

Lady Margaret School

**Annual Report and
Financial Statements**

31 August 2022

Company Limited by Guarantee
Registration Number
08156535 (England and Wales)

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Lady Margaret School

Reference and Administrative Details of the Academy For the Year Ended 31 August 2022

Members

The Lady Margaret School Foundation
The London Diocesan Board for Schools
The Rt Rev'd Dr Graham Tomlin, Bishop of Kensington (resigned 31 August 2022)
The Rt Rev'd Dr Ric Thorp, Acting Bishop of Kensington (appointed 01 September 2022)
Philip Bladen, Chair of Trustees (resigned 30 September 2021)
The Rev'd Penelope Seabrook, Chair of Trustees (appointed 06 October 2021)

Trustees

Delrita Agyapong (appointed 01 March 2022)
Saeema Ahmed-Kristensen (appointed 01 March 2022)
Justin Bairamian, Vice Chair*
Phillip Bladen, Chair* (resigned 30 September 2021)
Maxine Boersma
Marianne Coates
Will Downs (appointed 01 September 2022)
James Ewins*
Kathryn Foulds
Severine Gould-Chanroux (appointed 01 September 2021)
William Hunter
Hua Choong Kwan* (appointed 01 September 2021)
Arabella Macintyre*
Nigel Parker
Sarah Peart, Deputy Vice Chair
Vithya Premkumar (resigned 11 March 2022)
Jane Reed (resigned 31 October 2021)
The Rev'd Penelope Seabrook, Chair* (appointed 06 October 2021)
Paul Sloan
Louisa Smith (appointed 27 September 2022)
Elisabeth Stevenson, Headteacher*
Richard Wormell* (resigned 23 June 2022)
Rea Zhubi (appointed 01 November 2021)
*members of the Finance and Resources Committee

Company Secretary

Alex Parker

Headteacher

Elisabeth Stevenson

Lady Margaret School

Reference and Administrative Details of the Academy (Continued) **For the Period Ended 31 August 2022**

Senior Leadership team

Sarah Denmark, Assistant Headteacher

Harriet James, Assistant Headteacher

Nicola Lupton, Deputy Headteacher

Hollie Mellor, Acting Assistant Headteacher (appointed 01 September 2022)

Alex Parker, Bursar

Charlotte Walton, Assistant Headteacher and Director of Sixth Form

Sarah Webber, Deputy Headteacher

Company Registration Number

08156535

Registered Office

Lady Margaret School

9 – 15 Parsons Green Lane

London

SW6 4UN

Independent Auditors

Haysmacintyre LLP

10 Queen Street Place

London

EC4R 1AG

Bankers

Lloyds Bank

25 Gresham Street

London

EC2V 7HN

Lady Margaret School

Governors' Report

For the Year Ended 31 August 2022

Solicitors

Winkworth Sherwood
Minerya House
5 Montague Close
London
SE1 9BB

The Governing Body present their annual report together with the financial statements and auditor's report of the charitable company from the 1 September 2021 to 31 August 2022.

Structure, governance and management

Constitution

Lady Margaret School Academy Trust is a private company limited by guarantee and an exempt charity. The charity's Memorandum and Articles of Association are the primary governing documents of the Academy Trust.

The Governing Body act as the trustees for the charitable activities of the Lady Margaret School Academy Trust and are also directors of the charitable company for the purposes of company law. The charitable company is known as Lady Margaret School.

Lady Margaret School is a Church of England School for girls aged 11 – 18 and is located in Parsons Green, South West London.

The charitable company was formed on the 25 July 2012.

On the 1 September 2012, Lady Margaret School converted to an Academy under the Academies Act 2010.

Details of the governors who served throughout the period except as noted are included in the Reference and Administrative Details on page 1.

Members' liability

There are four members of the charitable company and each member 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 before they ceased to be a member.

Lady Margaret School

Governors' Report (continued)

Method of recruitment and appointment and election of Governors

The number of governors shall not be less than three but shall not be subject to any maximum.

In accordance with the Memorandum and Articles of Association the Academy Trust shall have up to 11 Foundation Governors, 3 Staff Governors, up to 2 Local Community Governors, up to 3 and not less than 2 Parent Governors, Co-opted Governors and the Headteacher. Additional and Further Governors may be appointed in line with the Memorandum and Articles of Association.

The Members appoint the 11 Foundation Governors. The Members appoint 1 Local Community Governor, The Governing Body appoint 1 Local Community Governor (and will invite the LA to propose the candidates). The Headteacher is an Ex Officio Governor. Parent Governors are Parents/Carers of students within the school at the time of their election. They are elected by Parents/Carers of students by secret ballot. The Staff Governors are members of staff at the time of the election. They are elected by members of staff by a secret ballot.

Policies and procedures adopted for the induction and training of Governors

New governors have a meeting with the Chair of Governors and the Headteacher in addition to receiving a tour of the school. An induction pack is provided by the Clerk to The Governing Body which contains documentation relevant to the governance and management of the school.

Training of new governors is tailored accordingly and those requiring guidance on the roles of governors are provided with external training from the Local Authority or the London Diocesan Board of Schools and through internal meetings and discussion with other staff and governors.

Organisational structure

Lady Margaret School is governed by a Governing Body composed of directors and trustees of the company constituted under the Articles of Association of the Academy Trust. The Governing Body acts in accordance with the Funding Agreement and the Articles of Association.

To discharge their responsibilities effectively The Governing Body has established a scheme of delegation and committee structure with their own terms of reference who in turn report back to The Governing Body.

The Governing Body meets every term except in the autumn term whereby an additional Annual General Meeting is held. The committees meet every term.

The committees are as follows:

- Finance and Resources Committee
- Audit and Risk Management Committee

Lady Margaret School

Governors' Report (continued)

- Curriculum Committee
- Staffing and General Purposes Committee
- Admissions Committee

There are also occasional committees which meet as when required throughout the year.

Ms Elisabeth Stevenson is the Accounting Officer for the Academy Trust.

The Senior Leadership Team controls the running of the Academy at an executive level and implements the policies and decisions of The Governing Body through the agreed schemes of delegation.

The Governing Body have an approved scheme of financial delegation that allows financial responsibilities to be delegated within appropriate limits to facilitate the effective running of the academy.

Arrangements for setting pay and remuneration of key management personnel

Lady Margaret Academy Trust operates a pay policy which is reviewed annually and is subject to staff and trade union consultation.

The Pay Policy for 1 September 2021 to 31 August 2022 set out the pay ranges for the school's senior leadership team; the Headteacher, the Deputy Headteachers, the Assistant Headteachers and the school Bursar.

The above pay policy has regard to the guidance contained within the School Teacher's Pay and Conditions Document 2021 ('STPCD September 2021'), ESFA Academy Trust Handbook 2021 and Ofsted guidance. The policy also has regard to the National Joint Council for Local Government Services National Agreement on Pay and Conditions of Service (the "Green Book") and any local terms and conditions of employment for support staff. In addition the policy is subject to the provisions of The Governing Body's TUPE Letter, 4 May 2012 to trade unions and staff.

Trade Union Facility Time

In accordance with schedule 2 of the Trade Union (Facility Time Publication Requirements) Regulations 2017, the Trade Union Facility Time for the period 01 April 2022 to 31 August 2022 was as follows:

Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
3	3

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Governors' Report (continued)

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	3
1%-50%	
51%-99%	
100%	

Percentage of pay bill spent on facility time

Total cost of facility time	£991
Total pay bill	£4,496,468
Percentage of total pay bill spent on facility time, calculated as: (total cost of facility time / total pay bill) x 100	0.022%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as: (total hours spent on paid trade union activities by relevant union officials during the relevant period / total paid facility time hours) x 100	100%
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Connected organisations, including related party relationships

Lady Margaret Academy Trust is connected to the London Diocesan Board for Schools, The Bishop of Kensington, The Lady Margaret School Foundation and the London Borough of Hammersmith and Fulham.

The London Diocesan Board for Schools is one of the four members of the Lady Margaret School Academy Trust and party to the Supplemental Agreement of the Academy Trust Funding Agreement. The supplemental agreement is in place to enable the Academy Trust to occupy the land and buildings in which it occupies, which is owned by The Lady Margaret School Foundation.

The Bishop of Kensington is a member of the Academy Trust.

The Lady Margaret School Foundation is a charity established to manage monies held in trust for Lady Margaret School.

Lady Margaret is situated within the London Borough of Hammersmith and Fulham (LBHF) and has a relationship with the Local Authority (LA) as a secondary education provider.

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Governors' Report (continued)

Objectives and Activities

Objects and Aims

The principle activity of the Academy Trust is set out in the Articles of Association. The Academy Trust's objects ('Objects') are specifically restricted to the following:

To advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a Church of England school which shall offer a broad and balanced curriculum and shall be conducted in accordance with the principles, practices and tenets of the Church of England, including any trust deed governing the use of the land used by the Academy both generally and in particular in relation to arranging for religious education and daily acts of worship and having regard to any advice issued by the Trustees.

In furtherance of the object but not further or otherwise the Academy Trust may exercise additional powers as set out in the Memorandum and Articles of Association.

Objectives, strategies and activities

Lady Margaret School is a Church of England school for girls aged 11 to 18. Founded by Miss Enid Moberly Bell in 1917.

The school became an Academy Trust on 1 September 2012.

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

The priorities for the school over the period are reflected in the **School Development Plan 2021 - 2022**. These are identified by the Senior Leadership Team following discussions with The Governing Body.

School Development Plan 2021-2022

The development priorities for 2021-2022 that were contained within the School Development Plan were as follows:

1. To sustain recent changes in order to maintain excellent progress for all, including those in disadvantaged groups, at each key stage
2. To support the well-being of all members of the school community
3. To support the professional development of our staff team
4. To maintain the school's financial stability

Lady Margaret School

Governors' Report (continued)

The school development plan is reviewed regularly by the Senior Leadership Team and each priority by the appropriate Governing Body Committee. Each priority was set with a clear focus for the period 2021-2022 and underpinned with a link to the Christian character of the school, the identification of key strategies and the people required to deliver each goal, along with the success criteria which need to be met.

In 2021-2022 the school was not required to close due to the Covid-19 pandemic, unlike 2019-2020 and 2020-2021. As a result, from September 2021 the school resumed a normal operational model within a framework of Covid-19 guidance issued by Department of Education and Public Health England. The school operated under two risk assessments between September 2021 and March 2022. From April 2022, the risk assessments no longer applied, when the vast majority of Covid-19 restrictions were lifted. 2021-2022 was therefore a year in which the school was able to return from working within a framework of Covid-19 restrictions to a pre Covid-19 operational model.

The three main impacts on the school of Covid-19 in 2021-2022 were as follows:

Undertaking the mass testing of both pupils and staff in September 2021 and January 2022 and the resulting delay to the start of each term due to a second negative test being required. Online teaching and learning was deployed to mitigate these delays.

Only essential school trips were run between September 2021 and March 2022. These trips were day trips and ran to local destinations only. The school resumed day trips and overnight trips from April 2022 including the resumption of Activities Week in the form of 'ATrio of Activities', a series of 'stand-alone' day trips for students in Years 7-9.

An Autumn consultation on the examination format for summer 2022 conducted by the Examination Boards created difficulty with the scheduling of the exam season and planning for the eventuality of; Centre Assessed Grades, increased emphasis on Non-Examination Assessments and an increased number of examination papers. All which were viewed as potential Covid-19 contingency measures. Therefore, in order to prepare for all eventualities, the school maintained a rigorous programme of highly controlled assessments in order to build a credible evidence base in the event of being required to use Centre Assessed Grades.

Public Benefit

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

As a school, we aim to give all our students a 'goodly heritage': an exceptional education, a wide range of opportunities and extra-curricular activities, and a chance to contribute to and be part of a strong community.

As a Church of England academy, we are rooted in our Christian faith, and reaching to everyone. We encourage an understanding of the meaning and significance of faith, and our Christian values underpin how we work together as a community.

Lady Margaret School

Governors Report (continued)

Aims:

1. To provide an exceptional education, with outstanding Teaching and Learning
2. To develop our students into confident, curious and compassionate young adults
3. To develop a staff team who model high expectations and who work together and support each other
4. To sustain the financial stability of our school
5. To sustain and develop our Christian ethos, as a community rooted in our faith and welcoming to all

We aim to offer a safe, inclusive, caring and intellectually demanding environment to enable all our students to benefit from an outstanding secondary education. To this end we will:

- Help students to develop **Wisdom**: to develop lively and inquiring minds, to develop the ability to question and to articulate ideas rationally and clearly
- Develop our students into curious and confident learners who are resilient and resourceful in their approach to education and to life
- Ensure that our curriculum is both accessible and challenging for everyone, enabling each student to develop her best qualities in mind, body and spirit and help her to make excellent progress thereby fulfilling her potential
- Ensure that students are able to participate in a wide range of opportunities beyond the classroom, including clubs and trips, so that we broaden students' horizons and open opportunities and pathways for all, giving students **Hope** and ambition for the future
- Promote understanding of our social, economic and political context, both locally and globally, helping students to approach 'big' questions and problems with a reasoned set of attitudes, values and beliefs and a commitment to both **Justice** and **Friendship**
- Promote among our students an awareness of community and society and help them to show concern for the environment, to value God's **Creation**
- Promote knowledge and understanding of other cultures, religions and ways of life
- Support the development of the well-being of every member of our community, helping each girl to develop a sense of self-respect and self-worth in a school characterised by **Trust**, **Compassion** and **Service** to our community

The highest standards of behaviour are demanded at all times: there is school uniform from Year 7 to Year 11 and full parental co-operation in maintaining high standards is expected.

Our Behaviour Policy has been updated and approved by governors as of March 2020 so as to support clear and consistently high expectations of behaviour; girls are expected to respect everyone in the school community. The school prides itself on helping all girls to get the best possible outcomes at GCSE and A Level to maximise the opportunities available to them in higher education and employment.

Lady Margaret School

Governors' Report (continued)

Lady Margaret is a church school, although not all students are practising Anglicans. As a school community, we are rooted in our Christian faith but reach out to all. Our daily worship frames and shapes the school day, with formal assemblies and form group worship at the start of the day, and prayers at the end of afternoon registration. The school has its own small chapel.

All students are encouraged to support the school's chosen charity (which is chosen by the girls). Many senior girls are involved in charity work and volunteering both within the school and in the local community. Many senior girls act as mentors to girls in the lower school. This year we have continued to support 'Glass Door', a charity run by local charities for the homeless, as well as Hammersmith & Fulham Food Bank. An important part of our understanding of our school motto is that we seek to support a 'goodly heritage' for others, especially those not able to access education.

The Curriculum

The school teaches a broad and balanced curriculum within the constraints of a small site. GCSE examination courses are taught in years 10 and 11. Fifteen A-level subjects are offered in the Sixth Form. All girls in the Sixth Form are studying for A-levels and nearly all go on to higher education. The curriculum supports the needs of all our learners. For example, some girls at Key Stage 4 have timetabled 'Curriculum Support' to give them extra time for studying English and Maths with subject specialists, and at the same time around a third of girls each year sit three Sciences at GCSE. A small group of girls study Latin as part of a partnership with St. Paul's School.

The school provides a wide programme of extra-curricular activities and girls are encouraged to take on at least one. There are many opportunities for girls to participate in the musical life of the school.

Although PE facilities are limited, the school is affiliated to external sporting groups. Street Dance is popular and in recent years the school has participated in the national Rock Challenge Dance Competition. Girls also take part in Rowing at Fulham Reach. There are Debating and Creative writing clubs run by the English Department.

During a week at the end of the summer term all girls in Key Stage 3 are offered a variety of special activities and residential trips in the UK and further afield. This time is seen as an important part of the curriculum and gives girls the opportunity to develop qualities of leadership, self-reliance and self-respect.

Strategic Report

Achievements and Performance

Headline figures for exam results from Summer 2022 are as follows:

GCSE Results

	English Language	English Literature	Mathematics	Both English and Maths
Grade 4 or above	96%	97%	92%	92%
Grade 5 or above	91%	88%	74%	74%

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Governors' Report (continued)

71% of students attained the English Baccalaureate. These are students who attained 5 GCSEs with a minimum of Grade 4 of English and Maths, and a minimum of a grade 4 in three other 'E Bacc' subjects, which are Sciences, History, Geography, French and Spanish. The overall Attainment 8 score is 65.13. 52% of grades in total were 9-7 and 84% of grades were 9-5.

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A Level Results

Overall, 52% of grades were A*-A, 82% of grades were A*-B and 94% of grades were A*-C. Thirty-three girls attained at least three A/A* grades at A Level, which is a fantastic achievement. There were eleven A* grades in English Literature, eight in Chemistry and seven in Physics. In DT, Drama, Fine Art, French, Geography, History, Further Mathematics, Religious Studies, Sociology and Spanish, no student achieved below a c grade.

This Autumn our girls will be starting courses in many different subjects, at universities right across the country, including:

Natural Sciences, University of Nottingham
English, University of Oxford
English, University of Manchester
Biomedical Sciences, University of Surrey
Geography with Economics, LSE
Psychology, University of Cardiff
Law, Kingston University
Chemistry, University of Oxford
English, University of Cambridge
Chemistry with Molecular Physics, Imperial College London
Philosophy, University of Durham
American Studies and History, University of Nottingham
Architecture, University of Cambridge
Physics, University of Bristol
History, University of York
Classics and French, University of Oxford
Computer Animation, Pearson College London
English and Modern Languages, King's College London
Geography, University of Glasgow
Theatre and Performance Studies, University of Bristol

Staff are observed teaching three times during the academic year. Lesson observations are done by pairs of staff to support sharing good practice and developing consistency across the school. The second round of lesson observations in the year are 'teaching observations' to allow a more experienced member of staff to observe with a newer colleague to discuss and identify areas of good practice for the newer member of staff to adopt in their own lessons. For Early Career Teachers, there is a programme of meetings with the Deputy Headteacher, to enable staff to reflect on and improve their practice. There is a CPD programme for middle leaders which is integrated into the programme of meetings run for Heads of Departments and Heads of Years, which is run by the Senior Leadership Team. All members of teaching staff are members of Research and Development Groups, which work across department/subject teams. Each group focuses on a different aspect of pedagogy or professional practice and then provides feedback to colleagues to share good practice.

Lady Margaret School

Governors' Report (continued)

Key Performance Indicators

The key indicators used by The Governing Body to assess the performance of the school are:

Financial Key Performance Indicators

- The setting of a balanced budget which meets the needs of teaching and learning (with an adequate reserve)
- Distribution of restricted and unrestricted income as a percentage of total income
- Revenue expenditure as a percentage of total income
- Year-end surplus as a percentage of total income and opening balance
- Liabilities as a percentage of current assets
- Outstanding VAT Claims

Non-Financial Key Performance Indicators

- Results in Public Examinations
- The quality of teaching and learning
- Student progress in all year groups
- Student and parent satisfaction
- The continued oversubscription of the school in Year 7
- The continued high number of applications to the Sixth Form
- Information from the School Improvement Partner, the LDBS and LBHF
- External audits and inspections

The school's internal scrutiny review of Financial Governance in 2020-2021, identified the need for the trust to increase the number of measures being used for monthly financial KPI reporting, despite monthly budget and cash-flow reporting being in place. As a result, the trust introduced a series of additional financial KPI reporting measures in 2021-2022.

Financial Key Performance Indicators

The school can measure its performance against these Financial Key Performance Indicators over the period 2021/2022 as follows:

The school set an in-year revenue surplus budget of £14,108 in 2021-2022 which was managed throughout the year to realise a revenue surplus (pre pension and depreciation charges) of £182,567.

The budgeted distribution of total income was 94.6% restricted income and 5.4% unrestricted income. At year end, 94.4% of total income was restricted income and 5.6% of total income was unrestricted, representing a (-0.2%) and 0.2% variance.

Lady Margaret School

Governors' Report (continued)

The low variance of actuals against budget indicates that the school's budgeting, income collection and grant monitoring, monthly monitoring, governance and financial management is robust and effective.

Revenue expenditure as a percentage of total revenue income was 97% at year-end representing a (-3)% variance against budget. The variance across all areas of expenditure at year end varied between (-3.8)% and 1.1%. The low variances indicate that the school's budgeting, monthly monitoring, governance and financial management is robust and effective and that the school was able to manage expenditure within its available income.

The school's year end surplus as a percentage of total income and opening balance was budgeted at 9.5%. At year end the surplus was 10.6% a variance of 1%. The low variance indicates that the school's budgeting, monthly monitoring, governance and financial management is robust and effective.

The school has maintained its liabilities as a percentage of current assets at between 4% and 5% throughout the year. At year end the school has 19.5% of liabilities as a percentage of current assets excluding VAT. This indicates that the school is managing its cash-flow adequately by securing regular and consistent income streams and managing expenditure within its cash limitations.

The school reconciles and reclaims VAT on a monthly basis. The school operates one month in arrears between VAT paid and VAT reclaimed. There is an insignificant material difference between VAT paid and VAT reclaimed on the general ledger. This indicates that the school is robustly managing its VAT debtors and ensuring that adequate cash-flow is maintained.

Non-Financial Key Performance Indicators

Both GCSE and A level results were improved against previous years, with positive value-added scores at both GCSE and A Level. The quality of teaching learning was assessed to be at least good overall and outstanding in many curriculum areas through a programme of performance management and lesson observations.

A number of opportunities were used during the year to assess students' views. Student Voice feedback showed that students valued the quality of teaching they receive, that they were welcoming of all opportunities to express their views and to share their experiences.

Parent feedback is gathered through questionnaires at Parents' Evenings. Overall, feedback from these questionnaires shows very positive satisfaction with the school. The school continues to receive many messages of support from parents and governors who have been appreciative of the work the school continues to do to support students as we emerge from the disruption of the Covid-19 pandemic.

The results for 2022 show very positive value-added data and excellent attainment scores. This can be corroborated by the school's ALPS scores. The school's ALPS quality indicator score for A Level was assessed at 2 in 2021-2022, maintaining the high value-added scores from the previous year.

The school was fully subscribed across years 7 to 11 with a waiting list in place for all year groups. The year 12 intake into the Sixth Form in 2021/2022 remained stable against previous years.

Lady Margaret School

Governors' Report (continued)

Going concern

After making appropriate enquiries, The Governing Body 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 Statement of Accounting Policies.

Financial Review

Most of the school's income is obtained from the Education and Skills Funding Agency (ESFA) in the form of the General Annual Grant (GAG), the use of which is restricted for education purposes. The total restricted income for the period was £5,450,814 (2021 £5,191,737). The total restricted expenditure for the period was £5,796,814 (2021 £5,446,737). The deficit of expenditure over income for the period excluding any fixed asset and pension transactions was (£346,000). (2021 Deficit £255,000).

The school also has a large unrestricted income stream which is primarily derived from charitable donations and trading activities. The total unrestricted income for the period was £324,882 (2021 £243,372). The total unrestricted expenditure for the period was £199,682 (2021 £241,399). The surplus of expenditure over income for the period excluding any fixed asset and pension transactions was £125,200. (2021 £1,973).

The restricted fixed asset fund includes the book value of fixed assets and any unspent restricted asset grants provided by the DfE and local authority. Total fixed asset income is £20,944 (2021: £145,956). The restricted fixed asset fund balance is reduced by annual depreciation charges over the useful life of the assets concerned plus improvements to the buildings owned by Lady Margaret School; expenditure of £0 (2021: £106,569) has been made in the current year. The balance of the fund at the period end totalled £60,381 (2021: £39,387) (including transfers), which is in line with the net book value of assets held on the balance sheet, plus any unspent capital funds.

During the year ending 31 August 2022, total income of £5,775,696 (2021: £5,435,109) (excluding restricted fixed asset funds) was lower than expenditure of £5,996,496 (2021: £5,688,136) (excluding fixed asset costs) by £220,800 deficit (2021: Deficit £253,027).

The Academy took on pension liabilities relating to staff members transferred from its predecessor school that were part of the Local Government Defined Benefits pension scheme.

As at 31 August 2022, the scheme's liabilities exceeded its assets by £1,105,000 (2021: £3,395,000). Where the amount of pension scheme assets being held is less than the liability value, the implication is that we will eventually need to make good this deficit. It is therefore treated as a provision in our financial statements, although this does not need to be paid immediately, nor does it affect the current cash contributions paid by us as an employer to the local government pension scheme.

Lady Margaret School

Governors' Report (continued)

Reserves Policy

As at the 31 August 2022 the value of the school's free reserves was £609,799 (2021: £532,465). The total reserve sum recognises a £60,381 (2021: £39,387) balance of restricted funds (excluding pension reserve) and a £692,352 (2021: £567,152) balance of unrestricted funds. There were total reserves of (£352,267) which includes the pension deficit of £1,105,000.

The Governing Body will maintain their existing reserve policy of a minimum reserve of £250,000 over a three year period 2020/2021 – 2023/2024.

As part of the financial procedures in place within the school, the reserve levels are consistently monitored as part of the budget monitoring process, both at governor level through the Finance Committee and monthly by the Headteacher and Bursar. Financial reporting to The Governing Body is in place, whereby each month they receive budget monitoring and cash flow reports, in addition to the detailed reporting which takes place at the Finance and Resources Committee meetings and the report from the Chair of the Finance and Resources Committee to The Governing Body.

The school has a budget in place for 2022/2023 and a budget forecast to 2025/2026 in which the school's reserve limit is maintained at all times and is forecast to increase in excess of £250k. Any free reserves that fall above the school's reserve limit will continue to support the fiscal stability and sustainability of the school budget and mitigate the challenges from unfunded pay increases, high levels of inflation and very high energy costs. The age of the school buildings also requires ongoing and future investment in maintenance and improvements.

Material Investments policy

The Academy adopts a prudent and cautious approach to the investment of surplus funds and maintains funds in a current account to provide for day to day operations. This is a short-term deposit low risk bank account.

Principal Risks and Uncertainties

The Audit and Risk Management Committee has responsibility to co-ordinate the identification and management of financial and non-financial risks.

A comprehensive risk register is in place for the whole school which reviews the strategic risk areas of Finance, Compliance, Information and Data, Pupil Outcomes, Reputation, Estates and Facilities, People and Culture and Governance. A Risk Appetite Statement has also been put in place which identifies The Governing Body's approach to risk management, which across all areas of risk is cautious.

The Audit and Risk Management Committee determined through the process of reviewing the school's risk register that the principal risks facing the academy were:

Lady Margaret School

Governors Report (continued)

- The Covid-19 pandemic and its impact on the school operation.

During both 2019/2020 and 2020/2021 Covid-19 had the potential risk of severely impairing the school's ability to fulfil its public benefit and deliver against its aims, thereby impacting on the overall achievement and performance of the school. In order to mitigate these risks the school implemented measures identified through the production of a Covid-19 specific risk assessment. The risk assessment was reviewed regularly by the Senior Leadership Team and termly by the Staffing and General Purposes Committee. It also followed all Covid-19 guidance as issued by the Department for Education.

The implementation of the school's Covid-19 risk assessment over the past two years, enabled the school to deliver a full curriculum and offer extra-curricular activity to all of its students, in school, from September 2021.

The Audit and Risk Management Committee decided to maintain Covid-19 as a high primary risk and a high residual risk throughout 2021-2022 as the outlook for Covid-19 remained unknown at many points throughout 2021-2022, also as of September 2021 the guidance and regulations being issued by the Department of Education and Public Health England were changing rapidly.

Rather than undertake detailed scrutiny of the risk measures adopted by the school the committee determined to undertake a watching brief on the risks of Covid-19. It was also recognised that the school had effective risk assessments and measures at its disposal should it be required to deploy them with oversight being provided by the Staffing and General Purposes Committee.

- Loss of data due to IT failure or Cybercrime

It was identified in 2020/2021 that the school's data would not be fully restored in the event of a significant major event such as a power failure, complete system failure or destruction of the school premises or IT infrastructure through fire, explosion etc. As a result, 'Loss of data due to IT failure' was ranked as a principal risk on the Risk Register.

In 2021/2022 it was also recognised that increasing incidences of cybercrime in general presented an equally significant threat to the school's data and its restoration in the event of a cyberattack. The Audit and Risk Management Committee therefore decided to add 'Complete or partial loss of data and IT through an act of cybercrime' as a principal risk to the risk register.

An internal scrutiny review was commissioned by the Audit and Risk Management Committee to identify any weaknesses and recommendations in the school's data security and IT procedures. A reasonable assurance was provided, six recommendations were made; three low and three medium. Four recommendations were accepted by the school.

An audit of the school's data assets and their Restore Point (RPO), Restore Time (RTO) and Retention Time (RT) metrics was undertaken. Governors reviewed the school's disaster recovery plan to fully restore IT services in the event of a total loss of data through IT failure or an incident of cybercrime.

Lady Margaret School

Governors' Report (continued)

Further work took place to implement cybercrime training to all staff, install the Police Cyber Alarm and produce a Cyber Response Plan. Further work is underway to update the school's disaster recovery plan.

With the introduction of Cybercrime to the Risk Protection Arrangements (RPA) the school will enjoy additional benefits from this cover in order to manage and mitigate the impact from any occurrences of cybercrime.

Principal Funding

The majority of the school's income is obtained from the Department of Education via the Education Funding Agency in the form of a General Annual Grant (GAG), the use of which is restricted to the objects of the Academy Trust. The GAG received during the period covered by this report and associated expenditure is shown as restricted funds in the Statement of Financial Activities.

The school also generates income through rental income and funds collected through fundraising activity.

In addition, The Governing Body brought a surplus carry forward from 2020/2021 into 2021/2022 in line with its reserves policy.

Expenditure for the period covered by this report was covered by GAG and other grants received from the DfE and other income, such as voluntary income and activities for generating funds, and reserves.

As at the 31 August 2021 total income of £5,775,696 (excluding restricted fixed asset funds) was lower than expenditure of £5,996,496 (excluding fixed asset costs) by £220,800.

Fundraising

As defined by the provisions of the Charities (Protection and Social Investment) Act 2016 the principle vehicle by which the school fundraises is through the Lady Margaret School Rose Fund (The Rose Fund).

The Rose Fund is audited in line with all Academy funds and declared as unrestricted income and expenditure. The Lady Margaret School Rose Fund is governed by the school's Financial Regulations, overseen by the Finance Committee of The Governing Body and controlled on day to day basis by the Headteacher in her capacity as Accounting Officer.

The Rose Fund seeks to raise voluntary funds from the parents and carers of current students. In 2021/2022 the Rose Fund campaigned specifically to raise money for extra- curricular opportunities and to support balancing the school budget.

In 2021/2022 The Rose Fund raised £137,931 from parents and carers.

Lady Margaret School

Governors' Report (continued)

No external fundraisers or commercial organisations are used to raise funds. The Rose Fund is managed internally by the school administration staff and in 2021/2022 parents and carers received two written requests for a voluntary donation. In addition, a programme of contacting named major donors by letter, email and telephone took place. No complaints were received as a result of The Rose Fund's fundraising activity.

The school employs a part time Head of Fundraising with the responsibility to fundraise for the school.

The cost to the school in 2021/2022 of fundraising activity was £14,759.

The lifting of Covid-19 restrictions in 2021/2022 meant that the school could resume holding fundraising events and campaigning as normal. Fundraising levels were however below expectation in 2021/2022 which is attributed to the restrictions placed upon the school through Covid-19 during 2019/2020 and 2020/2021 and the consequential difficulty with building relationships with the school's newest parents in years 7, 8 and 12.

Over the short-term donations are expected to remain lower than previously forecast in 2020/2021, the school will therefore keep this income stream under review through budget monitoring and reporting while it rebuilds its engagement with donors in order to restore donations to previously forecast levels.

Plans for Future Period

As a school, we aim to give all of our students a 'goodly heritage', an exceptional education, a wide range of opportunities and extra-curricular activities, and a chance to contribute to and be part of a strong community.

Our School Development Plan is rooted in our Christian ethos as a Church of England school for girls. Our motto, 'I have a goodly heritage', is from Psalm 16. For us, this verse means that we seek to build a 'goodly heritage' for each of our students during their years at Lady Margaret School. This heritage is built on our appreciation that every child is made in the image of God. We are called to build that heritage for every student, to help them to flourish and to grow into young people who are confident, curious and compassionate. This heritage supports every student to live 'Life in all its fullness' (John 10:10).

The School Development Plan continues to set the following overarching aims for 2022-2025:

1. To provide an exceptional education with outstanding Teaching and Learning
2. To develop our students into confident, curious and kind young adults
3. To develop a staff team who model high expectations and who work together and support each other
4. To sustain the financial stability of our school
5. To sustain and develop our Christian ethos, as a community rooted in our faith and welcoming to all

Lady Margaret School

Governors' Report (continued)

The development priorities for 2022-2025 contained within the School Development Plan are as follows:

1. To sustain recent changes in order to maintain excellent progress for all, including those in disadvantaged groups, at each key stage
2. To support the well-being of all members of the school community
3. To support the professional development of our staff team
4. To maintain our financial stability

The School Development Plan will be reviewed regularly by the Senior Leadership Team and each priority by the appropriate Governing Body Committee. In turn each priority is underpinned with a strategy and timeframe, an assessment of budget and resources required to achieve the priority, success criteria and the identification of any future implications.

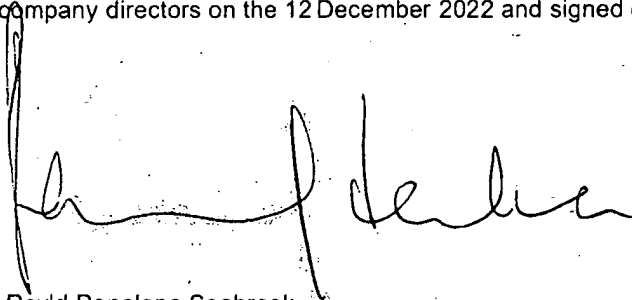
Auditor

In so far as The Governing Body are aware:

1. There is no relevant information of which the charitable company's auditor is unaware; and
2. The Governing Body have taken all the steps that they ought to have taken to make themselves aware of any relevant information and to establish that the auditor is aware of that information

The Auditors Haysmacintyre were appointed during the period and have expressed their willingness to continue in office and will be proposed for reappointment at the Annual General Meeting.

Governors' report, incorporating a strategic report, approved by order of The Board of Governors, as the company directors on the 12 December 2022 and signed on the board's behalf by:



The Rev'd Penelope Seabrook
Chair of Governors

12 December 2022

Lady Margaret School

Governance Statement

Scope of Responsibility

As governors we acknowledge we have overall responsibility for ensuring that Lady Margaret Academy Trust has an effective and appropriate system of control, finance 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 Governing Body has delegated the day to day responsibility to the Headteacher as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the Funding Agreement between Lady Margaret Academy Trust and the Secretary of State for Education. They are also responsible for reporting to The Governing Body any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in The Governing Body's report and in the Statement of Governors' Responsibilities. The Governing Body has formally met four times between 1 September 2021 – 31 August 2022. Attendance during the period at meetings of The Governing Body was as follows:

Governor	Meetings Attended	Out of a Possible
Delrita Agyapong	2	2
Saeema Ahmed-Kristensen	2	2
Justin Bairamian, Vice Chair	4	4
Philip Bladen	0	0
Maxine Boersma	3	4
Marianne Coates	4	4
James Ewins	3	4
Kathryn Foulds	4	4
Severine Gould-Chanroux	3	4
William Hunter	4	4
Hua Choong Kwan	4	4
Arabella Macintyre	4	4
Nigel Parker	3	4
Sarah Peart, Deputy Vice Chair	4	4
Vithya Premkumar	2	2
Jane Reed	1	1
The Rev'd Penelope Seabrook, Chair	4	4
Paul Sloan	4	4
Elisabeth Stevenson, Headteacher	4	4
Richard Wormell	2	3
Rea Zhubi	1	3

Lady Margaret School

Governance Statement (continued)

The **Finance and Resources Committee** is a sub-committee of the main Governing Body. Its purpose in consultation with the Headteacher and Bursar is to:

- Consider the academy's DFE funding, draft the academy's budget and recommend to governors, receive and make recommendations on the budget headings and areas of expenditure, including the use of any contingency funds or reserves. Monitor, review and authorise expenditure on a regular basis.
- Contribute to the formulation of the academy's development plan and to liaise and receive reports from the staffing and curriculum committees and to make recommendations as appropriate.
- Receive auditors report and recommend to governors including the appointment of auditors.
- To review and determine financial policies and procedures, prepare financial statements for filing with external agencies, ensure that the school operates within the guidelines set out in the Academy Trust Handbook, complies with the conditions of its Funding Agreement and ensure that the financial returns required by the ESFA are completed.

Attendance at meetings in the year was as follows:

Governor	Meetings Attended	Out of a Possible
Justin Bairamian, Chair of Finance Committee	3	3
James Ewins	1	3
Hua Choong Kwan	3	3
Arabella Macintyre	3	3
The Rev'd Penelope Seabrook	3	3
Elisabeth Stevenson	3	3
Richard Wormell	0	3

The **Audit and Risk Management Committee** was formed in 2021 as a sub-committee of the main Governing Body. Its purpose in consultation with the Headteacher and Bursar is to:

- Direct the academy's programme of internal scrutiny and to ensure that risks are being addressed appropriately through internal scrutiny. Report to the Full Governing Body on the adequacy of the academy's internal control framework, including financial and non-financial controls and management of risks.
- Agree a programme of work annually to deliver internal scrutiny and who will undertake that work. Also, to review the risk register to inform the programme of work.
- Consider reports and recommendations presented to the committee and review progress against addressing the recommendations.

Lady Margaret School

Governance Statement (continued)

- Consider outputs from other assurance activities by third parties including ESFA, governance reviews, audits and investigations. The committee will have access to the auditor as necessary.

The committee has met three times in 2021/2022. Attendance at meetings in the year was as follows:

Governor	Meetings Attended	Out of a Possible
Justin Bairamian, Chair of Finance Committee	3	3
James Ewins, Chair of Audit and Risk Management Committee	3	3
William Hunter, Chair of Staffing and General Purposes Committee	3	3
Nigel Parker, Chair of Admissions Committee	2	2
Sarah Peart, Chair of Curriculum Committee	2	3
The Rev'd Penelope Seabrook	3	3
Elisabeth Stevenson	3	3

Governance Review

The full schedule of Governing Body meetings took place in 2021/2022 and all meetings were held in person with a small number of governors opting to attend remotely on occasion.

The Full Governing Body met four times during 2021/2022 which was as scheduled. The Finance and Resources Committee met three times during 2021/2022 which was as scheduled. The Audit and Risk Management Committee met three times during 2021/2022 which was as scheduled.

The Full Governing Body met twice termly (October 2021 and December 2021) in the Autumn Term and once in each subsequent term (March 2022 and July 2022). The Finance and Resources Committee met once each term (December 2021, March 2022 and June 2022). The Audit and Risk Management Committee met once each term (September 2021, January 2022 and July 2022).

The Governing Body consider that meeting as a full committee four times a year provides a sufficient and robust oversight of the trust's financial resources. The Scheme of Delegation delegates significant financial oversight and control to The Finance and Resources Committee which meets three times a year to review the school's finances in detail, while the Full Governing Body maintains full responsibility for the school's finances. A report is provided by the Chair of The Finance and Resources Committee to each Full Governing Body Meeting three times a year on the most recent Finance and Resources Committee meeting. In total the trust creates the opportunity to review and discuss the school's finances seven times each year. In addition, budget monitoring and cashflow reports are produced each month for The Governing Body.

Lady Margaret School

Governance Statement (continued)

The financial oversight provided by the Scheme of Delegation is further reinforced by the monitoring of financial and non-financial risks provided by the Audit and Risk Management Committee which also scrutinises independent audit reports, audit management letters and audit recommendations. The Audit and Risk Management Committee meets three times a year and a report is provided by the Chair of The Audit and Risk Management Committee to each Full Governing Body Meeting three times a year on the most recent Audit and Risk Management Committee meeting.

The school's Scheme of Delegation creates a triangulation of financial oversight that is provided through the ten combined meetings of the Full Governing Body, The Finance and Resources Committee and The Audit and Risk Management Committee. The purpose of each of these committees and their reporting structure ensures that financial oversight is significantly maintained on a minimum of ten occasions each year.

A skills audit of the entire Governing Body was undertaken in May 2021 which invited governors to assess their skills against the key areas of Strategic Leadership, Accountability, People, Structure, Compliance and Evaluation. The purpose of the evaluation was to assess the impact of an anticipated turnover in governors due a number of long serving governors wishing to retire once their term of office expired. The skills audit identified that across all the key areas of governance, on average, governors had extensive skills and experience. If this was then broken down by individual governor, the long serving governors had more extensive skills and experience across a larger number of areas than newly or recently serving governors that had none or little skills and experience across a larger number of areas.

The skills audit corroborated the governor's view that it was essential to begin the recruitment of new governors ahead of experienced governors retiring. As a result, the Chair of Governors and Headteacher have recruited seven new governors from a wide range of professional or other backgrounds. A named governor has been appointed to have oversight of the training and development of all governors. Training is a standing item on all Governing Body agendas and the Clerk maintains a record of the training attended by governors. Newly appointed governors are also encouraged to join several sub committees in order to build up their experience and knowledge. Governors appointed with key responsibilities e.g. Safeguarding and SEN continue to hold regular meetings with the school.

Results from parent, staff and student surveys are presented and shared with governors thereby and experienced long serving Foundation Governor, Penelope Seabrook is especially well placed to assume the role of Chair and the school very much welcomes her appointment.

An externally provided full Governance review is planned for 2022/2023 which will seek to audit the effectiveness and structures of Governance and range of skill and competence.

Conflicts of Interests

The Governing Body actively seeks to avoid conflict of interest through a series of measures. All Governors are required to agree to an annual Code of Conduct which specifically requires Governors to declare any business, personal or other interests that they may have in connection with the Governing Body's business. Any declarations of that nature are recorded in the Register of Business Interests which is published on the school's website.

Lady Margaret School

Governance Statement (continued)

At the beginning of each Governing Body meeting Governors are required to declare any conflict of interest at the start of any meeting if required and should a conflicted matter arise during a meeting, Governors are required to leave the meeting for the duration of the discussion and any subsequent vote.

The school ensures that in the interests of open governance, Governors full names, date of appointment, terms of office, roles on the Governing Body, attendance records, relevant business and pecuniary interests, category of governor and the body responsible for appointing them as Governor will be published on the school's website. Also, that information relating to Governors will be collected and recorded on the DfE's national database of governors (Get information about schools), some of which will be publicly available.

Governors are required to sign a declaration form on taking office in order to declare that they are not barred or disqualified as a Company Director or Charity Trustee and not subject to a disqualification order.

All Governors are required to sign a Declaration of Related Party Interests and Fit and Proper Status each and every financial year.

Review of Value for Money

As Accounting Officer the Headteacher 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 education and wider societal outcomes achieved 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 available. The Accounting Officer for the academy has delivered improved value for money during the year, as follows:

- The school used the Crown Procurement Framework to tender MFD leases and service contracts. The framework allowed the school to secure quotations from four suppliers which were then shortlisted to two. A supplier was selected following further enquires, site visits and machine demonstrations. The school used the procurement to increase the number of machines in school from six to seven in addition to selecting a new print management system. A five-year lease has been agreed under Framework Reference: RM6174. Under the agreement the school's printing charges will not increase from previous levels and seven standard high specification machines have been installed with improved print management software. The hardware cost of the lease for seven machines is £1,460 per quarter, compared to £1,461 for six machines under the previous lease, thereby achieving a significant demonstration of value for money.

Lady Margaret School

Governance Statement (continued)

- The school retendered its cleaning contract as a joint procurement exercise with five other local schools in 2021-2022. An independent procurement consultancy The Litmus Partnership Ltd was used by the school's consortium to produce a tender specification and manage the formal tender process. Four companies submitted a tender and three were shortlisted. Following presentations, additional questions and clarifications by the five schools a cleaning supplier was chosen and awarded the contract for a three year plus one year plus one-year contract. As a result, Lady Margaret School was able to secure a competitive rate for all of its cleaning services. The year one cost of £110,326 for 2022/2023 is comparable to the £100,860 cost for cleaning in 2021/2022, ensuring that the school is maximising value for money in a climate of rising wage costs and inflation.
- The school plans to retender the catering contract with a consortium of local schools in 2022/2023. The school is undertaking a tender of audit services for the financial year 2022/2023 onwards.
- Work continues across the school to maintain non-staffing expenditure. Based on actual budget outturn, non-salary expenditure (restricted non-salary expenditure only) has moved from £847,901 in 2020/2021 to £865,271 in 2021/2022, an overall increase of 2%. When expressed per m2 (7816m2 in total) or by student (600 students in years 7 to 11) this delivers a slight increase from £108m2/£1,413 per student in 2020/2021 to £110m2/£1,442 per student in 2021/2022. Given the CPI rate of UK inflation as at August 2022 was 9.9% (ONS) the school has made financial efficiencies and delivered cost savings in order to deliver such a low increase in non-staffing costs (both per m2 and per student).
- ESFA Benchmarking Data for the school based on the 2020/2021 financial figures for academy and free secondary schools within a three mile radius demonstrate that the school is able to direct its financial resources to teaching and classroom support staff.
 - The school ranked 25/25 for total income out of the data set at £7,031 of income per pupil in 2020/2021.
 - The school ranked 15/25 for teacher expenditure at £4,418 of expenditure per pupil and 8/25 for classroom support staff expenditure at £713 per pupil in 2020/2021.

The above metrics demonstrate that despite having the lowest level of income out of 25 local schools, the school is able to direct a larger proportion of its expenditure than 10/25 other schools to teachers and 17/25 other schools to classroom support staff, on a per pupil basis.

The Purpose and System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate risk of failure and to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and priorities 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 be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Lady Margaret School for the period 1 September 2021 – 31 August 2022 and up to the date of approval of the annual report and financial statements.

Lady Margaret School

Governance Statement (continued)

Capacity to Handle Risk

The Governing Body 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 on-going process for identifying, evaluation and managing the Academy Trust's significant risks that have been in place for the period 1 September 2021 – 31 August 2022 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by The Board of Governors.

The Risk and Control Framework

The Academy Trust'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 scheme of delegation and accountability. In particular it includes:

- Comprehensive budgeting and monitoring systems with an annual budget and period financial reports which are reviewed and agreed by the board of trustees;
- Regular reviews by the Finance and Resources 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
- Identification and management of risks

The Governing Body in 2021/2022 decided to buy-in an internal audit service from Strictly Education Limited.

Strictly Education's role included giving advice on financial matters and non-financial matters and performing a range of checks on the Academy's financial and other systems when required. The checks carried out by the internal audit service in the current period included:

- An Internal Scrutiny of Data Security and IT Procedures in order to identify any weaknesses. This included checks of:
 - Data protection and security policies
 - Data breaches recorded
 - Starters and leavers
 - Password management system
 - Reports on phishing and hacking
 - Data Recovery Plan
 - System access protocols
- An Internal Scrutiny of Safeguarding processes which included checks of:
 - Safeguarding and Child Protection Policy including Covid-19 annexes
 - Staff Code of Conduct
 - Single Central Record
 - Behaviour Policy
 - Minutes of meetings
 - Checklists and recruitment forms

Lady Margaret School

Governance Statement (continued)

Twice a year, the internal auditor reports to The Governing Body, through the Audit and Risk Management Committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities. On an annual basis the internal auditor prepares an annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress

The Governing Body can confirm that its internal auditor has delivered their schedule of work as planned.

In the Internal Scrutiny Annual Summary 2021/2022 a Reasonable Assurance rating was issued against Data Security and IT Procedures and a Reasonable Assurance rating was issued against Safeguarding. The Overall Assurance rating for 2021/2022 was a Reasonable Assurance.

Six recommendations were made in the area of Data Security and IT Procedures, four of the recommendations were accepted by the school, two recommendations were awarded a low priority rating and two were awarded a medium priority rating.

Four recommendations were made in the area of Safeguarding and all recommendations were accepted by the school. Two were awarded a medium priority rating and two were awarded a low priority rating.

The school has already delivered against a number of recommendations that were made across both reviews and are plans in place to deliver against the remainder in 2022-2023

Review of Effectiveness

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

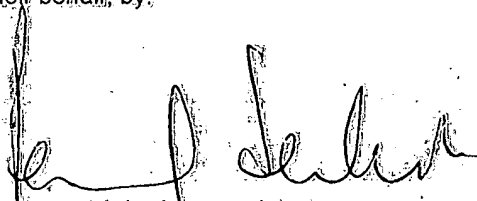
- The work of the Internal Auditor
- The work of the External Auditor
- The Financial Management and Governance Self-Assessment Process or the School Resource Management Self-Assessment Tool
- The work of the Senior Leadership Team within the Academy who have responsibility for the development and maintenance for the internal control framework
- Correspondence from the ESFA

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

Lady Margaret School

Governance Statement (continued)

Approved by order of the members of The Governing Body on the 12 December 2022 and signed on their behalf, by:



The Rev'd Penelope Seabrook
Chair of Governors



Elisabeth Stevenson
Headteacher

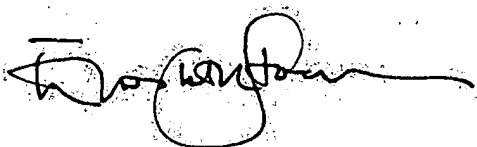
Lady Margaret School

Statement on Regularity, Propriety and Compliance

As Accounting Officer of Lady Margaret School I have considered my responsibility to notify The Governing Body and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of funding, 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 Academy Trust Handbook 2021.

I confirm that I and the Academy Trust Board Governing Body are able to identify any material irregular or improper use of funds by the Academy, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academy Trust Handbook 2021.

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 Governing Body and ESFA.

A handwritten signature in black ink, appearing to read 'Elisabeth Stevenson', with a large, stylized loop at the end.

Elisabeth Stevenson
Headteacher

12 December 2022

Lady Margaret School

Statement of Trustees' Responsibilities

The trustees (who act as governors of Lady Margaret School and are also the directors of the charitable company for the purposes of company law) are responsible for preparing The Governors' 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 the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP 2019 and Academies Accounts Direction 2021 to 2022
- Make judgements 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
- 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 the 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 Governing Body on 12 December 2022 and signed on its behalf by:


The Rev'd Penelope Seabrook
Chair of Governors

Independent Auditor's Report

Independent auditor's report on the financial statements to the members of Lady Margaret School

Opinion

We have audited the financial statements of Lady Margaret School for the year ended 31 August 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy affairs as at 31 August 2022 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Academy Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Independent Auditor's Report (continued)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Governors are responsible for the other information contained within the Annual Report. 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.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 Governors' Report (which includes the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements;
- the Governors' Report has 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 Academy and its environment obtained in the course of the audit, we have not identified material misstatements in the Governors' Report (which includes the directors' report prepared for the purposes of company law)

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Governors' 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 Governors' Responsibilities Statement, the Governors (who are also the directors of the Academy for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Governors determine is necessary to enable

Independent Auditor's Report (continued)

the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Governors are responsible for assessing the Academy 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 Governors either intend to liquidate the Academy or to cease operations, or have no realistic alternative but to do so.

Auditors' 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 Auditors' Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Based on our understanding of the School and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the Academies Act, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and the Academies Accounts Direction.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to income and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Reviewing the controls and procedures of the charity, particularly in relation to the recording of income and processing of payments and payroll, to ensure these were in place throughout the year;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted that significantly impact on the result for the year or relate to areas subject to significant judgements or estimates and those areas considered to be higher risk; and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

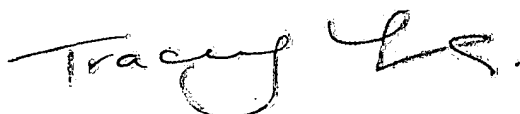
Independent Auditor's Report (continued)

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

Use of our report

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



Tracey Young (Senior Statutory Auditor)

for and on behalf of

Haysmacintyre LLP

Statutory Auditors

10 Queen Street Place

London

EC4R 1AG

Date: 12 December 2022

Independent Reporting Accountant's Report

Independent reporting accountant's assurance report on regularity to Lady Margaret School and the Education and Skills Funding Agency

In accordance with the terms of our engagement letter dated 18 October 2021 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2021 to 2022, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Lady Margaret School during the year 1 September 2021 to 31 August 2022 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Lady Margaret School's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Lady Margaret School's funding agreement with the Secretary of State for Education dated 1 March 2013 and the Academies Financial Handbook, extant from 1 September 2021, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2021 to 2022. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2021 to 31 August 2022 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Framework and Guide for External Auditors and Reporting Accountant of Academy Trusts issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

Independent Reporting Accountant's Report (continued)

The work undertaken to draw our conclusion includes:

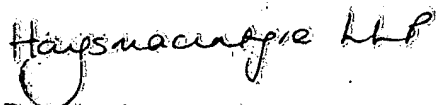
- Walkthrough testing of controls to ensure operational effectiveness.
- Substantive testing on a sample of expenditure items, ensuring expenditure is in accordance with the funding agreement and appropriately authorised.
- Detailed testing on a selection of expense claims.

Approach (continued)

- Review of minutes and related party declarations provided by Governors and senior management.

Conclusion

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2021 to 31 August 2022 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Reporting Accountant
Haysmacintyre LLP
Statutory Auditors
10 Queen Street Place
London
EC4R 1AG

Date: 12 December 2022

**Statement of Financial Activities
for the year ended 31 August 2022**

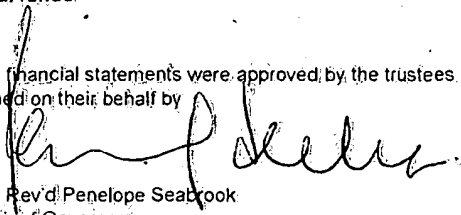
	Notes	Unrestricted general funds £	Restricted funds		2022 Total funds £	2021 Total funds £
			General funds £	Fixed assets funds £		
Income from:						
Donations and capital grants	2	138,079	-	20,994	159,073	299,208
Charitable activities:						
Funding for the academy trust's educational operations	3	74,324	5,450,814	-	5,525,138	5,213,891
Other trading activities	4	112,396	-	-	112,396	67,907
Investments	5	83	-	-	83	59
Total		324,882	5,450,814	20,994	5,796,690	5,581,065
Expenditure on:						
Raising funds	6	-	-	-	-	-
Charitable activities:						
Academy trust educational operations	7	199,682	5,796,814	-	5,996,496	5,794,705
Total		199,682	5,796,814	-	5,996,496	5,794,705
Net income / (expenditure)		125,200	(346,000)	20,994	(199,806)	(213,640)
Other gains / (losses)						
Actuarial gains/(losses) on defined benefit pension schemes	20	-	2,636,000	-	2,636,000	(432,000)
Net movement in funds		125,200	2,290,000	20,994	2,436,194	(645,640)
Reconciliation of funds						
Total funds brought forward		567,152	(3,395,000)	39,387	(2,788,461)	(2,142,821)
Total funds carried forward		692,352	(1,105,000)	60,381	(352,267)	(2,788,461)

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

Balance Sheet
for the year ended 31 August 2022

	Notes	2022 £	2021 £	2020 £	2019 £
Fixed assets					
Tangible assets	13	82,553			34,686
Current assets					
Debtors	14	46,175	95,929		
Cash at bank and in hand		<u>786,777</u>	<u>667,386</u>		
		832,952	763,315		
Liabilities					
Creditors: Amounts falling due within one year	15	<u>(162,772)</u>	<u>(191,463)</u>		
Net current assets		<u>670,180</u>	<u>571,852</u>		
Total assets less current liabilities		<u>752,733</u>	<u>606,539</u>		
Net assets excluding pension scheme liability		<u>752,733</u>	<u>606,539</u>		
Defined benefit pension scheme liability	20	<u>(1,105,000)</u>	<u>(3,395,000)</u>		
Total net assets		<u>(352,267)</u>	<u>(2,788,461)</u>		
Funds of the academy trust					
Restricted funds					
Fixed asset fund	16	60,381	39,387		
Pension reserve	16	<u>(1,105,000)</u>	<u>(3,395,000)</u>		
Total restricted funds		<u>(1,044,619)</u>	<u>(3,355,613)</u>		
Unrestricted income funds					
General fund	16	<u>692,352</u>	<u>567,152</u>		
Total funds		<u>(352,267)</u>	<u>(2,788,461)</u>		

The financial statements were approved by the trustees and authorised for issue on 12 December 2022 and are signed on their behalf by


The Rev'd Penelope Seabrook
Chair of Governors

Statement of Cash Flow
for the year ended 31 August 2022

	Notes	2022 £	2021 £
Net cash inflow from operating activities			
Net cash provided by/(used in) operating activities	A	171,688	22,322
Cash flows from investing activities	B	(52,297)	124,818
Change in cash and cash equivalents in the year	D	119,391	102,496
Cash and cash equivalents at beginning of year		667,386	564,890
Cash and cash equivalents at the end of the year	C	786,777	667,386
A Reconciliation of net (expenditure) to net cash flow from operating activities			
		2022 £	2021 £
Net (expenditure) for the reporting period (as per the statement of financial activities)		(199,806)	(213,640)
Adjusted for:			
Depreciation charges		25,508	13,477
Capital grants from DfE and other capital income		(20,994)	(145,956)
Interest receivable		(83)	(59)
Defined benefit pension scheme costs		346,000	255,000
Decrease/(Increase) in debtors		49,754	(28,870)
(Decrease)/Increase in creditors		(28,691)	97,726
Net cash provided by/(used in) used in operating activities		171,688	(22,322)
B Cash flows from investing activities			
		2022 £	2021 £
Interest receivable		83	59
Purchase of tangible fixed assets		(73,374)	21,197
Capital grants from DfE/ESFA		20,994	145,956
Net cash (used in)/provided by investing activities		(52,297)	124,818
C Analysis of cash and cash equivalents			
		2022 £	2021 £
Cash in hand and at bank		786,777	667,386
Total cash and cash equivalents		786,777	667,386
D Analysis of changes in net funds			
	Balance at 1 September	Cash Flows	Balance at 31 August
	2021 £'000	2022 £'000	2022 £'000
Cash	667,386	119,391	786,777
Total	667,386	119,391	786,777

**Notes to the Financial Statements
for the year ended 31 August 2022**

1 Statement of 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 2021 to 2022 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Lady Margaret School meets the definition of a public benefit entity under FRS 102.

Going Concern

The Governors assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the academy trust to continue as a going concern.

The Governors 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.

This assessment is based on the consideration of the Governors given to the of the schools cashflows and cashflow management, alongside its three-year forecasts and the school's Strategic Development Plan, and at current pupil levels and expected future pupil levels of which the school remains oversubscribed and continue to perform above the national average.

Income

All income is 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 recognised when there is entitlement and are not deferred over the life of the asset on which they are expended.

Donations

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

Other Income

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

1 Statement of accounting policies (continued)

Expenditure

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

Expenditure on Raising Funds

This includes all expenditure incurred by the academy 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.

All resources expended are inclusive of irrecoverable VAT.

Tangible Fixed Assets

Assets costing £3,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

The academy trust company occupies land and buildings which are owned by the Diocesan Board for Schools. The academy trust occupies the land and buildings under a mere licence. The Trustees of the Diocesan Board for Schools have given an undertaking to the Secretary of State that they will not give the academy trust less than two years notice to terminate the occupation of the land and buildings. Having considered the factual matrix under which the academy trust is occupying the land and buildings the governors have concluded that the value of the land and buildings occupied by the academy trust will not be recognised on the balance sheet of the academy trust. All leasehold improvements associated with the land and buildings will not be capitalised and instead expensed.

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

Fixtures, fittings and equipment - 3 years straight line

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

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

Liabilities

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

Notes to the Financial Statements
for the year ended 31 August 2022

1 Statement of accounting policies (continued)

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.

Financial Instruments

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

Financial assets – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 14. Prepayments are not financial instruments.

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

Financial liabilities – trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 15. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

Debtors

Trade and other debtors are recognised at the settlement amount after any trade discounts offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

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 part 11, chapter 3 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.

**Notes to the Financial Statements
for the year ended 31 August 2022**

1 Statement of accounting policies (continued)

Pensions 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 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 Governors.

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 ESFA/Department for Education.

Critical accounting estimates and assumptions

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

Critical accounting estimates and assumptions

The academy 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 20, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2022. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Notes to the Financial Statements
for the year ended 31 August 2022

2 Donations and capital grants

	Unrestricted funds £	Restricted general funds £	Restricted fixed assets funds £	2022 Total funds £	2021 Total funds £
Capital grants	-	-	20,994	20,994	145,956
Other donations	138,079	-	-	138,079	153,252
	<u>138,079</u>	<u>-</u>	<u>20,994</u>	<u>159,073</u>	<u>299,208</u>

In 2021, of the total income from donations and capital grants, £153,252 was to unrestricted funds and £145,956 was to restricted fixed asset funds.

3 Funding for the Academy Trust's educational operations

	Unrestricted funds £	Restricted general funds £	2022 Total funds £	2021 Total funds £
DfE / ESFA grants:				
General Annual Grant (GAG)	-	5,165,279	5,165,279	4,868,439
Other DfE / ESFA Grants	-	174,369	174,369	217,791
Pupil premium	-	5,339,648	5,339,648	5,086,230
	<u>-</u>	<u>10,679,296</u>	<u>10,679,296</u>	<u>10,172,460</u>
Other Government grants:				
Special Educational Needs (SEN)	-	111,166	111,166	105,507
	<u>-</u>	<u>111,166</u>	<u>111,166</u>	<u>105,507</u>
Other income from the academy trust's educational operations	<u>74,324</u>	<u>-</u>	<u>74,324</u>	<u>22,154</u>
	<u>74,324</u>	<u>5,450,814</u>	<u>5,525,138</u>	<u>5,213,891</u>

In 2021, of the total income from charitable activities, £22,154 was to unrestricted funds and £5,191,737 was to restricted general funds.

4 Other trading activities

	Unrestricted funds £	Restricted general funds £	2022 Total funds £	2021 Total funds £
Hire of facilities	112,396	-	112,396	67,907
Hire of facilities	<u>112,396</u>	<u>-</u>	<u>112,396</u>	<u>67,907</u>

In 2021, of the total income from other trading activities, £67,907 was to unrestricted funds.

5 Investment income

	Unrestricted funds £	Restricted general funds £	2022 Total funds £	2021 Total funds £
Short term deposits	83	-	83	59

In 2021, of the total investment income, £59 was to unrestricted funds.

**Notes to the Financial Statements
for the year ended 31 August 2022**

6 Expenditure (2022)

	Non Pay Expenditure			2022	2021
	Staff costs	Premises	Other	Total funds	Total funds
	£	£	£	£	£
Expenditure on raising funds	-	-	-	-	-
Academy's educational operations:					
Direct costs	3,992,954	-	243,629	4,236,583	4,064,507
Allocated support costs	735,380	393,652	630,881	1,759,913	1,730,198
	<u>4,728,334</u>	<u>393,652</u>	<u>874,510</u>	<u>5,996,496</u>	<u>5,794,705</u>

Expenditure (2021)

	Non Pay Expenditure			2021	2020
	Staff costs	Premises	Other		
	£	£	£		
Expenditure on raising funds	-	-	-	-	18,343
Academy's educational operations:					
Direct costs	3,881,083	-	183,424	4,064,507	3,778,859
Allocated support costs	762,255	471,346	496,597	1,730,198	1,531,073
	<u>4,643,338</u>	<u>471,346</u>	<u>680,021</u>	<u>5,794,705</u>	<u>5,328,275</u>

In 2021, of the total expenditure, £241,399 was to unrestricted funds, £106,569 was to restricted fixed asset funds and £5,446,737 was to restricted general funds.

	2022	2021
	£	£
Net expenditure for the year includes:		
Operating lease rentals	14,572	9,003
Depreciation	25,508	13,477
Fees payable to auditor for		
Audit	14,010	11,750
Other services	4,000	3,960

7 Charitable activities

	2022	2021
	Total funds	Total funds
	£	£
Direct costs - educational operations	4,236,583	4,064,507
Support costs - educational operations	1,759,913	1,730,198
	<u>5,996,496</u>	<u>5,794,705</u>

	2022	2021
	Total funds	Total funds
	£	£
Analysis of support costs		
Support staff costs	735,380	762,255
Depreciation	25,508	13,477
Premises costs	393,652	471,346
Legal costs - other	4,113	-
Other support costs	544,698	407,847
Governance costs	56,562	75,273
Total support costs	<u>1,759,913</u>	<u>1,730,198</u>

Notes to the Financial Statements
for the year ended 31 August 2022

8 Staff

(a) Staff costs

Staff costs during the period were:

	2022 Total funds £	2021 Total funds £
Wages and salaries	3,378,860	3,369,200
Social security costs	377,360	362,809
Operating costs of defined benefit pension schemes	740,248	747,976
	<u>4,496,468</u>	<u>4,479,985</u>
Agency staff costs	226,866	163,353
Staff restructuring costs	5,000	-
	<u>4,728,334</u>	<u>4,643,338</u>
Staff restructuring costs comprise:		
Severance payments	5,000	-
	<u>5,000</u>	<u>-</u>

(b) Non-statutory/non-contractual staff severance payments

The academy trust paid 1 severance payment in the year, disclosed in the following band:

0 - £25,000: 1

(c) Included in staff restructuring costs are special severance payments totalling £5,000 (2021: £nil). Individually, the payment was: £5,000.

(d) Staff numbers

The average numbers of persons employed by the Academy during the period was as follows:

	2022 No.	2021 No.
Teachers	50	51
Administration and support	32	32
Management	7	7
	<u>89</u>	<u>90</u>

(e) Higher paid staff

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000, was:

	2022 No.	2021 No.
£70,001 - £80,000	3	3
£80,001 - £90,000	3	3
£110,001 - £120,000	-	1
£120,001 - £130,000	1	-

(f) Key management personnel

The key management personnel of the academy trust comprise the Governors 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 £825,016 (2021: £808,116).

**Notes to the Financial Statements
for the year ended 31 August 2022**

9 Related Party Transactions - Governors' remuneration and expenses

One or more Governors has been paid remuneration or has received other benefits from an employment with the academy trust. The principal and other staff Governors 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 Governors. The value of Governors' remuneration and other benefits was as follows:

	2022 £	2021 £
E Stevenson		
Remuneration	120,000 - 125,000	115,000 - 120,000
Employer's pension contributions paid	25,000 - 30,000	25,000 - 30,000
C Walton		
Remuneration		5,000 - 10,000
Employer's pension contributions paid		0 - 5,000
K Foulds		
Remuneration	55,000 - 60,000	
Employer's pension contributions paid	10,000 - 15,000	
V Premkumar		
Remuneration	20,000 - 25,000	35,000 - 40,000
Employer's pension contributions paid	5,000 - 10,000	5,000 - 10,000
T Weithers		
Remuneration		45,000 - 50,000
Employer's pension contributions paid		10,000 - 15,000

During the period ended 31 August 2022, no expenses were reimbursed or paid directly to Governors in respect to travel or subsistence (2021: £nil). Subscription of £90 was paid on behalf of the entire governing body (2021: £95).

10 Governors' and Officers' insurance

The academy trust has opted into the Department for 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 trust business. The insurance provides cover up to £1,000,000 on any one claim and the cost for the period ended 31 August 2022 was £1,600 (2021: £1,600). The cost of this insurance is included in the total insurance cost.

11 Members liability

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

12 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 in accordance with the requirements of the AFH and with the academy trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

Expenditure related party transaction:

During the year payments totalling £17,211 were made to The London Diocesan Board of School and its subsidiary (2021: £11,592). There were no outstanding balances at the year-end.

Income related party transaction:

The Lady Margaret School Foundation made a donation to the School of £4,994 (2021: £6,120). There were no outstanding balances at the year-end.

Donations were made by Governors to the School's Rose Fund, totalling £nil (2021: £3,300).

**Notes to the Financial Statements
for the year ended 31 August 2022**

13. Tangible fixed assets:

	Furniture and equipment £	Total funds £
Cost		
At 1 September 2021	433,554	433,554
Additions	73,374	73,374
At 31 August 2022	506,928	506,928
Depreciation		
At 1 September 2021	398,867	398,867
Charge in year	25,508	25,508
At 31 August 2022	424,375	424,375
Net book value		
At 31 August 2022	82,553	82,553
At 31 August 2021	34,687	34,687

14. Debtors:

	2022 £	2021 £
Trade debtors	3,349	-
VAT recoverable	18,844	38,293
Other debtors	-	10,039
Prepayments and accrued income	23,982	47,597
	46,175	95,929

15. Creditors: amounts falling due within one year:

	2022 £	2021 £
Trade creditors	-	119,163
Other creditors	19,238	-
Accruals and deferred income	143,534	72,300
	162,772	191,463
Deferred income		
Deferred income at 1 September 2021	-	77,855
Released during the year	-	(77,855)
Resources deferred in the year	35,034	-
Deferred income at 31 August 2022	35,034	-

**Notes to the Financial Statements
for the year ended 31 August 2022**

16 Funds

	Balance at 1 September 2021 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2022 £
Restricted general funds					
General Annual Grant (GAG)	-	5,165,279	(5,165,279)	-	-
Pupil Premium	-	174,369	(174,369)	-	-
SEN	-	111,166	(111,166)	-	-
Pension reserve	(3,395,000)	-	(346,000)	2,636,000	(1,105,000)
	<u>(3,395,000)</u>	<u>5,450,814</u>	<u>(5,796,814)</u>	<u>2,636,000</u>	<u>(1,105,000)</u>
Restricted fixed asset funds					
DfE/ESFA capital grants	39,387	20,994	-	-	60,381
	<u>39,387</u>	<u>20,994</u>	<u>-</u>	<u>-</u>	<u>60,381</u>
Total restricted funds	<u>(3,355,613)</u>	<u>5,471,808</u>	<u>(5,796,814)</u>	<u>2,636,000</u>	<u>(1,044,619)</u>
Unrestricted funds					
General funds	567,152	324,882	(199,682)	-	692,352
Total unrestricted funds	<u>567,152</u>	<u>324,882</u>	<u>(199,682)</u>	<u>-</u>	<u>692,352</u>
Total funds	<u>(2,788,461)</u>	<u>5,796,690</u>	<u>(5,996,496)</u>	<u>2,636,000</u>	<u>(352,267)</u>

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

	Balance at 1 September 2020 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2021 £
Restricted general funds					
General Annual Grant (GAG)	-	4,868,439	(4,868,439)	-	-
Pupil Premium	-	217,791	(217,791)	-	-
SEN	-	105,507	(105,507)	-	-
Pension reserve	(2,708,000)	-	(255,000)	(432,000)	(3,395,000)
	<u>(2,708,000)</u>	<u>5,191,737</u>	<u>(5,446,737)</u>	<u>(432,000)</u>	<u>(3,395,000)</u>
Restricted fixed asset funds					
DfE/ESFA capital grants	-	145,956	(106,569)	-	39,387
	<u>-</u>	<u>145,956</u>	<u>(106,569)</u>	<u>-</u>	<u>39,387</u>
Total restricted funds	<u>(2,708,000)</u>	<u>5,337,693</u>	<u>(5,553,306)</u>	<u>(432,000)</u>	<u>(3,355,613)</u>
Unrestricted funds					
General funds	565,179	243,372	(241,399)	-	567,152
Total unrestricted funds	<u>565,179</u>	<u>243,372</u>	<u>(241,399)</u>	<u>-</u>	<u>567,152</u>
Total funds	<u>(2,142,821)</u>	<u>5,581,065</u>	<u>(5,794,705)</u>	<u>(432,000)</u>	<u>(2,788,461)</u>

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

The General Annual Grant is funding from the DfE for the Academy's operating costs.

SEN funding is used to meet the needs of pupils with statements or pupils requiring support under School Action or School Action Plus.

Pupil premium is used to fund the Academy's operating costs.

DfE/ESFA capital grants were to fund the purchase of fixed assets

**Notes to the Financial Statements
for the year ended 31 August 2022**

17. Analysis of net assets between funds

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Fund balances at 31 August 2021 are represented by:				
Tangible fixed assets	82,553	-	-	82,553
Current assets	772,571	-	60,381	832,952
Current liabilities	(162,772)	-	-	(162,772)
Pension scheme liability	-	(1,105,000)	-	(1,105,000)
Total net assets	692,352	(1,105,000)	60,381	(352,267)

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

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Fund balances at 31 August 2021 are represented by:				
Tangible fixed assets	34,687	-	-	34,687
Current assets	723,928	-	39,387	763,315
Current liabilities	(191,463)	-	-	(191,463)
Pension scheme liability	-	(3,395,000)	-	(3,395,000)
Total net assets	567,152	(3,395,000)	39,387	(2,788,461)

18. Capital commitments

	2022 £	2021 £
Contracted for, but not provided in the financial statements:	-	-

19. Commitments under operating leases

At 31 August 2022 the total of the academy trust's future minimum lease payments for operating equipment under non-cancellable operating leases was:

	2022 £	2021 £
Amounts due within one year	12,339	4,038
Amounts due between one and five years	35,111	10,096
	47,450	14,134

**Notes to the Financial Statements
for the year ended 31 August 2022**

20 Pensions 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 managed by the London Borough of Hammersmith and Fulham. 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 2019:

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academy trusts. All teachers have the option to opt-out of the TPS following enrolment.

The TPS is an unfunded scheme to which both the member and employer makes contributions, as a percentage of salary - these contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 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 2024.

The pension charge for the year includes contributions payable to the TPS of £563,678 (2021: £574,697).

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.

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2022 was £229,000 (2021: £223,668), of which employer's contributions totalled £177,000 (2021: £173,279) and employees' contributions totalled £52,000 (2021: £50,389). The agreed contribution rates for future years are 23.9% for employers and 5.5-12.5% for employees.

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

**Notes to the Financial Statements
for the year ended 31 August 2022**

20 Pensions and similar obligations (continued)

Principal actuarial assumptions

	At 31 August 2022	At 31 August 2021
Rate of increase of salaries	4.05%	3.90%
Rate of increase for pensions in payment/inflation	3.05%	2.90%
Discount rate for scheme liabilities	4.25%	1.65%
Inflation assumption (CPI)	3.05%	2.90%

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

Current mortality rates

	At 31 August 2022	At 31 August 2021
<i>Retiring today</i>		
Males	21.4	21.6
Females	24.1	24.3
<i>Retiring in 20 years</i>		
Males	22.9	22.9
Females	26.1	25.7

Below sets out the impact on the present value of defined benefit obligations of changes in key assumptions:

Sensitivity analysis

	At 31 August 2022 £000	At 31 August 2021 £000
Discount rate: -0.1%	3,461	5,725
Mortality assumption: - 1 year increase	3,529	5,804
CPI rate +0.1%	3,461	5,580

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

	Fair value at 31 August 2022 £	Fair value at 31 August 2021 £
Equities	1,487,200	1,024,000
Corporate bonds	366,080	-
Property	411,840	218,000
Cash and other liquid assets	22,880	131,000
Other	-	805,000
Total market value of assets	2,288,000	2,178,000

The actual return on scheme assets was £(72,000) (2021: £252,000)

**Notes to the Financial Statements
for the year ended 31 August 2022**

20 Pensions and similar obligations (continued)

Amount recognised in the statement of financial activities

	2022 £	2021 £
Current service cost	(464,000)	(386,000)
Interest income	37,000	29,000
Interest cost	(96,000)	(71,000)
Total amount recognised in the Statement of Financial Activities	(523,000)	(428,000)

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

	2022 £	2021 £
At 1 September	5,573,000	4,421,000
Current service cost	464,000	386,000
Interest cost	96,000	71,000
Employee contributions	52,000	50,000
Actuarial (gain)/loss	(2,745,000)	655,000
Benefits paid	(47,000)	(10,000)
At 31 August	3,393,000	5,573,000

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

	2022 £	2021 £
At 1 September	2,178,000	1,713,000
Interest income	37,000	29,000
Actuarial gain/(loss)	(109,000)	223,000
Employer contributions	177,000	173,000
Employee contributions	52,000	50,000
Benefits paid	(47,000)	(10,000)
At 31 August	2,288,000	2,178,000