

# Legra Academy Trust

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 August 2020



LEGRA  
ACADEMY  
TRUST



**Edmund Carr**

*Chartered Accountants*

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# **Legra Academy Trust**

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## **Legra Academy Trust**

### **Reference and Administrative Details**

<b>Members</b>	Mr A Marcus Mr C Hatton Bishop S Cottrell Mr N Holdcroft
<b>Trustees (Directors)</b>	Ms B Williams Mr C Hatton Ms C Woolf (resigned 11 December 2019) Mr J Hunt Ms C Hankey Mr A Tregoning Ms F Evans Ms M Bean (appointed 11 December 2019) Ms J Jones (appointed 15 September 2020)
<b>Chief Executive Officer</b>	Ms B Williams
<b>Senior Management Team</b>	Ms B Williams, CEO/Principal of Belfairs Ms E Nicholls, Principal of Darlingtonhurst
<b>Principal and Registered Office</b>	Belfairs Academy Highlands Boulevard Leigh-on-Sea Essex SS9 3TG
<b>Company Registration Number</b>	08066610
<b>Auditors</b>	Edmund Carr LLP Chartered Accountants & Statutory Auditor 146 New London Road Chelmsford Essex CM2 0AW
<b>Bankers</b>	National Westminster Bank PLC 132 High Street Southend-on-sea Essex SS1 1JX

## **Legra Academy Trust**

### **Trustees' Report for the Year Ended 31 August 2020**

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2020. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

#### **Structure, governance and management**

##### ***Constitution***

The academy trust is a company limited by guarantee and is an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The company registration number is 08066610.

The governors act as the trustees for the charitable activities of Legra 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, and to the date these accounts are approved are included in the Reference and Administrative Details on page 1.

##### ***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***

The academy trust through its Articles has indemnified its Trustees to the fullest extent permissible by law. During the period the Academy also purchased and maintained liability insurance for its Trustees through participation in the Risk Protection Arrangements.

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

Governor recruitment is through a combination of approaches, one being the co-option of those with necessary skills, from parents of children at the school to those with an interest in the school community. Nominations for Governors will be requested by a specific date. These nominations must include the reasons why the nominee wishes to become a Governor and the attributes they can bring to the Governing Body. These nominations will be considered by the members of the academy trust who will decide the successful candidate.

If a Parent Governor vacancy becomes available then information is circulated to all school parents/carers. Prospective Governors can then be nominated and seconded. If more than one applicant applies, voting papers are sent out. Staff Governor elections will follow a similar procedure.

The Chair and Vice-Chair are elected to the position annually.

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

The Academy Trust provides all new Governors with a comprehensive induction package covering a comprehensive range of issues and topics. This is to ensure they gain a better understanding of the role and responsibilities of being a school Governor so they can fulfil their role with confidence.

The Governing Body is committed to providing training for Governors specific to their roles and the requirements of the Academy Trust. The Academy Trust purchases training from appropriate bodies.

## **Legra Academy Trust**

### **Trustees' Report for the Year Ended 31 August 2020 (continued)**

#### ***Organisational structure***

The Legra Academy Trust is governed by the trustees and is constituted under a Memorandum of Association, and Articles of Association.

The Trust has 5 levels of governance:-

- Members - guardians of the constitution
- Trust board - the Directors/Trustees
- Local Governing Bodies - the Local Governors
- The Principals
- The Executive team

The Trust Board has overall responsibility and ultimate decision making authority for all the work of the Trust, including the establishment and maintenance of the academies.

The governance of each academy is delegated to the relevant Local Governing Body in accordance with the Scheme of Delegation.

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

The Board of Trustees abides by the requirement of all relevant national and local agreements with particular reference to:

- School Teachers' Pay and Conditions Document, including due regard to relevant guidance documents and accompanying circulars
- Conditions of Employment for School Teachers in England & Wales
- Essex Scheme Conditions of Service

Those on the leadership spine play a critical role in the life of the school. They inspire confidence in those around them and work with others to create and share strategic vision which motivates pupils and staff. They take the lead in enhancing standards of teaching and learning and value enthusiasm and innovation in others. They have the confidence and ability to make management and organisational decisions and ensure equity, access and entitlement to learning.

The Board of Trustees confirms the membership of the schools leadership team and the salaries scales will be determined by the pay committee, taking into due account the respective levels of responsibilities, recruitment and retention issues, internal differentials throughout the school and affordability.

A successful performance appraisal review for teaching staff, as prescribed by the appraisal regulations, involves a performance appraisal management process of:

- Assessment against the relevant standards
- Performance objectives
- Classroom observation
- Other evidence

The Board of Trustees ensures that suitable arrangements are in place to assess the total contributions of all support staff and use the assessment to determine annual pay decisions in accordance with the Essex Range.

#### ***Connected organisations, including related party relationships***

The trustees do not consider that there are any connected organisations or related party relationships that impact on the operating policies of the academy trust.

## **Legra Academy Trust**

### **Trustees' Report for the Year Ended 31 August 2020 (continued)**

#### **Objectives and activities**

##### ***Objects and aims***

The principal object of the academy trust is to provide education to advance for the public benefit education in the United Kingdom

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

The academy trust's principle activity is to provide education to boys and girls between the ages of 4 and 18, without prejudice, by establishing, maintaining, carrying on, managing and developing schools offering a broad and balanced curriculum, as set down in the Company's Memorandum and Articles of Association.

As a Trust, our corporate objectives for the academic year 2019/20 were to continue to set and achieve key milestones in reducing the Trust's deficit while maintaining high standards of teaching and learning and ensuring effective curriculum development and safeguarding of our young people.

In the last academic year, the CEO and Finance Director rigorously project managed the Belfairs Academy new-build, ensuring we could accommodate 60 additional students each year. This project was delivered on time and to budget. It ensures Belfairs, as a school of choice in the community, is able to accommodate growing numbers of young people because of its reputation. It is also pleasing to note that Post-16 numbers at Belfairs Academy are increasing, against a very competitive backdrop.

##### ***Public benefit***

The academy trust provides educational services to all children in the local area. The Trustees confirm that they have complied with the duty in Section 4 of the Charities Act 2006 to have due regard to the public benefit guidance provided by the Charity Commission.

In setting objectives and planning our activities the Trustees have carefully considered the Charity Commission's general guidance on public benefit.

## **Legra Academy Trust**

### **Trustees' Report for the Year Ended 31 August 2020 (continued)**

#### **Strategic Report**

##### **Achievements and performance**

##### **Quality of teaching and learning**

Darlinghurst Academy continues to provide an excellent education of all pupils and the Local Governing Body has ensured senior leaders are held to account for the quality of teaching and learning, curriculum design and safeguarding following the 'Good' grading in Ofsted report of December, 2019. The effective strategies for home learning and pupil and parent engagement during the pandemic have been highly effective.

Belfairs Academy continues its pursuit of excellence and this was evidenced with a very positive picture in relation to GCSE and A-level results in 2019/20, despite the challenges presented by Covid-19. Exams were cancelled and exam results were issued on the basis of teacher assessments. It is pleasing that there were very few challenges from exam boards during the moderation process, evidencing the fact that staff at Belfairs know every student well.

##### **Covid-19 impact**

Clearly, the 2020/21 academic year has been incredibly challenging given the backdrop created by Covid-19 both in terms of organisational change and financial impact in relation to heightened cleaning and sanitising regimes to keep our school communities safe, although a level of support in this regard comes from the Department for Education, for which we are grateful.

The Trust Board, and the Local Governing Bodies, have witnessed outstanding work by staff of both academies which have ensured every child continues to receive a good quality education. Obviously, the advent of home learning has been challenging, but our strategies in terms of teaching and learning and safeguarding, have proven very effective. We have been delighted with parents' feedback during the first lockdown which gave us clear validation that the work of our staff was impactful. Of particular note is the highly effective safeguarding arrangements in both academies, which have been supported by parents. The risk assessment and curriculum planning is consistently evolving to meet the demands placed on us. Going forward, there is again the possibility of pre-recorded and live lessons via MS Teams. Our staff have responded to this challenge with professionalism and excellence and will continue to do so.

In November, 2020, Darlinghurst Academy was subject to a spot check from the Health and Safety Executive. No recommendations were made and indeed was taking away the procedures to share with other educational establishments

#### **Belfairs Academy**

##### **Pupil numbers**

No summer census - numbers recorded in January 2020 census.

Total number of students - 1,405 (697 males and 708 females)

## Legra Academy Trust

### Trustees' Report for the Year Ended 31 August 2020 (continued)

#### Strategic Report

##### Results

GCSE Results	2020
Attainment 8	48.52
Progress 8 (unvalidated)	0.46
EBACC APS	4.26
English and Maths 9-4	74%
Best English 9-4	87%
Maths 9-4	76%
GCE Results	2020
Students achieving A*-B (including distinction)	46%
Students achieving A*-E	100%
Achievement rate	100%
Success rate	95%
Retention rate	98%

##### Darlinghurst Academy

##### Pupil numbers

The summer census 2020 showed that we have 632 children on roll, including nursery (36). The number of males is 323 (22 nursery) and females is 309 (14 nursery)

##### Results

**Table 1: EYFS Historical and Current GLD Outcomes**

National 2018	School 2018	National 2019	School 2019	School March 2020
71.5%	74%	72%	74%	76%

**Table 2: Year 1 and Year 2 Historic and Current Phonics Outcomes**

National 2018	School 2018	School 2017 (Y2 resits)	School 2018 (Y2 resits)	National 2019	School 2019	School March 2020
82%	95%	74%	82%	82%	96%	95%



## Legra Academy Trust

### Trustees' Report for the Year Ended 31 August 2020 (continued)

#### Strategic Report

**Table 3: KS1 Historic and Current Attainment**

Subject	KS1 National 2018 (EXS+)	KS1 School 2018 (EXS+)	National 2019 (EXS+)	School 2019 (EXS+)	School March 2020 (EXS+)
Reading	75%	77%	75%	71%	72%
Writing	70%	70%	69%	60%	62%
Maths	76%	77%	76%	73%	70%

**Table 4: KS1 Historic and current attainment GDS**

	Reading	Writing	Maths
National 2018	26%	16%	22%
School 2018	29%	15%	25%
National 2019	25%	15%	22%
School 2019	14%	7%	14%
School March 2020	21%	6%	22%

**Table 5: KS2 Historic and Current Attainment**

Subject	KS2 SATs National 2018 (EXS+)	KS2 SATs School 2018 (EXS+)	KS2 SATs National 2019 (EXS+)	KS2 School 2019 (EXS+)	KS2 School March 2020 (EXS+)
Reading	75%	78%	73%	83%	78% TA 68% Test
Writing	78%	84%	78%	84%	85%
Maths	76%	69%	79%	81%	78% TA 73% Test
GPS	78%	74%	78%	85%	
Combined	64%	64%	65%	68%	68%

**Table 6: Greater Depth KS2 Historic and current attainment at GDS**

	Reading	Writing	Maths	GPS	Combined
National 2018	28%	20%	24%	34%	10%
School 2018	32%	31%	27%	34%	15%
National 2019	27%	20%	27%	36%	11%
School 2019	27%	23%	32%	37%	12%
School March 2020	35% TA 29% Test	17%	23% TA 22% Test	N/A	N/A

## Legra Academy Trust

### Trustees' Report for the Year Ended 31 August 2020 (continued)

#### Strategic Report

Progress Points	School 2018	National 2018	School 2019	National 2019	School 2020
Reading	-0.9	0.00	1.7	0.00	N/A
Writing	0.7	0.00	1.2	0.00	N/A
Maths	-1.6	0.00	1.3	0.00	N/A

Scaled Scores	National 2019	School 2019	School 2020
Reading	104	105	N/A
Maths	105	106	N/A
GPS	106	106	N/A

#### Financial key performance indicators

The Trustees regularly monitor the key financial performance indicators. The final KPIs for the period were as follows:

Number on roll: 2085  
Total Pupil Premium students: £540,757  
Total % of Pupil Premium Students: 21%  
Total Additional Income Per Pupil: £85  
Total Additional Income As a % of Budget: 1.6%  
Support Staff Costs Against GAG Funding: 26.9%  
Support Staff Costs Against Total Budget: 22.8%  
Total Reserves Year End: (45,087)

#### *Going concern*

The Trustees acknowledge that the trust is in a challenging financial position and are in the process of working through a robust financial plan to mitigate the risks and improve financial performance. The Trust has already achieved a number of key milestones from this plan which is expected to return the Trust to an overall surplus position by August 2021. This will also help to secure the long-term viability of the trust.

After making appropriate further enquiries, the Board of Trustees has a reasonable expectation that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, it 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 Accounting Policies within the notes to the accounts.

## **Legra Academy Trust**

### **Trustees' Report for the Year Ended 31 August 2020 (continued)**

#### **Strategic Report**

##### **Review of activities**

###### **Belfairs Academy**

- Achieved Music Mark award for music curriculum recognition
- Successfully delivered live lessons throughout the lockdown period
- GCSE and A Level Art, Photography and textiles work recognised locally in exhibitions such as Leigh Art Trail.
- Healthy Schools Status
- Successful transition programme
- Trips and visits completely successfully to enrich learning.
- Blended learning successfully undertaken during lockdown and continued for any students who need to self-isolate and for staff who are teaching remotely.

###### **Enrichment Rewards**

- Excellent student initiative
- Bake off and MasterChef competitions
- Various sporting successes in Football, Tennis, Rugby and Netball
- Intercollege competitions including swimming, netball and literacy
- Spotlight videos continued throughout lockdown to ensure students were still recognised
- Fun Friday challenge and Monday madness continued for students
- Themed competitions run throughout the year
- Summer school 2020 successfully completed despite covid-19.
- Student shining star and spotlights continue to be awarded to students
- Student ambassador programme relaunched
- Peer mentoring programme continued to be successful
- Belfairs Got Talent auditions and events completed with engagement from all year groups
- Christmas celebration assemblies
- Gold tie assembly celebration

###### **Post 16**

- Charities week - Post 16
- Post 16 Open Evening with record numbers in attendance
- A Level Textiles students worked alongside staff to provide masks for NHS staff during the lockdown period
- Student President and Vice President continue to develop links and work with the local community and students to raise awareness of our charities
- Student President worked with Southend Food bank to collect donations

## **Legra Academy Trust**

### **Trustees' Report for the Year Ended 31 August 2020 (continued)**

#### **Strategic Report**

##### **Parental Engagement**

- Parent forum events and other parental engagement events were well attended throughout the year prior to Covid-19 with topics such as County Lines and subject specific support for GCSE students.
- Parent forum events continued to run online post Covid-19.
- Year 7 Coffee and Cake events took place in addition to progress evenings to welcome new parents

##### **Events**

- Virtual Open Evening held online in July as this could not be run as normal. All information provided online.
- Virtual Summer Celebration events for students to celebrate achievements and reward them for their hard work and success
- Virtual Induction Day held for Year 6 students ahead of joining in September
- Virtual Induction Day held for Year 11 ahead of joining Post 16
- Macmillan Coffee Morning held for staff and post 16.
- Bronze and silver DofE awarded to students
- Christmas carol concert held and well attended by students and parents
- Shaping the Future day continues to be successful and engaging day for students
- GCSE Music Performance event to showcase final pieces
- Future Gateways Event held successful for options

##### **Careers**

- Successful Careers Fayre held online as this could not be held in the usual way.
- Gatsby Benchmark embedded within the curriculum in line with guidelines

##### **Building**

- Building works successfully completed with no interruptions to learning.

##### **Staff**

- Staff wellbeing events in academy attended with 90% of staff attending at least one session.
- Twilight/CPD programme successful including joint days with other schools.
- Involvement from 100% of staff during lockdown for weekly wellbeing updates/events.
- Staff wellbeing audit shows staff feel supported and communication is strong from senior leaders.

## **Legra Academy Trust**

### **Trustees' Report for the Year Ended 31 August 2020 (continued)**

#### **Strategic Report**

##### Darlinghurst

This year has had celebrations and challenges. We are pleased with the progress our children have made and we pride ourselves in the provision and care given to our families during the months ahead of the pandemic, full and partial closure. From September to March, we provided our broad and balanced curriculum, with enrichment and engagement for our children and community. Our children made progress in all areas of learning and this was reflected in information stories, including data. Within this report, there is an outline of learning and events that took place. During full lockdown, the academy continued to stay open to our Key Workers and vulnerable families, ensuring that their emotional and academic needs were met each day. We also ensured that all our children who were learning from home were provided with work of a high standard and regular feedback from our team of teachers and pastoral team. We continued to foster a sense of community online by sending home electronic postcards and hosting, 'Celebrating Together with the Principal' each week. Our children also had access to the online anchor room, to continue pastoral support. Through online platforms we were able to continue engagement with children and families and inspired each other through Instagram. Our specialists developed a high following from our families as they engaged the children with online competitions and activities each week. At the point partially re-opened the academy to key groups we provided full time provision to all children within these groups, working on key aspects of the curriculum. Children who were learning from home continued to receive high quality provision from online teachers within the academy and engagement was sustained or improved further, during this period. A pastoral bubble was formed for identified children to attend the academy during this period so that individual needs could be met and in preparation for a positive September start. Celebrations continued via Instagram with Principal shout outs, postcards and rewards on DB Primary to July. During the summer holiday, the academy continued to provide online learning adapted to the needs of individual year groups in core subjects. This engagement was consistent throughout the entire holidays. Summer Catch Up club targeted off track pupil premium children and high quality tutoring and provision in mathematics and writing, fitness and wellbeing was provided. Progress was tracked and impact measured as a successful intervention for our disadvantaged children. Parental survey and pupil voice exercises showed that this intervention was well planned, delivered and received by all parties involved.

##### **Curriculum learning**

In the Autumn Term 1, Key Stage 2 learnt through science-based topics. Year 3 enjoyed learning about electricity and created different types of electrical circuits. Year 5 launched their topic 'Mysterious Materials' by having different investigations such as adding skittles to water or mints to Coca Cola. Year 6 had an Astronaut Day where they tried astronaut food, learnt about life in space and had a virtual reality session looking at the planets. In Autumn 2, Year 1 learnt about the different continents and oceans and used this to create papier-mâché globes of the world. Year 2 wrote about the Great Fire of London and enjoyed a visit from the Freshwater Theatre Company where they acted out scenes from that terrible night. In the Spring Term, Year 4 enjoyed learning about where chocolate comes from and how it is made. They looked at related topics such as deforestation, creating billboard posters urging multinational companies to rethink their destruction of the rainforest for farming plantations. During lockdown, children continued to learn the wider curriculum in a variety of ways. Teachers encouraged children to conduct simple experiments from home such as mixing different ingredients like oil, food colouring and water and observing what happened. To commemorate VE Day, children created poems, songs and artwork about World War 2 such as decorating their windows and home or creating medals. There were also special pages for Art which encouraged children to create art for VE Day and Multicultural Week. Outdoor Learning was a huge focus with Outdoor Classroom Day and Plastic Free Day. Children showed what they were doing in their gardens such as creating bug hotels or exploring plants and animals. Each week children were also set Eco Challenges set by Sam Pitman from Eco Essex such as creating posters on how to save water or completing a comic strip about how we can litter less.

## **Legra Academy Trust**

### **Trustees' Report for the Year Ended 31 August 2020 (continued)**

#### **Strategic Report**

##### **Learning and life skills**

In the Autumn term, the focus was on teaching the skills explicitly and implicitly. For example, for Learning Together, children were allocated different roles such as a reporter, a recorder and a mediator for group work and discussions. Children were assessed to see how well they were achieving each skill and move up the ladder to the boat as their competence in each 'I can' statement progressed. Each week assemblies further embedded these skills. For example, an assembly looking at different Disney characters and their different traits for children to reflect on their own skills for 'It's Up to Me!' During lockdown, Learning and Life Skills continued to be a focus, enabling children to build their skills in speaking and listening by having key open questions discussed at home and on the DB Primary forums. 'I can' statements were set in News and Views for parents to work on at home so that the school and home life met together to enable our children to succeed as learners and as individuals.

##### **Educational Visits**

Learning was enhanced and enriched by a wide variety of trips and visits during the Autumn and Spring term leading up to lock down in March. Our younger children walked together with the elderly from Admiral Court. Year 5 held a sublime Science week with visitors coming in to teach our children about the amazing world of experiments and attended a performance of Charlie and the Chocolate factory at WCHSB to create a hook for their writing/drama unit. Year 1 visited the Chelmsford Toy museum in support of their Edison history unit and a beach visit to enrich their learning within their Geography unit. In Science, Y1 had a visit from the Imperial Bird of Prey Academy to help children to gather factual information about owls. Year 1 continued to support building community links by taking the children into the local community to visit the Leigh Baptist Church so that they could enhance their learning in RE studies. By identifying features of a church and understanding the story of Easter. Y2 had a visit from the Rainbow Theatre, creating a wow moment for their English/Drama unit. In History, Year 2 explored the Wright Brothers and planes in general, they visited the Imperial War Museum Duxford to further develop their learning. Year 4 went to visit the Sea life Centre to observe how animals see and hear the world we live in, enriching their learning in Science. Year 6 visited the Imperial War Museum to consolidate their learning and understanding of WW2. In school the curriculum was enhanced by events and visits such as KS2 Cross Country, Choir Visit, Football tournaments, Maths Puzzle Day, Dodgeball competitions, Boccia tournament and Litter Picks.

##### **Focused topics**

Focused topics are planned to support the curriculum across the whole academy. In Autumn 2, every class focused on the News, exploring themes within current affairs such as newspaper articles on Brexit, the General Election and the Australian Bush Fires. This work is fed into writing activities for example Year 6 wrote their own newspaper articles on the fires in Australia.

In Spring 1, the focus topic was the whole-school Edison PSHE topic, 'How do I?' This unit covered topics such as saving and spending money, what to do in an emergency and about pollution, litter and the human impact on the environment which linked in well with Eco week. Year 2 enjoyed learning about the different ways in which money was spent. In Spring 2, the focus topic was Biography in a Bag. Year 1 and 2 looked at Jon Snow, Year 3 and 4 at Thomas Edison and Years 5 and 6 at Isaac Newton. Each class had a special bag which contained objects, key words and questions which enabled an enquiry based session to encourage deeper thinking. Year 5, for example, created their own experiment to explore forces and friction using a toy car and Newton meters.

## **Legra Academy Trust**

### **Trustees' Report for the Year Ended 31 August 2020 (continued)**

#### **Strategic Report**

##### **Deeper Days and themed weeks**

###### Black History (October)

Across the school we focused on celebrating the achievements of significant individuals who played an important role in shaping Black History. Pupils incorporated this into Writing, History and Reading lessons such as writing a memoir about the Windrush in Yr 6 or Reading about Rosa Parks in Yr 2.

###### Maths week (November) with Puzzle company

The children were able to complete different puzzles and there were themed Maths assemblies and lessons linked to topic work in History and Geography.

###### Science week (March)

The focus was on different investigations and experiments and each year group made links to Biography in a Bag. For example, Year 5 conducted experiments related to rust and Year 6 focused on forces and created their own investigation involving toy cars and friction.

###### Eco week (January)

Saw lots of visitors sharing their experiences and expertise with pupils. Wayne Dixon and his dog Koda talked about their litter picking expedition around the UK. Sam Pitman from Eco Essex spoke to the Eco team who gave her a tour of the school and she helped them with ideas on how to make our school more eco-friendly. We have continued our links with this local group who are now offering support to our PTA. Alice Hogarth from Extinction Rebellion talked to Year 6 about Climate Change.

###### World Book day (March)

Enabled the children to dress up as their favourite book characters and teachers organised activities such as writing book reviews or creating character profiles linked to their Reading lessons. Children engaged in raising awareness of Anti-Bullying in November including creating their own video messages and campaigns sharing important messages. They engaged in the children's policy - STOP (Start Telling Other People and knowing that bullying is Several Times On Purpose)

##### **Green Flag**

Darlinghurst academy worked towards the Green flag and received the award - A commitment to ensuring we as a school are committed to making our school as environmentally friendly as possible and will continue to lead in this area. Our Eco-Team are engaging in an on-going process to ensure frequent, continuous and progressive learning outside the classroom, opportunities are integrated into the curriculum. We have hosted litter picking events, with families joining staff to help keep the school grounds and local community free from litter. We held the Great British September Clean where each class counted the litter and recycling collected in their classrooms. We are one of a few schools in Essex to receive this award. We are now leading a network group for teachers within South East Essex to support them in their own Eco-journey by sharing our best practice.

## **Legra Academy Trust**

### **Trustees' Report for the Year Ended 31 August 2020 (continued)**

#### **Strategic Report**

##### **EHWB award**

Darlinghurst academy begun the EHWB project in September, engaging in activities linked to meditation, mindfulness with external companies such as Kalma Kids. Our staff, children and parents contributed to well-being surveys and in response sleep clinics were undertaken and regular communications shared with the community on keeping themselves emotionally healthy. This continued during lockdown sharing supportive materials and further development of pastoral communication. Our commitment to healthy eating led to the 'Public Health Responsibility Gold award' and contributed as evidence to our EHWB. We gave personalised support to families during lockdown and put in place many of the strategies from the project. Key families were identified for support, including the return to school with a pastoral bubble and supportive interaction during the summer so that all children returned happily in September.

##### **Festivities**

During December the community participated in festive events, with children enjoying Christmas jumper day and Christmas Dinner. Families also came together for the 'Christmas celebrating together', PTA Christmas Fayre and they kindly donated books to children dressed as elves. We contributed to community events, with our choir singing at Leigh Lights and carolling in Leigh Broadway for Christmas, in addition to singing at other key dates in the school calendar, such as Valentines. Our nativity performances were shared with parents, with a Reception Nativity, year one and year 2. Our Nursery performed their own rendition of, 'the Night before Christmas' and shared cookies and milk with families. KS2 sang and performed Christmas songs at their Christmas concert.

##### **Charity and community events**

Darlinghurst has supported the following chosen charities, engaging in fundraising events and national campaigns, wanting to support children and adults in need. We participated in Children in Need and for Havens Hospice. To further support Havens Hospice we participated in the 'Hares about Town', project, decorating our very own leveret. It is currently in safe storage ready for the event to be continued this year. We also raised awareness of mental health and wellbeing through participation in 'Crafter noon' and also 'Hello Yellow', for Young Minds. We participated in Harvest through donations to local supermarkets and charities. We also paid respect to national days including the Royal British Legion Poppy Appeal and VE Day, through art, music and video. Our children participated in the Daily mile and a walk together with our elderly neighbours at 'Admiral Court'.

##### **Parental engagement**

Parents attended 'Learning and celebrating together sessions' to increase parental engagement and relations. In December, we held a celebrating together session where parents came into the academy to make Christmas decorations with their children. In February we held a learning together session where parents came in to the academy to look at how we teach writing. Parents had the opportunity to take part in activities around writing and look at their children's best pieces of writing - celebrating together. Parental workshops and meetings included Maths with parents whereby counting and times table strategies were shared with parents - parents later joined their children in class to participate in games demonstrating these strategies in action.



## **Legra Academy Trust**

### **Trustees' Report for the Year Ended 31 August 2020 (continued)**

#### **Strategic Report**

##### **PTA**

The school was supported by the PTA and during the lead up to Christmas by helping raise funds through children designing Christmas Cards, creating an amazing Grotto for children to visit Santa and the Grinch, arranged for the hall to be set up as a market hall and stalls where teachers and children ran games and activities. The PTA arranged for Santa to deliver gifts to all the children whereby children received a book to read for the holidays. For Mother's Day, the PTA brought in items and held a sale for children across the school to purchase gifts for their loved ones. The PTA had planned for a Father's Day event, Bounce Day event, Disco and Film night but due to COVID, these could not take place and as a result will be postponed for next academic year.

##### **Induction**

Induction processes for our new intake begun with staggered entry for our children over the first weeks of September, with a focus on settling and relationships. Personal, social, emotional development was shared with parents through a settling report. Opening evening in October was hosted to showcase the academy in addition to parental tours from October to December. Tours were conducted within the academy day, allowing for prospective parents to see the academy/Early years at work. Nursery has been open to visits, all year round. We also hosted a nursery open evening, with nursery and specialist staff. At the end of the academic year, we used virtual communication to support the coming cohort, providing families with Virtual induction, early access to communication platforms and postponement of their stay and play sessions until the start of this academic year. Shaping the Future, was hosted to welcome new comers to the academy, with a focus on academy values and our little boat. We were excited to share how the author of 'Little Boat' came to Darlington. The focus was on believing in the power of possibility and daring to dream. The activities were all linked to his stories.

##### **Transition arrangements and secondary partnerships**

Continued partnership working with BA took place in preparation for transition, focusing on needs and strategies for smooth transition. Support was provided for identified children to visit or communicate with their secondary schools. A number of identified pupils attended small sessions for familiarisation and build friendships. In response to school closure we dedicated a number of lessons to support children's understanding of transition and to allow for Q&A. Their own experience of being at BA during partial opening for eligible children, allowed them to experience a secondary setting, which invaluable. In addition, children attended secondary schools for depth and challenge in Maths and raising aspirations. Weekly sessions with identified children in Y5 to increase problem solving and abstract thinking took place at Belfairs academy delivered by a Maths specialist. The Ocean Project supported our Y6 children in transitioning to secondary school by attending lessons at Belfairs Academy. Transition days were given to all children, inviting them back to the academy to be meet their class and new teachers. A transition model was followed with at least one adult from their year group, moving into the new year group with them. Classes remained the same and were not mixed.

##### **Partnership working**

In the Autumn term, subject leaders collaborated with other subject leaders from Portico, sharing good practice and developing subject knowledge. Writing moderation with other primary schools within the Portico trust facilitated external moderation exercises and sharing of good practice within and across year groups. Senior Leaders attended a conference held with Portico in the Autumn term, strengthening partnerships and sharing good practice - Making it Stick - Chris Quigley. Year 6 attended partial re-opening at Belfairs Academy, supporting transition to secondary school.

## **Legra Academy Trust**

### **Trustees' Report for the Year Ended 31 August 2020 (continued)**

#### **Strategic Report**

##### **Sporting Success**

Children took part in a wide range of sporting activities and tournaments with ever increasing success:

- KS1 Cross country - 2 children finished in the top 10 out of 120, all others finished in the top 50
- KS2 Cross Country - 4 children finished in the top 10 out of 120, all others finished in the top 50
- Y3/4 Tag Rugby Squad - Finished 5th out of 22
- Y5/6 Girls Football Team - Reached the Super 10's (last stage of comp)
- Y3/4 Dodgeball - Champions
- Y5/6 Boys Football Team - Reached the Super 10's
- Y5/6 Dodgeball - Quarter finalists
- Boccia (SEN Sport)- 3rd place
- Y5/6 Hockey Emerging Team - Champions, qualifying them for the Essex finals (Cancelled due to Covid)
- KS1 Mixed Football team - Quarter Finalist
- Y3/4 Boys Football Team - Super 8's
- Y5/6 Netball A Team - Quarter Finalists
- Y5/6 Netball B Team - Champions
- Y5/6 Boys Football - League Champions
- We have entered various virtual competitions since September with all of year 2, 4 and 6 representing the school in Sports Hall Athletics and some other children from various year groups representing in gymnastics, with results pending.

During lockdown, teachers directed the children to exercise with Joe Wicks every day to give them an active start. The academy took part in the National School Sports Week and The Darlington Home Olympics was also introduced by the PE department to personalise learning opportunities for our children, for them to feel some of the belonging they have when at school and to establish an element of competition through our house system. The school was recognised for this work with a special 'Your School Games' award to complement our existing gold award for PE provision. A range of video challenges were posted twice a week throughout lockdown that encouraged creativity and called on a range of skills. Many children engaged and it was notable how many who do not normally engage with PE contributed: one parent stated that her child who in her words "was not a sporty type" had insisted on the whole family doing every challenge together. By posting the tasks and some responses on social media, our profile and reputation in the community was improved as so many parents joined in with videos and shared their children's tasks on their own social media. In the academy, the PE team worked closely with the Key Worker groups and our vulnerable children and 13 of 14 PP children that had returned with lower fitness levels all showed an improvement due to the structured and active break and lunchtimes.

## **Legra Academy Trust**

### **Trustees' Report for the Year Ended 31 August 2020 (continued)**

#### **Strategic Report**

##### **Extra-curricular activities**

The Academy has provided an extensive range of extra-curricular opportunities, developing sports, the arts, languages and other interests. Clubs are provided internally and externally with high levels of engagement. From September to March we ran 14 extra-curricular clubs, all but 3 were free to the children. Clubs included: Street Dance, Karate, Football, Dodgeball, Netball, Hockey, Multi-Sports and Fitness. A gymnastics club was due to start in March but had to be cancelled due to Covid. We link our school clubs to external clubs to encourage our children to join. For example, Southend and Benfleet Hockey Club now have 5 of our children playing in their youth team at the weekend as a direct result of our close links with them. Many of our children enjoy external clubs with a good amount of success too. Some of them have even gone on to represent Essex in gymnastics and diving. We have also had children scouted by professional football clubs. Other clubs include: Performance Club, Art Club, Puppet Club, Bricks 4 Kidz, 11 plus club, Sewing club and Speak like a native.

##### **Financial review**

It is pleasing to note significant steps to reduce our deficit have been taken – and achieved – during the academic year. This achievement is set against the backdrop of additional cost pressures as a result of our Covid-19 response. Our relentless focus has been on achieving value for money in all we do, with careful scrutiny of the overall financial picture and ensuring Trust leaders are held to account for expenditure. This has resulted in a significant reduction of the Trust's deficit, as illustrated by this audit. We remain on track to reach an overall surplus position by August 31, 2021 and Trust and academy finances are considered at each Trust Board meeting to ensure we keep to plan.

In October, the Trust was audited by the Education and Skills Funding Agency as part of a programme of audits across the country. The audit considered all aspects of the academy's finances, including procedures, policies and accounting principles. No concerns were raised apart from two minor expectations which have been carried out.

##### ***Reserves policy***

The Trustees regularly monitor the reserves to ensure that sufficient funds are maintained to meet anticipated future needs whilst avoiding long term accumulation of excessive sums.

At 31st August 2020, the trust had a deficit of £45,087 with £149,190 deficit being restricted and £104,103 surplus being unrestricted.

The Trustees aim to maintain a prudent level of reserves in line with their policy to spend funding received on the pupils in the Academy at that time, except where a specific project required funding to be built up over several years.

The cash flow of the trust has been healthy all year, ending with a balance of £634,058. The Trustees monitor cash flow to ensure sufficient coverage of short term cash flow variances.

Due to the accounting rules for the Local Government Pension Scheme under FRS102, the Trust is recognising a significant fund deficit of £7,007,000. This does not mean that an immediate liability for this amount crystallises, and such a deficit generally results in a cash flow effect in the form of increased employer contributions over a number of years.

## **Legra Academy Trust**

### **Trustees' Report for the Year Ended 31 August 2020 (continued)**

#### **Strategic Report**

##### ***Investment policy***

The charitable company's current policy is to invest surplus funds in short-term cash deposits. There are no investments held beyond cash deposits retained with the major UK clearing banks. Speculative investments are not permitted.

For the year ended 31st August 2020, the charitable company's cash balances generated a return of £0 (2019: £1,297)

##### ***Principal risks and uncertainties***

The Academy Trust has a comprehensive Risk Register which is reviewed regularly. Falling pupil numbers would impact on funding streams for the Trust, making a deficit budget a possibility and affecting long-term viability. Consequently pupil forecasts are monitored carefully and appropriate responsive action is taken.

##### **Fundraising**

The Trustees recognise the importance of getting fundraising right and adopt the following six principles to support them in discharging their responsibilities:

###### **1. Effective planning**

We have effective systems in place to decide on an overall approach to income generation and the required fundraising strategy.

###### **2. Supervision of fundraisers**

We have effective systems in place to keep control of fundraising when delegating to employees, working with volunteers or commercial partners or working through a trading company.

###### **3. Management of charities assets and resources**

We have effective systems in place to identify risks we may face during fundraising and to plan for their management, identify resources required for fundraising, justify costs and protect money raised.

###### **4. Comply with all relevant legal laws**

We have effective systems in place so that comply with any legal rules applicable to fundraising.

###### **5. Comply with code of fundraising practice**

We have effective systems in place so that we comply with any standards applicable to our fundraising

###### **6. Be open and accountable**

We have effective systems in place including complying with the accounting framework, being open about complaints and clearly wording appeals.

##### ***Plans for future periods***

The priorities going forward for 2020/21 are to ensure that the financial plans put in place are fulfilled to generate increased levels of cash and reserves within the trust to support all current Academies and any that may join in the future.

## Legra Academy Trust

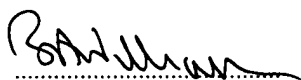
### Trustees' Report for the Year Ended 31 August 2020 (continued)

#### Auditor

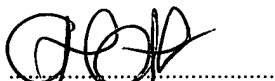
Insofar as the Trustees are aware:

- 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, was approved by order of the members of the board of Trustees on 21/12/2020 and signed on its behalf by:



Ms B Williams  
Trustee



Mr C Hatton  
Trustee

## **Legra Academy Trust**

### **Governance Statement**

#### **Scope of responsibility**

As trustees, we acknowledge we have overall responsibility for ensuring that Legra 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 has delegated the day-to-day responsibility to Ms B Williams, 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 Legra 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 5 times during the year. Attendance during the year at meetings of the board of Trustees was as follows:

<b>Trustee</b>	<b>Meetings attended</b>	<b>Out of a possible</b>
Ms C Hankey	3	5
Ms C Woolf (resigned 11 December 2019)	1	2
Mr C Hatton	5	5
Ms B Williams	5	5
Mr J Hunt	5	5
Mr A Tregoning	3	5
Ms F Evans	4	5
Ms M Bean (appointed 11 December 2019)	3	4

All appointments and terminations are as disclosed on page 1 (reference and administrative details)

- The Trustee Board was further strengthened in the year following two key appointments. The first was a finance director from the private sector, offering additional resilience and financial oversight to ensure our financial recovery plan is achieved. In addition, a former secondary school headteacher with a wealth of experience in the sector was appointed. Both appointments complement an effective, professional Trustee board with experience in key disciplines ranging from leadership and management, high-level public sector finance and leadership, communications, engagement, marketing and community networking.

- Legra Academy Trust has clear demarcation of roles and responsibilities. The main Trust Board considers and implements strategic development, financial oversight and assesses risk across the Trust. Local Governing Bodies in each of the academies have a specific, delegated responsibility to monitor the quality of teaching and learning and curriculum planning and development. Belfairs Local Governing Body is chaired by a primary school headteacher. Governors visit frequently, meet staff and students and establish task and finish groups on specific topics to drive forward standards. Recent projects include increasing numbers of post-16 students. This year, we have seen an increase in the number of students.

## **Legra Academy Trust**

### **Governance Statement (continued)**

- An Ofsted inspection at Darlinghurst Academy in December, 2019, gave clear validation to the work of the Trust in the school's development, stating: "The support and challenge that the board of trustees provides are rigorous, and they hold leaders to account for the outcomes that pupils achieve." In addition, it added: "Leaders have been receptive to the support they have received from the multi-academy trust (MAT) since the previous inspection. This has contributed significantly to the pace of improvement, particularly in building leadership capacity and in raising the quality of teaching and learning."
- A refresh of our skills audit is under way to ensure we recruit a candidate with suitable and required skills for the one vacancy on the Trust Board.
- The Trust intended to commission a governance review in 2020. The Covid-19 pandemic called a halt to that and we have now commissioned a governance review as part of the internal audit process. In addition, a governance review, led by an HMI, will take place before the end of January, 2021.
- The Chair prepares a comprehensive report for each meeting of Trust members with a detailed review of finances, academic performance of each academy and evidence and commentary regarding the Trust's corporate priorities.

#### **Board and Local Governing Body meetings**

The Trust Board and Local Governing Bodies have continued to meet on their normal cycle throughout the pandemic, ensuring clarity and focus on our corporate objectives. One Trust Board meeting was missed because it was due to be held on the day lockdown was called by the Prime Minister. A central focus was ensuring risk assessments and resulting actions were tested and that staff, pupils and parents were kept fully informed of our plans. Of particular note was an innovative plan when schools returned following the first lockdown. Year 6 was one of the first year groups to return. The Trust decided that the Year 6 at Darlinghurst would be accommodated at Belfairs for a period. This assisted Darlinghurst pupils with the transition to secondary education and ensured there was appropriate space at Darlinghurst to accommodate pupils safely.

#### **Audit committee**

An audit committee was formed during the year and is currently made up of Mr J Hunt, Ms C Hankey and Ms M Bean. The CEO and Chair of Governors are invited to attend as observers. The committee were unable to meet during this year, but have held their first formal meeting since the year end and have further meetings scheduled.

## **Legra Academy Trust**

### **Governance Statement (continued)**

#### **Review of value for money**

As accounting officer, the member has responsibility for ensuring that the academy trust 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 trust's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data where appropriate.

The Trust continues to secure value for money with its procurement of leases, maintenance contracts and service level agreements across all academies. All Academies have detailed five year budgets, including ICT refresh and a buildings maintenance programme. The Trust continues to effectively use assets to generate additional income from the hire of premises to business and sports associations within the local community. The Trustees maintain a strong oversight of the long term financial plan and effectiveness of individual Academy budget plans which are discussed and challenged at all Trustee meetings.

Significant attention was given to the expansion project during the year whereby the CEO and Finance Director managed to recoup an overspend on phase 1 of over £500k to bring the project within budget by the end of phase 2.

The continued focus in 2020/21 will be ensuring that the Trusts returns to surplus in this year and that the completed expansion at Belfairs Academy to enable increased pupil numbers will return Belfairs to surplus in 2021/22.

#### **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 ongoing process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Legra Academy Trust for the year ended 31 August 2020 and up to the date of approval of the annual report and financial statements.

#### **Capacity to handle risk**

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

#### **The risk and control framework**

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



## Legra Academy Trust

### Governance Statement (continued)

- Comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of Trustees
- Regular reviews by the Finance and General Purposes Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes
- Setting targets to measure financial and other performance
- Clearly defined purchasing (asset purchase or capital investment) guidelines
- Delegation of authority and segregation of duties
- Identification and management of risks

An independent internal audit was carried out by Scrutton Bland during the year on Payroll and Procurement with no material control issues arising from the work undertaken. They will continue to perform this service in the current 2020/21 financial year along with delivering specific risk training.

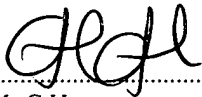
#### Review of effectiveness

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

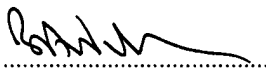
- the work of the internal auditor ;
- the work of the external auditor;
- the financial management and governance self-assessment process or the school resource management self-assessment tool;
- the work of the executive managers within the academy trust who have responsibility for the development 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 members of the board of Trustees on 21/12/2020 and signed on its behalf by:



Mr C Hatton  
Trustee



Ms B Williams  
Chief Executive Officer

## **Legra Academy Trust**

### **Statement on Regularity, Propriety and Compliance**

As Accounting Officer of Legra 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 terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2019.

I confirm that I and the academy trust board of Trustees are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2019.

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



Ms B Williams  
Accounting officer

Date: 21/12/2020

## Legra Academy Trust

### Statement of Trustees' Responsibilities

The Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with the Academies Accounts Direction published by the Education and 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 charitable company 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:

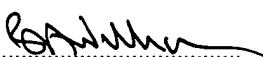
- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.


The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from ESFA/DfE have been applied for the purposes intended.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by order of the members of the Board on 21/12/2020 and signed on its behalf by:

  
Ms B Williams  
Trustee

  
Mr C Hatton  
Trustee

## **Legra Academy Trust**

### **Independent Auditor's Report on the Financial Statements to the Members of Legra Academy Trust**

#### **Opinion**

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

In our opinion the financial statements:

- give a true and fair view of the state of the Academy trust's affairs at 31 August 2020 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 2019 to 2020.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Academy in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Emphasis of matter relating to going concern**

We draw attention to the going concern disclosure in note 1 which indicates the Trustees' conclusion that the Trust has adequate resources to continue in operating existence for the foreseeable future.

Our opinion is not modified in respect of this matter.

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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Academy's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

#### **Other information**

The Trustees are responsible for the other information. The other information comprises the information included in the 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.

## **Legra Academy Trust**

### **Independent Auditor's Report on the Financial Statements to the Members of Legra Academy Trust (continued)**

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

We have nothing to report in this regard.

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

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

- the information given in the trustees' report (incorporating the Strategic Report and Trustees' Report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Trustees' Report have been prepared in accordance with applicable legal requirements.

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

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and Trustees' Report.

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

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

#### **Responsibilities of Trustees**

As explained more fully in the Statement of Trustees' Responsibilities [set out on page 25], the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Academy's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Academy 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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

## Legra Academy Trust

### Independent Auditor's Report on the Financial Statements to the Members of Legra Academy Trust (continued)

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Academy's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Academy's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Academy to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Academy to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Academy audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

#### Use of our report

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

*Edmund Carr LLP*

Sandra Morrell (Senior Statutory Auditor)  
For and on behalf of Edmund Carr LLP, Statutory Auditor

146 New London Road  
Chelmsford  
Essex  
CM2 0AW

Date: 21/12/2020

## **Legra Academy Trust**

### **Independent Reporting Accountant's Report on Regularity to Legra Academy Trust and the Education and Skills Funding Agency**

In accordance with the terms of our engagement letter dated 17 September 2020 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Legra Academy Trust during the period 1 September 2019 to 31 August 2020 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Legra Academy Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we may state to Legra 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 Legra Academy Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

#### **Respective responsibilities of the Governing Body's accounting officer and the reporting accountant**

The Accounting Officer is responsible, under the requirements of the board of Trustees's funding agreement with the Secretary of State for Education dated 1 June 2012 and the Academies Financial Handbook extant from 1 September 2019, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

#### **Approach**

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

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

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

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

The work undertaken to draw to our conclusion includes:

- Reviewing the minutes of the meetings of the Trustees and other evidence made available to us which is relevant to our consideration of regularity
- testing a sample of payments and receipts to documentation
- evaluating the internal control procedures and reporting lines, testing as appropriate and making appropriate enquiries of the Accounting Officer

#### **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 year from 1 September 2019 to 31 August 2020 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

**Legra Academy Trust**

**Independent Reporting Accountant's Report on Regularity to Legra Academy Trust  
and the Education and Skills Funding Agency (continued)**

Edmund Carr LLP

Sandra Morrell

For and on behalf of Edmund Carr LLP, Chartered Accountants

146 New London Road  
Chelmsford  
Essex  
CM2 0AW

Date: 21/12/2020



## Legra Academy Trust

### Statement of Financial Activities for the Year Ended 31 August 2020 (including Income and Expenditure Account)

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	2019/20 Total £
<b>Income and endowments from:</b>					
Donations and capital grants	2	57,068	-	3,378,447	3,435,515
<i>Charitable activities:</i>					
Funding for the Academy trust's educational operations	3	-	10,706,410	-	10,706,410
Other trading activities	4	181,961	-	-	181,961
<b>Total</b>		<b>239,029</b>	<b>10,706,410</b>	<b>3,378,447</b>	<b>14,323,886</b>
<b>Expenditure on:</b>					
<i>Charitable activities:</i>					
Academy trust educational operations	7	299,194	10,768,290	904,183	11,971,667
Net (expenditure)/income		(60,165)	(61,880)	2,474,264	2,352,219
Transfers between funds		(17,156)	17,156	-	-
<b>Other recognised gains and losses</b>					
Actuarial gains on defined benefit pension schemes	23	-	(108,000)	-	(108,000)
Net movement in (deficit)/funds		(77,321)	(152,724)	2,474,264	2,244,219
<b>Reconciliation of funds</b>					
Total funds/(deficit) brought forward at 1 September 2019		181,422	(7,003,464)	39,046,309	32,224,267
Total funds/(deficit) carried forward at 31 August 2020		104,101	(7,156,188)	41,520,573	34,468,486

# Legra Academy Trust

## Statement of Financial Activities for the Year Ended 31 August 2019 (including Income and Expenditure Account)


	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	2018/19 Total £
<b>Income and endowments from:</b>					
Donations and capital grants	2	116,524	-	1,982,808	2,099,332
<i>Charitable activities:</i>					
Funding for the Academy trust's educational operations	3	-	13,360,550	-	13,360,550
Other trading activities	4	290,666	-	-	290,666
Investments	5	1,297	-	-	1,297
Total		408,487	13,360,550	1,982,808	15,751,845
<b>Expenditure on:</b>					
<i>Charitable activities:</i>					
Academy trust educational operations	7	338,429	14,071,734	1,158,636	15,568,799
Transfers on academy leaving the trust	7	9,118	(3,644,642)	15,878,892	12,243,368
Net income/(expenditure)		60,940	2,933,458	(15,054,720)	(12,060,322)
Transfers between funds		(86,147)	82,888	3,259	-
<b>Other recognised gains and losses</b>					
Actuarial gains on defined benefit pension schemes	23	-	(1,057,000)	-	(1,057,000)
Net movement in (deficit)/funds		(25,207)	1,959,346	(15,051,461)	(13,117,322)
<b>Reconciliation of funds</b>					
Total funds/(deficit) brought forward at 1 September 2018		206,630	(8,962,810)	54,097,770	45,341,590
Total funds/(deficit) carried forward at 31 August 2019		181,423	(7,003,464)	39,046,309	32,224,268


# Legra Academy Trust

(Registration number: 08066610)  
Balance Sheet as at 31 August 2020

	Note	2020 £	2019 £
<b>Fixed assets</b>			
Tangible assets	12	41,075,292	38,546,000
<b>Current assets</b>			
Debtors	13	440,422	311,815
Cash at bank and in hand		634,058	785,635
		<u>1,074,480</u>	<u>1,097,450</u>
Creditors: Amounts falling due within one year	14	(674,286)	(943,183)
Net current assets		<u>400,194</u>	<u>154,267</u>
Total assets less current liabilities		<u>41,475,486</u>	<u>38,700,267</u>
Net assets excluding pension liability		41,475,486	38,700,267
Pension scheme liability	23	(7,007,000)	(6,476,000)
Net assets including pension liability		<u>34,468,486</u>	<u>32,224,267</u>
<b>Funds of the Academy:</b>			
<b>Restricted funds</b>			
Restricted general fund		(149,190)	(527,464)
Restricted fixed asset fund		41,520,573	39,046,309
Restricted pension fund		(7,007,000)	(6,476,000)
		<u>34,364,383</u>	<u>32,042,845</u>
<b>Unrestricted funds</b>			
Unrestricted general fund		<u>104,103</u>	<u>181,422</u>
Total funds		<u>34,468,486</u>	<u>32,224,267</u>

The financial statements on pages 31 to 56 were approved by the Trustees, and authorised for issue on 21/12/2020 and signed on their behalf by:

  
Ms B Williams  
Trustee

  
Mr C Hatton  
Trustee

# Legra Academy Trust

## Statement of Cash Flows for the Year Ended 31 August 2020

	Note	2020 £	2019 £
<b>Cash flows from operating activities</b>			
Net cash (used in)/provided by operating activities	19	(96,549)	147,492
Cash flows from investing activities	20	<u>(55,028)</u>	<u>(732,559)</u>
Change in cash and cash equivalents in the year		(151,577)	(585,067)
Cash and cash equivalents at 1 September		<u>785,635</u>	<u>1,370,702</u>
Cash and cash equivalents at 31 August	21	<u><u>634,058</u></u>	<u><u>785,635</u></u>

# **Legra Academy Trust**

## **Notes to the Financial Statements for the Year Ended 31 August 2020**

### **1 Accounting policies**

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

#### **Basis of preparation**

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

#### **Going concern**

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the Financial Statements.

#### **Income**

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

#### **Grants**

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.

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 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 spent on capital projects in line with the terms and conditions of the grant. 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.

## **Legra Academy Trust**

### **Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)**

#### **1 Accounting policies (continued)**

##### ***Other income***

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

##### ***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.

All resources expended are inclusive of irrecoverable VAT.

##### ***Expenditure on raising funds***

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

##### ***Charitable activities***

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

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

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, 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 the relevant assets is charged directly to the restricted fixed asset fund in the Statement of Financial Activities. 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 and assets under construction, at rates calculated to write off the cost of each asset over its expected useful life, per the table below.

Where an asset comprises of two or more components which have substantially different useful lives, each component is depreciated separately over its useful economic life.

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.

## Legra Academy Trust

### Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

#### 1 Accounting policies (continued)

Asset class	Depreciation method and rate
Freehold property	2% straight line
Long-term leasehold property	2% straight line
Furniture and equipment	25% reducing balance
Computer equipment	33.33% straight line
Motor vehicles	20% straight line

#### Liabilities

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

#### Provisions

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

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

#### Leased assets

Rentals under operating leases are charged on a straight-line basis over the lease term.

#### Taxation

The academy trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Accordingly, the academy trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by 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.

## **Legra Academy Trust**

### **Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)**

#### **1 Accounting policies (continued)**

##### **Pension benefits**

Retirement benefits to employees of the academy trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes. The TPS is an unfunded scheme and contributions are calculated to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary based on of quadrennial valuations using a prospective unit credit method. 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 recognised in the period to which they relate.

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to net income/(expenditure) 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 trust at the discretion of the trustees.

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by 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 Department for Education Group.

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

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



## Legra Academy Trust

### Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

#### 1 Accounting policies (continued)

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

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

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 25, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31/08/2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

##### **Agency accounting**

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 25.

#### 2 Donations and capital grants

	Unrestricted funds £	Restricted fixed asset funds £	2019/20 Total £	2018/19 Total £
Educational trips and visits	57,068	-	57,068	116,524
Capital grants	-	3,378,447	3,378,447	1,982,808
	<u>57,068</u>	<u>3,378,447</u>	<u>3,435,515</u>	<u>2,099,332</u>

The income from donations and capital grants was £3,435,514 (2019: £2,099,332) of which £57,068 was unrestricted (2019: £116,524), £Nil restricted (2019: £Nil) and £3,378,447 restricted fixed assets (2019: £1,982,808).

£3,339,027 (2019: £1,801,861) of the capital grants received during the year were received from Southend Borough Council to fund an expansion project at Belfairs Academy. £292,585 (2019: £351,702) of this funding was unspent at the year end and has been carried forward within the restricted fixed asset reserve.

## Legra Academy Trust

### Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

#### 3 Funding for the Academy Trust's educational operations

	Restricted funds £	2019/20 Total £	2018/19 Total £
<b>DfE/ESFA revenue grants</b>			
General Annual Grant (GAG)	9,004,575	9,004,575	12,132,572
Other DfE/ESFA grants	<u>1,242,757</u>	<u>1,242,757</u>	<u>837,460</u>
	10,247,332	10,247,332	12,970,032
<b>Other government grants</b>			
Local authority grants	14,728	14,728	31,851
<b>Other Funding</b>			
Other funding	<u>444,350</u>	<u>444,350</u>	<u>358,667</u>
<b>Total grants</b>	<u><u>10,706,410</u></u>	<u><u>10,706,410</u></u>	<u><u>13,360,550</u></u>

The funding for educational operations was £10,706,410 (2019: £13,360,550) of which £Nil was unrestricted (2019: £Nil), £10,706,410 restricted (2019: £13,360,550) and £Nil restricted fixed assets (2019: £Nil).

## Legra Academy Trust

### Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

#### 4 Other trading activities

	Unrestricted funds £	2019/20 Total £	2018/19 Total £
Hire of facilities	35,632	35,632	48,837
Catering income	30,582	30,582	68,478
School sales	3,894	3,894	9,823
Ofgem receipts	19,267	19,267	25,389
Fundraising activities	92,586	92,586	138,139
	<u>181,961</u>	<u>181,961</u>	<u>290,666</u>

The income from other trading activities was £181,960 (2019: £290,666) of which £181,960 was unrestricted (2019: £290,666), £Nil restricted (2019: £Nil) and £Nil restricted fixed assets (2019: £Nil).

#### 5 Investment income

	2018/19 Total £
Short term deposits	<u>1,297</u>

The income from investments was £Nil (2019: £1,297) of which £Nil was unrestricted (2019: £1,297), £Nil restricted (2019: £Nil) and £Nil restricted fixed assets (2019: £Nil).

#### 6 Expenditure

	Non Pay Expenditure			2019/20 Total £	2018/19 Total £
	Staff costs £	Premises £	Other costs £		
<b>Academy's educational operations</b>					
Direct costs	7,237,392	-	258,066	7,495,458	9,217,288
Allocated support costs	2,178,312	1,483,457	814,440	4,476,209	6,351,511
<b>Transfers on academy leaving the trust</b>					
Allocated support costs	-	-	-	-	12,243,368
	<u>9,415,704</u>	<u>1,483,457</u>	<u>1,072,506</u>	<u>11,971,667</u>	<u>27,812,167</u>

# Legra Academy Trust

## Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

### 6 Expenditure (continued)

Net income/(expenditure) for the year includes:

	2019/20	2018/19
	£	£
Operating lease rentals	93,445	88,176
Depreciation	901,704	1,082,459
Fees payable to auditor - audit	<u>20,650</u>	<u>20,000</u>

### 7 Charitable activities

	2019/20	2018/19
	£	£
Direct costs - educational operations	7,495,458	9,217,288
Support costs - educational operations	<u>4,476,209</u>	<u>18,594,879</u>
	<u>11,971,667</u>	<u>27,812,167</u>

	Educational operations £	2019/20 Total £	2018/19 Total £
<b>Analysis of support costs</b>			
Support staff costs	2,178,312	2,178,312	3,391,574
Depreciation	904,183	904,183	1,158,636
Technology costs	97,365	97,365	121,548
Premises costs	579,274	579,274	731,998
Legal and professional fees	48,121	48,121	137,505
Other support costs	646,929	646,929	13,032,968
Governance costs	<u>22,025</u>	<u>22,025</u>	<u>20,650</u>
Total support costs	<u>4,476,209</u>	<u>4,476,209</u>	<u>18,594,879</u>

## Legra Academy Trust

### Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

#### 8 Staff

##### Staff costs

	2019/20 £	2018/19 £
<b>Staff costs during the year were:</b>		
Wages and salaries	7,023,407	9,102,123
Social security costs	572,928	856,140
Operating costs of defined benefit pension schemes	1,752,175	1,912,433
	<u>9,348,510</u>	<u>11,870,696</u>
Supply staff costs	67,194	185,919
	<u>9,415,704</u>	<u>12,056,615</u>

##### Staff numbers

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

	2019/20 No	2018/19 No
<b>Charitable Activities</b>		
Teachers	91	168
Administration and support	73	172
Management	3	3
	<u>167</u>	<u>343</u>

##### Higher paid staff

The number of employees whose emoluments exceeded £60,000 was:

	2020 No	2019 No
£60,001 - £70,000	3	4
£70,001 - £80,000	2	3
£130,001 - £140,000	1	-
£140,001 - £150,000	-	1

##### Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £294,444 (2019: £256,687).

## Legra Academy Trust

### Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

#### 9 Central services

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

- Risk Protection Arrangements
- Professional services, including Audit
- Educational support services

The academy trust charges for these services on the following basis:

- Flat rate percentage of the School budget share and Education Services Grant.

The actual amounts charged during the year were as follows:

	2020/19	2019/18
	£	£
Belfairs Academy	232,875	220,413
Cecil Jones Academy	-	114,840
Darlinghurst Academy	83,868	87,821
	<u>316,743</u>	<u>423,074</u>

#### 10 Related party transactions - trustees' remuneration and expenses

One or more trustees has been paid remuneration or has received other benefits from 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, and not in respect of their role as trustees. The value of trustees' remuneration and other benefits was as follows:

Ms B Williams (CEO):

Remuneration: £140,000 - £145,000 (2019 - £145,000 - £150,000)

Employer's pension contributions: £30,000 - £35,000 (2019 - £20,000 - £25,000)

During the year, retirement benefits were accruing to 1 trustee (2019 - 1) in respect of defined benefit pension schemes.

During the year ended 31 August 2020, travel and subsistence expenses totalling £195 (2019 - £441) were reimbursed or paid directly to 2 trustees (2019 - 1).

Other related party transactions involving the trustees are set out in note 24.

#### 11 Trustees' and officers' insurance

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

# Legra Academy Trust

## Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

### 12 Tangible fixed assets

	Freehold land and buildings £	Leasehold land and buildings £	Assets under construction £	Furniture and equipment £	Computer equipment £	Motor vehicles £
<b>Cost</b>						
At 1 September 2019	32,230,093	9,193,193	1,899,449	1,302,135	1,221,621	7,000
Additions	223,280	-	3,055,219	87,918	67,058	-
Transfers	4,954,668	-	(4,954,668)	-	-	-
At 31 August 2020	<u>37,408,041</u>	<u>9,193,193</u>	<u>-</u>	<u>1,390,053</u>	<u>1,288,679</u>	<u>7,000</u>
<b>Depreciation</b>						
At 1 September 2019	4,341,618	728,653	-	1,046,047	1,185,573	5,600
Charge for the year	<u>629,068</u>	<u>183,865</u>	<u>-</u>	<u>64,746</u>	<u>25,104</u>	<u>1,400</u>
At 31 August 2020	<u>4,970,686</u>	<u>912,518</u>	<u>-</u>	<u>1,110,793</u>	<u>1,210,677</u>	<u>7,000</u>
<b>Net book value</b>						
At 31 August 2020	<u>32,437,355</u>	<u>8,280,675</u>	<u>-</u>	<u>279,260</u>	<u>78,002</u>	<u>-</u>
At 31 August 2019	<u>27,888,475</u>	<u>8,464,540</u>	<u>1,899,449</u>	<u>256,088</u>	<u>36,048</u>	<u>1,400</u>
					<b>Total</b>	
					<b>£</b>	
<b>Cost</b>						
At 1 September 2019					45,853,491	
Additions					3,433,475	
Transfers					-	
At 31 August 2020					<u>49,286,966</u>	
<b>Depreciation</b>						
At 1 September 2019					7,307,491	
Charge for the year					<u>904,183</u>	
At 31 August 2020					<u>8,211,674</u>	
<b>Net book value</b>						
At 31 August 2020					<u>41,075,292</u>	
At 31 August 2019					<u>38,546,000</u>	

## Legra Academy Trust

### Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

#### 13 Debtors

	2020 £	2019 £
Trade debtors	34,062	23,117
Other debtors	132,666	68,783
Prepayments	122,531	113,199
Accrued grant and other income	151,163	106,716
	<u>440,422</u>	<u>311,815</u>

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

	2020 £	2019 £
Trade creditors	55,498	167,396
Other taxation and social security	154,615	165,995
Other creditors	147,498	330,631
Accruals	73,931	39,221
Deferred income	81,582	94,675
Pension scheme creditor	161,162	145,265
	<u>674,286</u>	<u>943,183</u>
	<u>2020 £</u>	<u>2019 £</u>

#### Deferred income

Deferred income at 1 September 2019	94,675	102,868
Resources deferred in the period	81,582	94,675
Amounts released from previous periods	<u>(94,675)</u>	<u>(102,868)</u>
Deferred income at 31 August 2020	<u>81,582</u>	<u>94,675</u>

Deferred income of £81,582 (2019: £85,352) related to rates relief received from the Education and Skills Funding Agency, in relation to the period 1 September 2020 to 31 March 2021.

Deferred income of £nil (2019: £9,323) related to income received in the period relating to trips which took place after the year end.

#### 15 Funds



# Legra Academy Trust

## Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

### 15 Funds (continued)

	Balance at 1 September 2019 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2020 £
<b>Restricted general funds</b>					
General Annual Grant (GAG)	(676,124)	9,004,576	(8,416,017)	(299,587)	(387,152)
Other DfE/ESFA Grants	84,594	1,242,757	(1,180,620)	-	146,731
Local Authority Grants	-	444,350	(444,350)	-	-
Other Government Grants	-	14,727	(14,727)	-	-
MAT Central Fund	64,066	-	(289,578)	316,743	91,231
	<u>(527,464)</u>	<u>10,706,410</u>	<u>(10,345,292)</u>	<u>17,156</u>	<u>(149,190)</u>
<b>Restricted fixed asset funds</b>					
Inherited Assets	34,029,883	-	(800,854)	-	33,229,029
Tangible Fixed Assets	4,516,116	-	(103,329)	3,433,474	7,846,261
ESFA Capital Grants	123,015	39,420	-	(40,660)	121,775
Local Authority Capital	377,295	3,339,027	-	(3,392,814)	323,508
	<u>39,046,309</u>	<u>3,378,447</u>	<u>(904,183)</u>	<u>-</u>	<u>41,520,573</u>
<b>Restricted pension funds</b>					
Pension reserve	(6,476,000)	-	(423,000)	(108,000)	(7,007,000)
Total restricted funds	32,042,845	14,084,857	(11,672,475)	(90,844)	34,364,383
<b>Unrestricted funds</b>					
Unrestricted general funds	181,422	239,027	(299,190)	(17,156)	104,103
Total funds	<u>32,224,267</u>	<u>14,323,884</u>	<u>(11,971,665)</u>	<u>(108,000)</u>	<u>34,468,486</u>

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

	Balance at 1 September 2018 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2019 £
<b>Restricted general funds</b>					
General Annual Grant (GAG)	(1,376,392)	12,132,572	(11,092,117)	(340,187)	(676,124)
Other DfE/ESFA Grants	153,291	837,460	(906,157)	-	84,594
Local Authority Grants	-	358,667	(358,667)	-	-
Other Government Grants	-	31,851	(31,851)	-	-
MAT Central Fund	416,291	-	(775,300)	423,075	64,066
	<u>(806,810)</u>	<u>13,360,550</u>	<u>(13,164,092)</u>	<u>82,888</u>	<u>(527,464)</u>

## Legra Academy Trust

### Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

#### 15 Funds (continued)

	Balance at 1 September 2018 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2019 £
<b>Restricted fixed asset funds</b>					
Inherited Assets	50,182,482	-	(16,152,599)	-	34,029,883
Tangible Fixed Assets	2,604,751	-	(805,299)	2,716,664	4,516,116
Donated Fixed Assets	25,959	-	(29,218)	3,259	-
ESFA Capital Grants	-	180,947	(50,412)	(7,520)	123,015
Local Authority Capital	1,284,578	1,801,861	-	(2,709,144)	377,295
	<u>54,097,770</u>	<u>1,982,808</u>	<u>(17,037,528)</u>	<u>3,259</u>	<u>39,046,309</u>
<b>Restricted pension funds</b>					
Pension reserve	<u>(8,156,000)</u>	<u>-</u>	<u>2,737,000</u>	<u>(1,057,000)</u>	<u>(6,476,000)</u>
Total restricted funds	45,134,960	15,343,358	(27,464,620)	(970,853)	32,042,845
<b>Unrestricted funds</b>					
Unrestricted general funds	<u>206,630</u>	<u>408,486</u>	<u>(347,547)</u>	<u>(86,147)</u>	<u>181,422</u>
Total funds	<u>45,341,590</u>	<u>15,751,844</u>	<u>(27,812,167)</u>	<u>(1,057,000)</u>	<u>32,224,267</u>

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

#### Restricted general funds

These funds relate to the Academy's development and operational activities.

#### Restricted pension funds

These funds represent the LGPS obligation to the employees of the Academy Trust.

#### Restricted fixed asset fund

These funds relate to long term assets held by the Academy Trust and grants to purchase or maintain these assets.

#### Unrestricted funds

These funds relate to amounts generated or acquired with no restricted covenants attached to them other than for use within the charitable objectives of the Academy.

#### Restriction on surplus GAG

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

#### Analysis of academies by fund balance

Fund balances at 31 August 2020 were allocated as follows:

## Legra Academy Trust

### Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

#### 15 Funds (continued)

	2020 £	2019 £
Darlinghurst Academy	660,284	606,343
Belfairs Academy	(806,782)	(1,026,629)
Central services	<u>101,411</u>	<u>74,244</u>
Total before fixed assets and pension reserve	(45,087)	(346,042)
Restricted fixed asset funds	41,520,573	39,046,309
Pension reserve	<u>(7,007,000)</u>	<u>(6,476,000)</u>
Total	<u><u>34,468,486</u></u>	<u><u>32,224,267</u></u>

Belfairs Academy is carrying a net deficit of £806,782 on its proportion of the funds.

The trust is taking the following action to return the academy to surplus:

The trust has maintained strong staffing in anticipation of the expansion of Belfairs Academy, taking the PAN from 232 to 292. Ultimately, the pupil numbers will increase by 25 per cent over five years with significant additional building work.

This will return the academy to a surplus position by 2021/22.

#### Analysis of academies by cost

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

	Teaching and Educational Support Staff Costs £	Other Support Staff Costs £	Educational Supplies £	Other Costs (excluding Depreciation) £	Total 2020 £
Belfairs Academy	5,028,023	1,520,688	217,578	808,279	7,574,568
Darlinghurst Academy	2,132,895	551,091	40,489	478,865	3,203,340
Cecil Jones Academy	-	-	-	-	-
Central services	<u>76,473</u>	<u>106,533</u>	<u>-</u>	<u>106,572</u>	<u>289,578</u>
Academy Trust	<u><u>7,237,391</u></u>	<u><u>2,178,312</u></u>	<u><u>258,067</u></u>	<u><u>1,393,716</u></u>	<u><u>11,067,486</u></u>
					<b>Total 2019 £</b>
Belfairs Academy					7,460,710
Darlinghurst Academy					3,281,749
Cecil Jones Academy					15,445,074
Central services					<u>465,998</u>
Academy Trust					<u><u>26,653,531</u></u>

## Legra Academy Trust

### Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

#### 16 Analysis of net assets between funds

Fund balances at 31 August 2020 are represented by:

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	-	-	41,075,292	41,075,292
Current assets	104,103	525,096	445,281	1,074,480
Current liabilities	-	(674,286)	-	(674,286)
Provisions	-	(7,007,000)	-	(7,007,000)
Total net assets	<u>104,103</u>	<u>(7,156,190)</u>	<u>41,520,573</u>	<u>34,468,486</u>

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

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	-	-	38,546,000	38,546,000
Current assets	181,422	415,719	500,309	1,097,450
Current liabilities	-	(943,183)	-	(943,183)
Provisions	-	(6,476,000)	-	(6,476,000)
Total net assets	<u>181,422</u>	<u>(7,003,464)</u>	<u>39,046,309</u>	<u>32,224,267</u>

#### 17 Capital commitments

	2020 £	2019 £
Contracted for, but not provided in the financial statements	<u>190,302</u>	<u>3,217,171</u>

#### 18 Commitments under operating leases

##### *Operating leases*

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

## Legra Academy Trust

### Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

#### 18 Commitments under operating leases (continued)

	2020 £	2019 £
Amounts due within one year	89,079	92,903
Amounts due between one and five years	<u>107,246</u>	<u>196,867</u>
	<u>196,325</u>	<u>289,770</u>

#### 19 Reconciliation of net income/(expenditure) to net cash inflow/(outflow) from operating activities

	2019/20 £	2018/19 £
Net income/(expenditure)	2,352,219	(12,060,322)
Depreciation	904,183	1,158,636
Capital grants from DfE and other capital income	(3,378,447)	(1,982,808)
Interest receivable	-	(1,297)
Defined benefit pension scheme obligation	306,000	439,000
Defined benefit pension scheme finance cost	117,000	175,000
(Increase)/decrease in debtors	(128,607)	104,183
(Decrease)/increase in creditors	(268,897)	71,731
Transfers on academy leaving the trust	-	<u>12,243,368</u>
Net cash (used in)/provided by Operating Activities	<u>(96,549)</u>	<u>147,491</u>

#### 20 Cash flows from investing activities

	2019/20 £	2018/19 £
Dividends, interest and rents from investments	-	1,297
Purchase of tangible fixed assets	(3,433,475)	(2,716,664)
Capital funding received from sponsors and others	<u>3,378,447</u>	<u>1,982,808</u>
Net cash used in investing activities	<u>(55,028)</u>	<u>(732,559)</u>

#### 21 Analysis of cash and cash equivalents

	2020 £	2019 £
Cash at bank and in hand	<u>634,058</u>	<u>785,635</u>
Total cash and cash equivalents	<u>634,058</u>	<u>785,635</u>

#### 22 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.

## **Legra Academy Trust**

### **Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)**

#### **23 Pension and similar obligations**

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

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

Contributions amounting to £161,162 (2019 - £145,265) were payable to the schemes at 31 August and are included within creditors.

#### **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 member and employer makes contributions, as a percentage of salary - these contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

#### **Valuation of the Teachers' Pension Scheme**

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019.

The key elements of the valuation and subsequent consultation are:

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

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

The employer's pension costs paid to TPS in the period amounted to £1,067,142 (2019: £969,984). A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

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

## Legra Academy Trust

### Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

#### 23 Pension and similar obligations (continued)

##### Local government pension scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2020 was £485,000 (2019 - £726,000), of which employer's contributions totalled £390,000 (2019 - £583,000) and employees' contributions totalled £95,000 (2019 - £143,000). The agreed contribution rates for future years are 25% per cent for employers and 5.5% to 12.5% per cent for employees.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of 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.

##### Principal actuarial assumptions

	2020 %	2019 %
Rate of increase in salaries	3.30	3.70
Rate of increase for pensions in payment/inflation	2.30	2.20
Discount rate for scheme liabilities	1.60	1.90
Inflation assumptions (CPI)	2.30	2.20
RPI increases	<u>3.10</u>	<u>3.20</u>

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

	2020	2019
<b>Retiring today</b>		
Males retiring today	21.80	21.30
Females retiring today	23.80	23.60
<b>Retiring in 20 years</b>		
Males retiring in 20 years	23.20	23.00
Females retiring in 20 years	<u>25.20</u>	<u>25.40</u>

## Legra Academy Trust

### Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

#### 23 Pension and similar obligations (continued)

##### Sensitivity analysis

	2020 £	2019 £
Discount rate +0.1%	11,961.00	10,873.00
Discount rate -0.1%	12,570.00	11,377.00
Mortality assumption – 1 year increase	12,726.00	11,568.00
Mortality assumption – 1 year decrease	11,813.00	10,694.00
CPI rate +0.1%	12,551.00	11,353.00
CPI rate -0.1%	<u>11,977.00</u>	<u>10,895.00</u>

The academy trust's share of the assets in the scheme were:

	2020 £	2019 £
Equities	3,256,000	2,927,000
Gilts	224,000	256,000
Corporate bonds	294,000	261,000
Property	408,000	372,000
Cash and other liquid assets	143,000	136,000
Other	<u>929,000</u>	<u>694,000</u>
Total market value of assets	<u>5,254,000</u>	<u>4,646,000</u>

The actual return on scheme assets was £127,000 (2019 - £349,000).



## Legra Academy Trust

### Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

#### 23 Pension and similar obligations (continued)

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

	2019/20	2018/19
	£	£
Current service cost	(693,000)	(874,000)
Past service cost	-	(146,000)
Interest cost	(117,000)	(175,000)
Admin expenses	(3,000)	(2,000)
Total amount recognized in the SOFA	<u>(813,000)</u>	<u>(1,197,000)</u>

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

	2019/20	2018/19
	£	£
At start of period	11,122,000	14,899,000
Transferred out on existing academies leaving the trust	-	(6,324,000)
Current service cost	693,000	874,000
Interest cost	206,000	330,000
Employee contributions	95,000	143,000
Actuarial (gain)/loss	324,000	1,388,000
Benefits paid	(179,000)	(334,000)
Past service cost	-	146,000
At 31 August	<u>12,261,000</u>	<u>11,122,000</u>

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

	2019/20	2018/19
	£	£
At start of period	4,646,000	6,743,000
Transferred out on existing academies leaving the trust	-	(2,973,000)
Interest income	89,000	155,000
Actuarial gain/(loss)	216,000	331,000
Employer contributions	390,000	583,000
Employee contributions	95,000	143,000
Benefits paid	(182,000)	(336,000)
At 31 August	<u>5,254,000</u>	<u>4,646,000</u>

#### 24 Related party transactions

Owing to the nature of the academy trust and the composition of the board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. All transactions involving such organisations are conducted at arms length and in accordance with the academy's financial regulations and normal procurement procedures.

There were no related party transactions in the year, other than certain trustees' remuneration and expenses already disclosed in note 10.

## **Legra Academy Trust**

### **Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)**

#### **25 Agency arrangements**

The academy trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ending 31 August 2020 the academy trust received £17,552 and disbursed £7,302 from the fund. An amount of £146,731 is included in other creditors relating to undistributed funds that is repayable to ESFA.

Comparatives for the accounting period ending 31 August 2019 are £23,352 received, £9,486 disbursed and £136,481 included in other creditors.