysis		
Discount rate +0.1%	(336)	(324)
Discount rate -0.1%	360	332
Mortality assumption – 1 year increase	362	635
Mortality assumption – 1 year decrease	(335)	(608)
Pension increase +0.1%	360	291
Pension increase -0.1%	(336)	(284)
Salary increase +0.1%	348	36
Salary increase -0.1%	(348)	(36)

	2022 £'000	2021 £'000
Defined benefit pension scheme net liability		
Scheme assets	6,355	6,684
Scheme obligations	(8,482)	(14,134)
Net liability	(2,127)	(7,450)

18 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 2022 £'000	Fair value at 31 August 2021 £'000
Equities	4,092	4,265
Corporate bonds	654	705
Gilts	312	307
Absolute Return funds	882	1,059
Property	328	274
Other assets	87	74
Total market value of assets	6,355	6,684

	2022 £'000	2021 £'000
Amounts recognised in statement of financial activities		
Current service cost	849	687
Interest income	(111)	(89)
Interest cost	231	192
Total amount recognised in the SOFA	969	790

Changes in the present value of defined benefit obligations were as follows:	2022 £'000	2021 £'000
At 1 September 2021	14,134	12,014
Current service cost	849	687
Interest cost	231	192
Employee contributions	94	88
Actuarial (gain) loss	(6,498)	1,227
Benefits paid	(328)	(74)
At 31 August 2022	8,482	14,134

Changes in the fair value of academy's share of scheme assets:	2022 £'000	2021 £'000
At 1 September 2021	6,684	5,375
Interest income	111	89
Actuarial gain	(547)	884
Employer contributions	341	322
Employee contributions	94	88
Benefits paid	(328)	(74)
At 31 August 2022	6,355	6,684

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.

21 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.

21 Agency arrangements

The academy trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ended 31 August 2022, the brought forward balance from the year ended 31 August 2021 was £108,533 the trust received £18,164 and disbursed £8,374 from the fund. An amount of £118,323 is included in other creditors relating to undistributed funds that are repayable to ESFA.