

Lady Margaret School

**Annual Report and
Financial Statements**

31 August 2021

**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 Period Ended 31 August 2021

Members

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

Trustees

Justin Bairamian, Vice Chair*
Phillip Bladen, Chair* (resigned 30 September 2021)
Maxine Boersma (appointed 03 November 2020)
Marianne Coates
James Ewins*
Kathryn Foulds (appointed 04 November 2020)
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
Jane Reed (resigned 31 October 2021)
The Rev'd Penelope Seabrook, Chair* (appointed 06 October 2021)
Paul Sloan
Elisabeth Stevenson, Headteacher*
Philip Thomas* (resigned 31 August 2021)
Nicola Thomson (resigned 04 November 2020)
Charlotte Walton (resigned 20 October 2020)
Tania Weithers (resigned 31 August 2021)
Richard Wormell*

*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 2021**

Senior Leadership team

Sarah Denmark, Assistant Headteacher
Harriet James, Assistant Headteacher
Nicola Lupton, Deputy Headteacher
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

Solicitors

Winkworth Sherwood
Minerva House
5 Montague Close
London
SE1 9BB

Lady Margaret School

Governors Report

For the Period Ended 31 August 2021

The Governing Body present their annual report together with the financial statements and auditor's report of the charitable company from the 1 September 2020 to 31 August 2021.

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.

Governors Indemnities

The Governing Body of the Charitable Company have been indemnified in respect of their legal liability resulting from financial loss arising as a result of a negligent act, accidental error or omission in the course of their official duties. The limit of this indemnity is unlimited.

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.

Lady Margaret School

Governors Report (continued)

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

Lady Margaret School

Governors Report (continued)

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 2020 to 31 August 2021 set out the pay ranges for the school's senior leadership team; the Headteacher, the Deputy Headteachers and the Assistant Headteachers.

The above pay policy has regard to the guidance contained within the School Teacher's Pay and Conditions Document 2020 ('STPCD September 2020'), ESFA Finance Handbook 2020 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, there were no relevant union officials and there were no paid trade union activities in 2020/2021.

Related Parties and other Connected Charities and Organisations

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 School

Governors Report (continued)

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.

Objectives and Activities

Objects and Aims

The principal 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.

Current priorities for the school are reflected in the **School Development Plan 2019 - 2022**. These are identified by the Senior Leadership Team following discussions with The Governing Body.

School Development Plan 2019-2022

In preparation for the next phase of the school's development, it was decided that priorities should be set over a three year period 2019-2022, with each of the three years to have a detailed focus.

The development priorities for 2020/2021 contained within the School Development Plan were therefore as follows:

1. For all students to maintain excellent progress, including those from disadvantaged groups
2. To support and develop the well-being of staff and students
3. To develop and sustain an excellent CPD programme across the staff to ensure a high quality of teaching and learning across the school
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 is set with a clear focus for the period 2019-2022 and an interim set of goals which needed to be achieved in 2020/2021. For the period 2020/2021 each goal was 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 January 2021, alongside all schools in England, Lady Margaret School was instructed by the Department of Education to close for most students as a direct result of the Covid-19 pandemic. Most students moved to learning online, with 80 students attending school in person each day. As a result of this change, the school's priorities were immediately shifted to operating the school in a remote and virtual setting. The experience gained through the school closure between March and June 2020 meant that the school was able to move quickly to a remote model and continue operating with online provision, including 'live' teaching, in place for students at all key stages.

Between January and March 2021, the school introduced live teaching as a standard across all subjects and year groups, in order to ensure consistency of provision. Students from vulnerable backgrounds and those who were children of key workers were invited into school to receive face to face teaching throughout the closure period. Also, the school offered the opportunity to students from disadvantaged backgrounds and those with a growing attainment gap to attend school during the closure period. Students known to be vulnerable, due, to, for example, mental health concerns, were also invited to attend school in person.

The period between January and March 2021 was also spent undertaking Covid-19 testing for students and staff attending school. A Covid-19 testing centre was established, and staff were trained to undertake mass testing for all students when they returned in March 2021.

Between March and July 2021, the school's priorities included the safe reopening of the school to all students following the school closure and to ensure that gaps in student attainment were identified. Teachers were required to ensure that a holistic 'catch up' programme was embodied in their daily practice. The period of time was also used to continue delivering against the School Development Plan priorities.

The school received final confirmation in April 2021 of the requirement to produce Centre Assessed Grades for both the GCSE and A Level qualification for 2021. The school was required by the examination bodies to produce a qualifications policy, a clear timeline, to undertake a wide range of assessments, operate a moderation process and ensure that a full bank of evidence was available to corroborate each individual assessment result. This was a significant task for all teaching staff, middle and senior leaders to undertake.

During August 2021 priority was given to issuing the exam results, managing an appeals process and assisting students with their transition into Key Stage 5 or their Higher Education / Post 18 pathways. The appeals process differed from previous years as the school was required to undertake the initial appeal work and provide evidence to exam boards as necessary. The introduction of Centre Assessed Grades also created greater uncertainty around the exam results and students' ability to transition to their destination of choice. As a result, the school was required to deliver greater assistance to its students in order to assist them secure their chosen destination.

Lady Margaret School

Governors Report (continued)

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.

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 the Year 7 to the 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

Lady Margaret School

Governors Report (continued)

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 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 voted for 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. 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 2021 are as follows:

GCSE Results

	English Language	English Literature	Mathematics	Both English and Maths
Grade 4 or above	97%	97%	91%	93%
Grade 5 or above	91%	93%	79%	78%

Lady Margaret School

Governors Report (continued)

Strategic Report (continued)

69% 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 65.39. 50% of grades in total were 9-7 and 82.6% of grades were 9-5.

A Level Results

Overall 94.2% of grades were A* - C and 78.6% of grades attained were A* - B. 50.6% of grades were A* - A.

Twenty four girls attained at least three A/A* grades at A Level, which is a fantastic achievement. There were ten A* grades in English, eight in History, nine in Maths, three in Economics and five in History. In Economics, English Literature, Fine Art, French, History of Art, Further Mathematics, Music, Physics, Politics, religious Studies and Spanish no student attained below a C grade.

In Autumn 2021 our students will be starting courses in many different subjects, at universities right across the country, including: Medicine, University of Nottingham; Physics with Theoretical Physics, University of Manchester; Mathematics, University of Bath; Philosophy and Theological Studies, University of St. Andrews; Sports Management and Development, University of Portsmouth; Law and Criminology, University of York; English Literature with Creative Writing, University of East Anglia; Natural Sciences, University of Cambridge; Architecture, University of Nottingham; English Language and Literature, University of Oxford; History of Art, University of Manchester; Law and Korean, SOAS, University of London; Genetics, University of Glasgow; Sociology, LSE; History, University of Oxford; Physics and Philosophy, University of Oxford. Six students will be starting Art Foundation Courses.

Staff are observed 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 designed for those new to middle leadership which is run by two members of 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.

The school's ability to perform as it would normally expect to in 2020/2021 was challenged as a direct result of the Covid-19 pandemic and the instruction by the Department of Education to close in January 2021. The school continued to follow the Government's Covid-19 guidance at all times.

The Government required the school to implement a series of Covid-19 protective measures. These included undertaking the 'tracking and tracing' of Covid-19 positive students' close contacts, the

Lady Margaret School

Governors Report (continued)

Strategic Report (continued)

closure of the school between January and March 2021, mass Covid-19 testing of staff and students and the replacement of public examinations with Centre Assessed Grades. The school also operated an extensive Covid-19 Risk Assessment throughout the year which detailed a wide range of physical and operational measures to be put in place across the school to prevent the transmission of Covid-19.

The impacts of Covid-19 protective measures on the school can be summarised as follows:

- Teaching and learning and safeguarding were migrated to a remote learning model between January and March 2021 for the majority of students, with live teaching delivered as standard across all subjects.
- Students from vulnerable backgrounds and students who were children of key workers were invited to attend school during the January to March 2021 closure period for face to face teaching.
- Students from disadvantaged backgrounds and those with a growing attainment gap were also invited to attend school for face to face teaching during the closure period.
- GCSE and A Level Examinations did not take place. In their place the school was required by the Examination Boards to produce 'Centre Assessed Grades'. This work was undertaken by all of the teaching staff, middle leaders and senior leaders.
- Extensive health and safety measures and building modifications were required in order to facilitate the full opening of the school in September 2020 and for the rest of the academic year. This involved a direct financial cost of £16,000.
- Extensive logistical and timetable planning was required in order to facilitate the safe operation of the school over the academic year 2020/2021. This involved year group bubbles, a one way system and rigorous management of communal areas and whole school activities e.g. lunch time in order to avoid year groups mixing.
- The school was required to undertake Covid-19 mass testing of its workforce and students when schools reopened in March 2021. This required the establishment of a mass testing centre and the training of staff and volunteers to undertake the testing. This involved a direct financial cost of £9,000.
- The school was required to undertake the tracking and tracing of the close contacts of students that tested positive for Covid-19. This resulted in a high level of student absence in December 2020 which culminated in the school closing a week early before the Christmas holidays.
- A risk assessment of the school workforce was required in order to ensure a safe environment for staff who were profiled as being at a higher risk to the effects of Covid-19.
- Governance functions were performed remotely or in a hybrid format of school based and remote based meetings.

Due to Covid-19, both the GCSE and A Level results for 2021 were based on Centre Assessed Grades submitted by the school to the Examination Boards in June 2021. In order to calculate the Centre Assessed Grades, staff worked very hard to ensure that these grades were based on a comprehensive range of data and work submitted by students. These grades were checked and moderated internally before being sent to the Examination Boards. Staff worked through the school's process with great care and precision to ensure our submitted grades were accurate.

Lady Margaret School

Governors Report (continued)

Strategic Report (continued)

Key Performance Indicators

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

- 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 setting of a balanced budget which meets the needs of teaching and learning (with an adequate reserve)

The school can measure its performance against these Key Performance Indicators over the period 2020/2021 as follows:

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. In addition, the School has received many messages from parents and governors during 2020 which have been appreciative of the work the School has done to support students' education during a very difficult year.

There will be no performance tables published for the 2020 or 2021 results and therefore no externally verified data to show student progress and value-added data for schools in England. Based on how data was assessed in previous years, the results for 2021 would suggest very positive value-added data and therefore very positive progress data. 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 2020-21, 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 2020/2021 was higher than expected with 104 students admitted into year 12 against the target of 100. The introduction of a new online Sixth Form application system (Applica) over 2019/2020 greatly assisted in ensuring that the maximum number of prospective students were enrolled.

Lady Margaret School

Governors Report (continued)

Strategic Report (continued)

There were no external audits or inspections.

The school set a in year revenue deficit budget of £ (36,124) in 2020/2021 which was managed throughout the year to realise a revenue deficit at year end of £ (9,109).

The school's internal scrutiny review of Governance, identified the need for the trust to increase the number of measures being used for monthly financial KPI reporting, despite monthly budget and cashflow reporting being in place. As a result the trust will be reviewing its financial KPI reporting measures in 2021/2022 and monitoring the budget through a greater number of KPI measures.

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. The Governors have given their consideration about the impact of Covid 19 in the financial review section below. 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 income for the period was £5,581,065 (2020 £5,278,141). The deficit of expenditure over income for the period excluding any fixed asset and pension transactions was £1,973. (2020 Surplus: £119,866)

The impact of the Covid-19 pandemic on the school's financial position in 2020/2021 was mainly restricted to specific areas of income and expenditure.

The school received £89,490 of Covid-19 related grants from the government which were the Covid-19 Catch Up Premium and the Covid-19 Mass Testing Grant. There was also a Free School Meals Supplementary Grant.

Although the majority of the school's income is restricted funding, the school also depends on unrestricted funding, which includes lettings income. Lettings income was reduced by an estimated £24k against an expected income of £92k as a direct result of cancellations due to Covid-19.

In terms of expenditure, the school incurred a direct cost related to Covid-19 of £58k. This expenditure was for extra cleaning, Covid-19 additional health and safety measures, mass testing and IT investment to support remote learning and cloud based technologies.

A further £19k of expenditure was incurred in 2020/2021 for premises works that were planned to take place in 2019/2020 but were delayed or deferred as direct result of Covid-19.

Lady Margaret School

Governors Report (continued)

Financial Review (continued)

The school understands that the direct cost of managing Covid-19 and the loss of rental income exceeded the grant money received by government by £(-6k). Therefore on balance, although Covid-19 was a significant event the net impact on the school's in year finances was negligible. If the delayed and deferred works and considered the net impact is more significant at £(-25k).

Reserves Policy

As at the 31 August 2021 the value of the school's free reserves was £532,465. The total reserve sum recognises a £39,387 balance of restricted funds (excluding pension reserve) and a £567,152 balance of unrestricted funds. There were total reserves of £2,788,461 which includes the pension deficit of £3,395,000.

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.

The school's reserves in excess of £250,000 will continue to support the fiscal stability and sustainability of the school budget over the medium term period to the end of financial year 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.

The school has a budget in place for 2021/2022 and a budget forecast to 2024/2025 in which the school's reserve limit is maintained at all times. The reserves over this period are forecast to increase in excess of £500k which is achieved through a series of in-year balanced revenue budgets between 2022/2023 and 2024/2025.

It is not anticipated that as a result of the Covid-19 pandemic or indeed any other significant event that it will be necessary to set aside specific funds to address the impact, which in turn will have an impact on the academies reserve position.

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.

Lady Margaret School

Governors Report (continued)

Principal Risks and Uncertainties

In line with the Academies Financial Handbook 2020 an Audit and Risk Management Committee has been established by The Governing Body. The governors of this committee have assessed the major risks to which the academy is exposed and where possible, have ensured that systems are in place to manage these 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.

Through the process of reviewing the school's risks governors have determined that there are two principle risks facing the academy:

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

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.

Although the majority of the measures placed upon the school and wider society by Central Government have been lifted between March and August 2021, the risk of new variants of Covid-19 remains.

As with the previous two years, Covid-19 is judged to continue to present a high risk to the school as the outbreak of a new variant has the potential to severely impact on the overall achievement and performance of the school. This would occur through enforced closure and high numbers of staff and student absence due to death, sickness, isolation or care of dependents.

The school has set out to mitigate this risk by continuing to implement measures identified through the production of a Covid-19 specific risk assessment. This assessment is reviewed regularly by the Senior Leadership Team and termly by the Staffing and General Purposes Committee. It also follows all Covid-19 guidance as issued by the Department for Education.

The implementation of the school's risk assessment has enabled the school to deliver a full curriculum and offer extra-curricular activity to all of its students in school from September 2021.

The impact of Covid-19 on the school's finances has largely been identified as affecting certain areas of income i.e. lettings and fundraising and affecting certain areas of expenditure i.e. supply cover, health and safety, cleaning, catering and staff recruitment.

The tangible direct cost of a further Covid-19 outbreak across both areas of income and expenditure is difficult to forecast as each may be differently impacted as a result of measures declared by the Department for Education or the impact of Covid-19 generally. E.g. a full school closure would impact lettings income and fundraising but may benefit supply cover and cleaning

Lady Margaret School

Governors Report (continued)

Principal Risks and Uncertainties (continued)

costs, whereas very high levels of staff absence related to Covid-19 may increase supply cover, cleaning and health and safety costs.

In order to mitigate the uncertainty of this risk, the school management and governors receive monthly budget monitoring reports. All lettings contracts have been reviewed for 2021/2022 and the school has assisted its clients in making appropriate adjustments to their hire so that their letting is sustainable throughout the period of special measures being in place. Where additional expenditure may occur, monthly forecasting and monitoring against budget takes place. The school also currently has reserves which exceed its reserves policy and plans to maintain a high reserve level over the period 2021/2022 to 2024/2025.

During 2019/2020 and 2020/2021 the school was able to manage the indirect costs, direct costs and savings incurred as a result of Covid-19 and feels sufficiently experienced in order to manage a similar range of financial pressures during 2021/2022.

- **Loss of data due to IT failure**

It has been identified through the school's IT strategy, emergency planning, GDPR compliance, curriculum planning and Covid-19 control measures 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.

The loss of IT services as described above would potentially create a significant loss of data as not all data can be restored in an offsite facility as it is contained in school server hosted databases, as opposed to cloud hosted databases. The impact of data loss or the inability to recover data in a useable format due to loss of server hosted databases, would mean that teaching and learning would be severely impacted. School business and administrative functions would be severely affected. There would be the potential loss of following data types: SIMS(MIS) Data, stored server data, software applications and critical infrastructure data.

The school has undertaken significant work during 2020/2021 to mitigate this risk. All MIS data and critical infrastructure is now backed up both on and offsite and can be restored in a useable format back into an IT environment on the school site, although still not in an IT environment off site.

Advance plans are in place to migrate all personal and shared server data to a cloud based platform, which will provide full resilience against loss of data. Shared data is being migrated into the cloud during late 2021 / early 2022 and personal user data is being migrated from January 2022 onwards.

The school already retains information in web based services e.g. Gmail, Google Classroom, Google Docs and ShowMyHomework.

The school believes that it will be able to mitigate against the risk of loss of data in future through its strategy to move to a cloud based IT service with onsite IT hosted services being backed up into the cloud.

Lady Margaret School

Governors Report (continued)

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 2019/2010 into 2020/2021 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 £5,435,109 (excluding restricted fixed asset funds) was lower than expenditure of £5,688,136 (excluding fixed asset costs) by £253,027.

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 2020/2021 the Rose Fund campaigned specifically to raise money for extra- curricular opportunities and to support balancing the school budget.

In 2020/2021 The Rose Fund raised £142,252 from parents and carers.

No external fundraisers or commercial organisations are used to raise funds. The Rose Fund is managed internally by the school administration staff and in 2020/2021 parents and carers received two written requests for a voluntary donation. No complaints were received as a result of The Rose Fund's fundraising activity.

The school employs a Head of Fundraising with the responsibility to fundraise for the school. The role has been vacant throughout the period 2020/2021 and instead of recruiting to the vacancy the school decided to source resource from existing capacity in order to continue with its fundraising activity for the year.

The cost to the school in 2020/2021 of fundraising activity was £nil (2020; £18,343).

Lady Margaret School

Governors Report (continued)

Fundraising (continued)

The impact of Covid-19 on the school's ability to fundraise was felt immediately from March 2020 and continued throughout the entire financial year 2020/2021. The restrictions placed upon the school through its Covid-19 Risk Assessment meant that it was not possible to hold donor and donor prospect engagement events. It was considered that these events would have served to lay foundations for future donations and also increase current donations.

Following the closure of the school between January and March 2021 it was considered inappropriate to be mailing and fundraising to parents at a time when the Covid-19 pandemic was at a peak.

A fundraising strategy was approved by governors in January 2020 which contained plans to substantially increase income over the period 2020/2021 to 2023/2024. That income is comprised of three elements, firstly; increased regular parent giving to The Rose Fund, secondly; large one off donations to the school from major donors and thirdly; donations solicited through school fundraising events.

In 2020/2021 the school reforecast the income that it expects to realise over the period to 2023/2024. Although the school intends to maintain its income from regular giving, it is likely that until face to face engagement resumes fully with donors and the school is able to stage events that the school will not be able to fundraise to the level of income forecast. The school will therefore keep this income stream under review through budget monitoring and reporting. Recruitment is also underway to fill the Head of Fundraising position in 2021/2022.

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.

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.

The School Development Plan continues to set the following overarching aims for 2021/2022:

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

The development priorities for 2021/2022 contained within the School Development Plan are as follows:

Lady Margaret School

Governors Report (continued)

Plans for Future Periods (continued)

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.

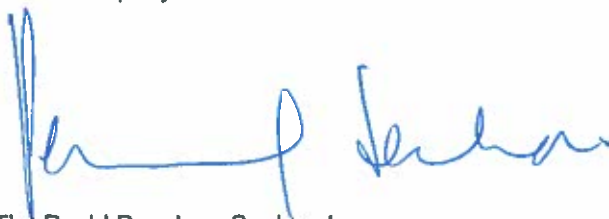
Auditor

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 LLP 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 15 December 2021 and signed on the board's behalf by:

A handwritten signature in blue ink, appearing to read 'Penelope Seabrook', written over a horizontal line.

The Rev'd Penelope Seabrook
Chair of Governors

15 December 2021

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 mismanagement 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 2020 – 31 August 2021. Attendance during the period at meetings of The Governing Body was as follows:

Governor	Meetings Attended	Out of a Possible
Justin Bairamian, Vice Chair	3	4
Phillip Bladen, Chair	4	4
Maxine Boersma	3	3
Marianne Coates	4	4
James Ewins	4	4
Kathryn Foulds	3	3
William Hunter	3	4
Arabella Macintyre	4	4
Nigel Parker	3	4
Sarah Peart, Deputy Vice Chair	3	4
Vithya Premkumar	4	4
Jane Reed	2	4
The Rev'd Penelope Seabrook	4	4
Paul Sloan	4	4
Elisabeth Stevenson, Headteacher	4	4
Philip Thomas	3	4
Nicola Thomson	1	1
Charlotte Walton	1	1
Tania Weithers	4	4
Richard Wormell	3	4

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:

Lady Margaret School

Governance Statement (continued)

- Consider the academies 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, Vice Chair of Governors and Chair of Finance Committee	2	3
Philip Bladen, Chair of Governors	3	3
James Ewins	3	3
Arabella Macintyre	3	3
Elisabeth Stevenson, Headteacher	3	3
Philip Thomas	3	3
Richard Wormell	2	3

The **Audit and Risk Management Committee** was formed in 2020/2021 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.

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 once since its formation in September 2021 and plans to meet three times in 2021/2022. There is no attendance information to report for 2020/2021.

Lady Margaret School

Governance Statement (continued)

Governance Review

The full schedule of Governing Body meetings took place in 2020/2021 despite restrictions being in place due to Covid-19 and the period of school closure between January and March 2021. The school's Covid-19 risk assessment enabled meetings to take place either in person, remotely or in a hybrid format whereby attendance was in person or remote.

The Full Governing Body met four times during 2020/2021 which was as scheduled and The Finance and Resources Committee met three times during 2020/2021 which was as scheduled. The Full Governing Body met twice termly (October 2020 and December 2020) in the Autumn Term and once in each subsequent term (March 2021 and July 2021). The Finance and Resources Committee met once each term (December 2020, March 2021 and June 2021).

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 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 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.

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 been actively recruiting and interviewing prospective 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 allowing governors to gain the feedback and views from all key stakeholders.

Lady Margaret School

Governance Statement (continued)

The Governing Body has a good balance between men and women and actively encourages people to stand for The Governing Body that are from ethnic minority backgrounds or who have a disability.

As at the 30 September 2021, Philip Bladen, Chair of Governors resigned after thirteen years of outstanding service as a governor to Lady Margaret School. Philip Bladen served the school initially as a Parent Governor from 2008 until 2011, whereby he was appointed as a Foundation Governor and Vice Chair of Governors until 2012 whereby he was appointed Chair of Governors. The school wishes to acknowledge, recognise and express its gratitude for Philip Bladen's sustained work and contribution to the school over so many years.

The Rev'd Penelope Seabrook was appointed Chair of Governors on 6 October 2021. As an existing 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.

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 reviewed six premises contracts with a total value of £19,126 during 2020/2021. The six existing contracts were retendered or renegotiated to realise a revised total value of £11,719, a saving of £7,407. The exercise also provided assurance that a number of existing and trusted suppliers continue to provide value for money.
- The school uses the Crown Procurement Framework when reviewing major contracts and is currently doing so to review its MFD leases and service contracts. The school hopes to secure new contracts that offer greater value money and upgrade its devices by using the framework.
- The school is retendering its cleaning and catering contracts which represent approximately £120k - £140k of expenditure and is collaborating in a joint procurement process with a consortium of local schools to retender the cleaning contract and is collaborating with the Local Authority to retender the catering contract.
- Work continues across the school to reduce or at least maintain non-staffing expenditure. Based on actual budget outturn, non-salary expenditure (restricted non salary expenditure only) has moved from £857,852 in 2019/2020 to £847,901 in 2020/2021. When expressed per m2 (7816m2 in total) or by student (600 students in years 7 to 11) this delivers a reduction from £109m2/£1,430 per student in 2019/2020 to £108m2/£1,413 in 2020/2021. The school has therefore made financial efficiencies and delivered cost savings in order to reduce non staffing costs (both per m2 and per student). This follows the same trend which has been in

Lady Margaret School

Governance Statement (continued)

place over an eight year period, despite inflationary increases and the school expanding both its student roll and building size.

- The school completed the annual ESFA Self-Assessment Return in 2021 which showed that when compared to other similar schools, spending as a percentage of total expenditure was 'Broadly in line with similar schools' across seven out of eight expenditure measures.
- The School Efficiency Metric provided by the ESFA ranks the school as the most efficient. The school was ranked 1 out of 50 against similar schools when using the 2018/2019 financial and performance data (more recent data unavailable). This means that no other school gets better student progress for a similar amount of money than Lady Margaret School.
- ESFA Benchmarking Data for the school corroborates the findings identified in the ESFA Self-Assessment Return. Based on the 2019/2020 benchmarking figures provided by the Department for Education, when comparing income and expenditure to other schools (i.e. those with similar phase, student progress, student numbers, location, free school meals, student premium etc.) the financial benchmarks place the school very much in a middle position. As follows:
 - The school ranked 7 out of 15 for its total income (£7,021 per student, up 3% from £6,766 per student in 2018/2019) and 8 out of 15 for its total expenditure (£6,826 per student, up 27% from £5,389 per student in 2018/2019).
 - Of total expenditure the school ranked 8 out of 15 for staff costs (£5,308 per student, up from £3,821 per student in 2018/2019) and went on to rank 5 out of 15 for teaching staff costs (£4,039 per student, up 12% from £3,606 per student in 2018/2019).
- The information provided by the ESFA Benchmarking Data supports the view that the school is managing its income and expenditure efficiently when compared to other schools. As follows:
 - The school has been able to increase its expenditure per student by 27% when income has only increased by 3% per student over the same period. Of that expenditure the school has been able to increase the amount spent on teaching by 12%.
 - A higher expenditure ranking for teaching staff within overall staffing costs demonstrates that teaching is prioritised. The school is therefore able to direct far more of its resources to teaching staff than other schools with a similar profile, a further indication of value for money being achieved.

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

Lady Margaret School

Governance Statement (continued)

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 Academy Trust for the period 1 September 2020 – 31 August 2021 and up to the date of approval of the annual report and financial statements.

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 periods

1 September 2020 – 31 August 2021 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. It 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
- Delegation of authority and segregation of duties
- Identification and management of risks

The Governing Body has decided to buy-in an internal audit service from Strictly Education Limited. Strictly Education's role includes giving advice on financial matters and performing a range of checks on the Academy's financial systems. In particular, the checks carried out in the current period included:

- An Internal Scrutiny of Payroll processes which included checks of:
 - Payroll Reports
 - HR Policies
 - HR Personnel Information
- An Internal Scrutiny of Governance processes which included checks of:
 - Governance Statement
 - Monthly Monitoring reports, Cashflow and 3 year budget plan
 - Finance Policy and Procedures
 - Trustee Induction Pack

Lady Margaret School

Governance Statement (continued)

- Skills Audit
- Scheme of Delegation
- Board and Committee minutes
- Attendance records of governors
- Business Continuity plan
- Risk Register

Twice a year, Strictly Education as 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 and annually 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 2020/2021 a High Assurance rating was issued against Governance and a High Assurance rating was issued against Payroll. The Overall Assurance rating for 2020/2021 was a High Assurance.

Five recommendations were made in the area of Governance of which one was high, one was medium and three were low. The high recommendation was that the school identifies key financial performance indicators and measures performance against them regularly and includes this information in the annual trustee report. The school will be introducing a more comprehensive selection of financial KPI reporting in 2021/2022 in order to fully address this recommendation.

No recommendations were made in the area of Payroll.

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:

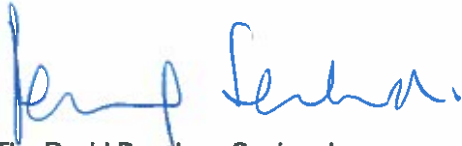
- The work of the Internal Auditor
- The work of the External Auditor
- The Financial Management and Governance Self-Assessment Process or the School Resource Management Self-Assessment Tool
- The work of the Senior Leadership Teams within the Academy who have responsibility for the development and maintenance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

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Audit 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 15 December 2021 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 Academy Trust, 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 ESFA terms and conditions of funding, under the funding agreement in place between the Academy Trust and the Secretary of State. As part of my consideration, I have had due regard to the requirements of the Academies Financial Handbook 2020.

I confirm that I and the Academy Trust Board of Governors 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 Academies Financial 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 board of trustees and ESFA.



Elisabeth Stevenson
Headteacher

15 December 2021

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 Annual Accounts Direction issued by the Education Funding Agency, United Kingdom Accounting standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires The Governing Body to prepare financial statements for each financial year. Under company law The Governing Body 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 Governing Body 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 2020 to 2021
- 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.

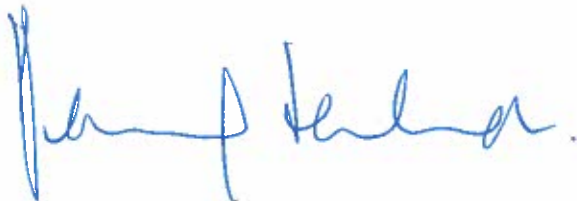
The trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from the ESFA/DfE have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

Lady Margaret School

Statement of Trustees' Responsibilities (continued)

Approved by order of the members of The Governing Body on 15 December 2021 and signed on its behalf by:

A handwritten signature in blue ink, appearing to read 'Penelope Seabrook', with a small dot at the end.

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 2021 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 2021 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 2020 to 2021 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.

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.

Independent Auditor's Report (continued)

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 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

Independent Auditor's Report (continued)

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 Financial Handbook, 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, including during the Covid-19 remote working period;
- 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.

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.



Siobhan Holmes (Senior Statutory Auditor)

for and on behalf of

Haysmacintyre LLP

Statutory Auditors

10 Queen Street Place

London

EC4R 1AG

Date: 16 December 2021

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 2020 to 2021, 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 2020 to 31 August 2021 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 2020, 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 2020 to 2021. 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 2020 to 31 August 2021 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.

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.

Independent Reporting Accountant's Report (continued)

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 2020 to 31 August 2021 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Haysmacintyre LLP

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

Date: 16 December 2021

**Statement of Financial Activities
for the year ended 31 August 2021**

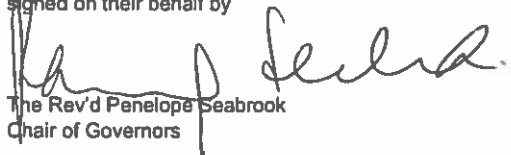
	Notes	Restricted funds			2021 Total funds £	2020 Total funds £
		Unrestricted general funds £	General funds £	Fixed assets funds £		
Income from:						
Donations and capital grants	2	153,252	-	145,956	299,208	168,130
Charitable activities:						
Funding for the academy trust's educational operations	3	22,154	5,191,737	-	5,213,891	5,051,481
Other trading activities	4	67,907	-	-	67,907	58,261
Investments	5	59	-	-	59	269
Total		243,372	5,191,737	145,956	5,581,065	5,278,141
Expenditure on:						
Raising funds	6	-	-	-	-	18,343
Charitable activities:						
Academy trust educational operations	7	241,399	5,446,737	106,569	5,794,705	5,309,932
Total		241,399	5,446,737	106,569	5,794,705	5,328,275
Net (expenditure)		1,973	(255,000)	39,387	(213,640)	(50,134)
Other recognised gains/(losses)						
Actuarial (losses) on defined benefit pension schemes	20	-	(432,000)	-	(432,000)	(222,000)
Net movement in funds		1,973	(687,000)	39,387	(645,640)	(272,134)
Reconciliation of funds						
Total funds brought forward		565,179	(2,708,000)	-	(2,142,821)	(1,870,687)
Total funds carried forward		567,152	(3,395,000)	39,387	(2,788,461)	(2,142,821)

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

Balance Sheet
for the year ended 31 August 2021

	Notes	2021 £	2021 £	2020 £	2020 £
Fixed assets					
Tangible assets	13		34,687		26,967
Current assets					
Debtors	14	95,929		67,059	
Cash at bank and in hand		667,386		564,890	
		763,315		631,949	
Liabilities					
Creditors: Amounts falling due within one year	15	(191,463)		(93,737)	
Net current assets			571,852		538,212
Total assets less current liabilities			606,539		565,179
Net assets excluding pension scheme liability			606,539		565,179
Defined benefit pension scheme liability	20		(3,395,000)		(2,708,000)
Total net assets			(2,788,461)		(2,142,821)
Funds of the academy trust:					
Restricted funds					
Fixed asset fund	16		39,387		-
Pension reserve	16		(3,395,000)		(2,708,000)
Total restricted funds			(3,355,613)		(2,708,000)
Unrestricted income funds					
General fund	16		567,152		565,179
Total funds			(2,788,461)		(2,142,821)

The financial statements were approved by the trustees and authorised for issue on 15 December 2021 and are signed on their behalf by


The Rev'd Penelope Seabrook
Chair of Governors

Company number: 08156535

Statement of Cash Flow
for the year ended 31 August 2021

	Notes	2021 £	2020 £
Net cash inflow from operating activities			
Net cash provided by/(used in) operating activities	A	(22,322)	102,300
Cash flows from investing activities	B	124,818	(13,087)
Change in cash and cash equivalents in the year	D	102,496	89,213
Cash and cash equivalents at beginning of year		564,890	475,677
Cash and cash equivalents at the end of the year	C	667,386	564,890
A Reconciliation of net (expenditure) to net cash flow from operating activities			
		2020 £	2019 £
Net (expenditure) for the reporting period (as per the statement of financial activities)		(213,640)	(50,134)
Adjusted for:			
Depreciation charges		13,477	5,431
Capital grants from DfE and other capital income		(145,956)	(17,697)
Interest receivable		(59)	(269)
Defined benefit pension scheme costs		255,000	170,000
Decrease in debtors		(28,870)	53,993
(Decrease) in creditors		97,726	(59,024)
Net cash provided by/(used in) used in operating activities		(22,322)	102,300
B Cash flows from Investing activities			
		2020 £	2019 £
Interest receivable		59	269
Purchase of tangible fixed assets		(21,197)	(31,053)
Capital grants from DfE/ESFA		145,956	17,697
Net cash (used in)/provided by investing activities		124,818	(13,087)
C Analysis of cash and cash equivalents			
		2021 £	2020 £
Cash in hand and at bank		667,386	564,890
Total cash and cash equivalents		667,386	564,890
D Analysis of changes in net funds			
	Balance at 1 September 2020 £'000	Cash Flows 2021 £'000	Balance at 31 August 2021 £'000
Cash	564,890	102,496	667,386
Total	564,890	102,496	667,386

**Notes to the Financial Statements
for the year ended 31 August 2021**

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 Statement of Recommended Practice for Charities (SORP Second Edition, effective 1 January 2019), the Academies Accounts Direction 2020 to 2021 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

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 school's 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.

The Governors have given their consideration about the impact of COVID19 and have concluded that the net impact on the school in the year was negligible.

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 expenditure is 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

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.

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 15. 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 16. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

Taxation

The academy 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.

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 so as 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 on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 20, the TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. The TPS is therefore 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 scheme and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

Fund Accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the academy 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 areas of judgement

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 21, will impact the carrying amount of the pension liability and assets. 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 2021. 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 2021**

2 Donations and capital grants

	Unrestricted funds £	Restricted general funds £	Restricted fixed assets funds £	2021 Total funds £	2020 Total funds £
Capital grants	-	-	145,956	145,956	17,697
Other donations	153,252	-	-	153,252	150,433
	<u>153,252</u>	<u>-</u>	<u>145,956</u>	<u>299,208</u>	<u>168,130</u>

In 2020, of the total income from donations and capital grants, £150,433 was to unrestricted funds and £17,697 was to restricted fixed asset funds.

3 Funding for the Academy Trust's educational operations

	Unrestricted funds £	Restricted general funds £	2021 Total funds £	Restated *2020 Total funds £
DfE / ESFA grants				
General Annual Grant (GAG)	-	4,868,439	4,868,439	4,775,547
Other DfE / ESFA Grants				
Pupil premium	-	217,791	217,791	132,562
Teachers' Pay Grant		-	-	-
Rates Reclaim				
	<u>-</u>	<u>5,086,230</u>	<u>5,086,230</u>	<u>4,908,109</u>
Other Government grants				
Special Educational Needs (SEN)	-	105,507	105,507	55,913
	<u>-</u>	<u>105,507</u>	<u>105,507</u>	<u>55,913</u>
Other income from the academy trust's educational operations	22,154	-	22,154	87,459
	<u>22,154</u>	<u>5,191,737</u>	<u>5,213,891</u>	<u>5,051,481</u>

*Following the reclassification in the Academies Accounts Direction 2020/21 of some grants received from the Department for Education and ESFA, the academy trust's funding for Universal Infant Free School Meals and Pupil Premium is no longer reported under the Other DfE Group grants heading, but as separate lines under the Other DfE/ESFA grants heading. The prior year numbers have been reclassified.

In 2020, of the total income from charitable activities, £87,459 was to unrestricted funds and £4,964,022 was to restricted general funds.

4 Other trading activities

	Unrestricted funds £	Restricted general funds £	2021 Total funds £	2020 Total funds £
Hire of facilities	67,907	-	67,907	83,129
Income from other charitable activities	-	-	-	-
Income from other ancillary trading activities	-	-	-	-
Hire of facilities	<u>67,907</u>	<u>-</u>	<u>67,907</u>	<u>58,261</u>

In 2020, of the total income from other trading activities, £58,261 was to unrestricted funds.

5 Investment income

	Unrestricted funds £	Restricted general funds £	2021 Total funds £	2020 Total funds £
Short term deposits	59	-	59	269

In 2020, of the total investment income, £269 was to unrestricted funds.

**Notes to the Financial Statements
for the year ended 31 August 2021**

6 Expenditure (2021)

	Staff costs £	Non Pay Expenditure		2021 Total funds £	2020 Total funds £
		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>

Expenditure (2020)

	costs	Non Pay Expenditure		2020	2019
		£	Other		
Expenditure on raising funds	-	-	18,343	18,343	9,599
Academy's educational operations:					
Direct costs	3,454,530	-	324,329	3,778,859	3,807,506
Allocated support costs	687,684	357,099	486,290	1,531,073	1,809,931
	<u>4,142,214</u>	<u>357,099</u>	<u>828,962</u>	<u>5,328,275</u>	<u>5,627,036</u>

In 2020, of the total expenditure, £176,556 was to unrestricted funds, £17,697 was to restricted fixed asset funds and £5,134,022 was to restricted funds.

Net (expenditure)/income for the year

Includes:

	2021 £	2020 £
Operating lease rentals	9,003	9,003
Depreciation	13,477	5,431
Fees payable to auditor for		
Audit	11,750	11,200
Other services	3,960	3,860

7 Charitable activities

	2021 Total funds £	2020 Total funds £
Direct costs - educational operations	4,064,507	3,778,859
Support costs - educational operations	1,730,198	1,531,073
	<u>5,794,705</u>	<u>5,309,932</u>

Analysis of support costs

	2021 Total funds £	2020 Total funds £
Support staff costs	762,255	687,684
Depreciation	13,477	5,431
Premises costs	471,346	357,099
Other support costs	407,847	349,817
Governance costs	75,273	131,042
Total support costs	<u>1,730,198</u>	<u>1,531,073</u>

**Notes to the Financial Statements
for the year ended 31 August 2021**

8 Staff

(a) Staff costs

Staff costs during the period were:

	2021 Total funds £	2020 Total funds £
Wages and salaries	3,369,200	2,952,722
Social security costs	362,809	313,036
Operating costs of defined benefit pension schemes	747,976	658,006
	4,479,985	3,923,764
Agency staff costs	163,353	218,450
	4,643,338	4,142,214

(b) Staff numbers

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

	2021 No.	2020 No.
Teachers	51	51
Administration and support	32	30
Management	7	7
	90	88

(c) Higher paid staff

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

	2021 No.	2020 No.
£60,001 - £70,000	-	1
£70,001 - £80,000	3	2
£80,001 - £90,000	3	3
£100,001 - £110,000	0	-
£110,001 - £120,000	1	1

(d) 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 £808,116 (2020: £769,028).

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:

	2021 £	2020 £
E Stevenson		
Remuneration	115,000 - 120,000	110,000 - 115,000
Employer's pension contributions paid	25,000 - 30,000	25,000 - 30,000
C Walton		
Remuneration	5,000 - 10,000	65,000 - 70,000
Employer's pension contributions paid	0 - 5,000	15,000 - 20,000
V Premkumar		
Remuneration	35,000 - 40,000	30,000 - 35,000
Employer's pension contributions paid	5,000 - 10,000	5,000 - 10,000
T Weithers		
Remuneration	45,000 - 50,000	40,000 - 45,000
Employer's pension contributions paid	10,000 - 15,000	10,000 - 15,000

During the period ended 31 August 2021, no expenses were reimbursed or paid directly to Governors in respect to travel or subsistence. Subscription of £95 was paid on behalf of the entire governing body (2020: £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 2021 was £1,600 (2020: £1,540). 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 £11,592 were made to The London Diocesan Board of School and its subsidiary (2020: £8,977). 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 £6,120 (2020: £7,244). There were no outstanding balances at the year-end.

Donations were made by Governors to the School's Rose Fund, totalling £3,300 (2020: £1,300).

**Notes to the Financial Statements
for the year ended 31 August 2021**

13 Tangible fixed assets

	Furniture and equipment £	Total funds £
Cost		
At 1 September 2020	412,357	412,357
Additions	21,197	21,197
At 31 August 2021	433,554	433,554
Depreciation		
At 1 September 2020	385,390	385,390
Charge in year	13,477	13,477
At 31 August 2021	398,867	398,867
Net book value		
At 31 August 2021	34,687	34,687
At 31 August 2020	26,967	26,967

14 Debtors

	2021 £	2020 £
Trade debtors	-	4,789
VAT recoverable	38,293	25,616
Other debtors	10,039	9,245
Prepayments and accrued income	47,597	27,409
	95,929	67,059

15 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	119,163	-
Other creditors	-	15,882
Accruals and deferred income	72,300	77,855
	191,463	93,737
Deferred income		
Deferred income at 1 September 2020	77,855	83,411
Released during the year	(77,855)	(83,411)
Resources deferred in the year	-	-
Deferred income at 31 August 2021	-	-

**Notes to the Financial Statements
for the year ended 31 August 2021**

16 Funds

	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>

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

	Balance at 1 September 2019 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2020 £
Restricted general funds					
General Annual Grant (GAG)	-	4,775,547	(4,775,547)	-	-
Pupil Premium	-	132,562	(132,562)	-	-
SEN	-	55,913	(55,913)	-	-
Pension reserve	(2,316,000)	-	(170,000)	(222,000)	(2,708,000)
	<u>(2,316,000)</u>	<u>4,964,022</u>	<u>(5,134,022)</u>	<u>(222,000)</u>	<u>(2,708,000)</u>
Restricted fixed asset funds					
DfE/ESFA capital grants	-	17,697	(17,697)	-	-
	<u>-</u>	<u>17,697</u>	<u>(17,697)</u>	<u>-</u>	<u>-</u>
Total restricted funds	<u>(2,316,000)</u>	<u>4,981,719</u>	<u>(5,151,719)</u>	<u>(222,000)</u>	<u>(2,708,000)</u>
Unrestricted funds					
General funds	445,313	296,422	(176,556)	-	565,179
Total unrestricted funds	<u>445,313</u>	<u>296,422</u>	<u>(176,556)</u>	<u>-</u>	<u>565,179</u>
Total funds	<u>(1,870,687)</u>	<u>5,278,141</u>	<u>(5,328,275)</u>	<u>(222,000)</u>	<u>(2,142,821)</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 2021**

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	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)

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 2020 are represented by:				
Tangible fixed assets	26,967	-	-	26,967
Current assets	631,949	-	-	631,949
Current liabilities	(93,737)	-	-	(93,737)
Pension scheme liability	-	(2,708,000)	-	(2,708,000)
Total net assets	565,179	(2,708,000)	-	(2,142,821)

18 Capital commitments

	2021 £	2020 £
Contracted for, but not provided in the financial statements.	-	-

19 Commitments under operating leases

At 31 August 2021 the total of the academy trust's future minimum lease payments for operating equipment under non-cancellable operating leases was:

	2021 £	2020 £
Amounts due within one year	4,038	4,038
Amounts due between one and five years	10,096	14,134
	14,134	18,172

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 academies. All teachers have the option to opt-out of the TPS following enrolment.

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

Valuation of the Teachers' Pension Scheme

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

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

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

The pension charge for the year includes contributions payable to the TPS of £574,697 (2020: £508,584).

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 2021 was £223,668 (2020: £192,074), of which employer's contributions totalled £173,279 (2020: £149,422) and employees' contributions totalled £50,389 (2020: £42,652). 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 2021**

20 Pensions and similar obligations (continued)

Principal actuarial assumptions

	At 31 August 2021	At 31 August 2020
Rate of increase of salaries	3.90%	3.25%
Rate of increase for pensions in payment/inflation	2.90%	2.25%
Discount rate for scheme liabilities	1.65%	1.60%
Inflation assumption (CPI)	2.90%	1.45%

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 2021	At 31 August 2020
<i>Retiring today</i>		
Males	21.6	21.8
Females	24.3	24.4
<i>Retiring in 20 years</i>		
Males	22.9	23.2
Females	25.7	25.9

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

Sensitivity analysis

	At 31 August 2021	At 31 August 2020
Discount rate +0.1%	5,425	4,304
Discount rate -0.1%	5,725	4,542
Mortality assumption – 1 year increase	5,804	4,591
Mortality assumption – 1 year decrease	5,351	4,257
CPI rate +0.1%	5,580	4,427
CPI rate -0.1%	5,566	4,415

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

	Fair value at 31 August 2021 £	Fair value at 31 August 2020 £
Equities	1,024,000	760,000
Property	218,000	174,000
Cash and other liquid assets	131,000	119,000
Other	805,000	660,000
Total market value of assets	2,178,000	1,713,000

The actual return on scheme assets was £112,000 (2019: £76,000)

**Notes to the Financial Statements
for the year ended 31 August 2021**

20 Pensions and similar obligations (continued)

Amount recognised in the statement of financial activities

	2021 £	2020 £
Service cost	(386,000)	(276,000)
Net interest on defined liability	(42,000)	(42,000)
Admin expenses	-	(1,000)
Total amount recognised in the Statement of Financial Activities	(428,000)	(319,000)

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

	2021 £	2020 £
Scheme obligations as at 1 September 2020	4,421,000	4,118,000
Current service cost	386,000	276,000
Interest cost	71,000	77,000
Employee contributions	50,000	43,000
Benefits paid	(10,000)	(153,000)
Change in demographic assumptions	(56,000)	(176,000)
Change in financial assumptions	809,000	380,000
Experience (gain)/loss on defined benefit obligation	(98,000)	(144,000)
Past service cost	-	-
At 31 August 2021	5,573,000	4,421,000

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

	2021 £	2020 £
Fair value of scheme assets at 1 September 2020	1,713,000	1,802,000
Return on assets	223,000	77,000
Interest income	29,000	35,000
Other actuarial (loss)/gain	-	(239,000)
Employer contributions	173,000	149,000
Employee contributions	50,000	43,000
Benefits paid	(10,000)	(153,000)
Administration expenses	-	(1,000)
At 31 August 2021	2,178,000	1,713,000