

Company Registration No. 08135633 (England and Wales)

**LATCHMERE ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

LATCHMERE ACADEMY TRUST

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LATCHMERE ACADEMY TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Members

Lisa Stone
Pam Tatlow
Stephen Pritchard
Sarah McCarthy
Justin Jacobs

Trustees

Justin Jacobs (Vice Chair of Trustees and Chair of School Improvement and Standards committee September – November 2020) (resigned 15 July 2021)
Sarah McCarthy (Chair of Trustees)
Julie Ritchie (Accounting Officer) (resigned 31 October 2020)
Raghu Venkatesam (Chair of Finance and Resources committee September – November 2020) (Chair of School Improvement and Standards committee from November 2020)
Madeleine Maguire (Chair of Nelson School Local Advisory Board) (resigned 15 July 2021)
Clare Reeve Curatola (Chair of Finance and Resources committee from November 2020)
Lucy Lewis (Chair of Governors Latchmere School)
Jennifer Singer
Nicholas Murphy
Derek Angliss (appointed 16 September 2020 resigned 2 December 2020)
Anna Steels (Accounting Officer) (appointed 1 November 2020)

Senior management team

- Executive Head Teacher and CEO	Julie Ritchie (until 31 October 2020)
- Executive Head Teacher and CEO	Anna Steels (from 1 November 2020)
- Head of Latchmere School	David Welsh (until 31 October 2020)
- Head of Latchmere School	Anna Steels (1 November – 31 December 2020)
- Head of Latchmere School	Carolyn Coles (1 January – 31 August 2021)
- Head of Nelson School	Anna Steels (until 31 October 2020) (1 January – 31 August 2021)
- Head of Nelson School	Sian Ward (1 November – 31 December 2020)
- Deputy Head - Latchmere	Carolyn Coles (until 31 December 2020)
- Deputy Head - Latchmere	Matthew Lewis
- Deputy Head – Nelson	Sian Ward (until 31 October 2020)
- Inclusion Leader	Lisa Maxted
- Early Years leader	Elaine Booth
- Business manager and CFO	Marianne Isbell

Company secretary

Alexandra Warburton (resigned 1 April 2021)
Clare Blake (from 2 April 2021)

Company registration number

08135633 (England and Wales)

Principal and registered office

Latchmere Road
Kingston upon Thames
Surrey
KT2 5TT

LATCHMERE ACADEMY TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Academies operated Latchmere School Nelson Primary School	Location Kingston upon Thames Twickenham	Head Teacher Anna Steels Sian Ward
Independent auditor	RSM UK Audit LLP Davidson House Forbury Square Reading Berkshire RG1 3EU	
Internal scrutiny auditor	Kreston Reeves LLP Montague Place Quayside Chatham Maritime Chatham ME4 4QU	
Bankers	Royal Bank of Scotland 5 Church Street Sheffield S1 1HF	
Solicitors	Stone King LLP 13 Queen Square Bath BA1 2HJ	

LATCHMERE ACADEMY TRUST

TRUSTEES' REPORT

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year 1 September 2020 to 31 August 2021. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The Academy Trust operates two primary academies: Latchmere School in the Royal Borough of Kingston, serving a catchment area in North Kingston and Nelson Primary School in the London Borough of Richmond, serving a catchment area in Whitton and Twickenham. Nelson Primary School joined Latchmere Academy Trust on 1 September 2017; transferring from The Waldegrave Trust.

Latchmere School has a pupil capacity of 918 and had a roll of 895 in the school census of 5 October 2021. Nelson Primary School has a pupil capacity of 416 and had a roll of 308 in the school census on 5 October 2021. Nelson's Pupil Admission Number (PAN) was 60 during the year. Latchmere's Pupil Admission Number (PAN) was 120 during the year.

Pupils will be admitted without reference to aptitude or ability. We have a non-discriminatory policy in relation to children with special educational needs.

If more applications are received than there are places, the following criteria will be used to decide which children can be offered places, in priority order, places will be offered:

1. To looked after children;
2. To children who have a sibling living at the same address who is attending the school at the time of admission;
3. In cases of exceptional family, social or medical need which make Latchmere or Nelson the most suitable school for the child;
4. To children of staff directly employed by Latchmere or Nelson school for two years or more; and
5. To children whose home is nearest to the school.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

Latchmere Academy Trust (the Academy Trust or the charitable company) is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Academy Trust. The Trustees of Latchmere Academy Trust are also the directors of the charitable company for the purposes of the Companies Act 2006 and charities legislation.

Details of the Trustees who served during the year, and to the date these financial statements are approved, are included in the Reference and Administrative Details on page 1.

Members' liability

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

Trustees' indemnities

In accordance with normal commercial practice the Academy Trust has purchased insurance to protect its Trustees and Officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust business. The insurance provides unlimited cover.

Principal activities

The principal activity of the Academy Trust is to offer free education to children in the local community through a broad and balanced curriculum. The Charitable Company was incorporated on 9 July 2012.

LATCHMERE ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

Method of recruitment and appointment or election of Trustees

The standard term of office for Trustees is four years.

The Trustees have set up procedures that will enable regular reviews of the mix of skills, through the skills matrix, available to the Board of Trustees. New Trustees will then be sought to add to the skills base.

New Trustees are recruited working with external governor recruitment services such as Academy Ambassadors and Inspiring Governance. Candidates are invited to submit a covering letter detailing why they'd like to become a trustee and their relevant skills and capabilities, alongside their CV. An interview is then conducted by a panel comprising of trustees and members. Successful candidates are then nominated to the next Trust Board for appointment, this decision will then be submitted to the Members for ratification. Members can also appoint Trustees.

Policies and procedures adopted for the induction and training of Trustees

New Trustees receive induction packs and meet with the Chair of Trustees and Executive Head Teacher to discuss the role of Trustees and the requirements of the Academy Trust. The induction process is supported by the Trust's Governance Professional. New Trustees also undertake the Introduction to Governance training course provided by our external supplier of governance support. In addition they receive the National Governance Association (NGA) 'Welcome to Governance Handbook' and can access all the resources and training support of the NGA.

During the year under review the Trustees held five full Board of Trustees meetings and five Trustees' Finance and Resources committee meetings. In addition six meetings of the Local Advisory Board (LAB) at Nelson Primary School, and six meetings of the Local Governing Body (LGB) at Latchmere School were held.

The training and induction provided for new Trustees is dependent on their experience. Where necessary the Academy will provide training on legal, educational and financial matters. All new Trustees are given a tour of the Academy Trust Schools. All Trustees are required to undertake one relevant Governor training course a year for their CPD. During this year the Trustees also commissioned trust-specific training for all Trustees and Governors to ensure everyone had a clear understanding of their role in the governance structure and how to be effective in their role.

Copies of policies, procedures, minutes, accounts, budget plans and other documents are made available to Trustees via an online platform. All Trustees are subject to DBS checks and informed about safeguarding procedures. All Trustees are expected to undertake Level 1 safeguarding training.

LATCHMERE ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

Organisational structure

The Charitable Company's organisational structure consists of two levels: The Trustees and the Executives who are the Leadership Team.

The Trustees' primary role is to approve the strategic direction and objectives of the Academy Trust and consisted of three committees in the year ended 31 August 2021:

- Finance and Resources, including Risk and Audit;
- School Improvement and Standards; and
- Nominations.

Additionally, each school has its own Governors who form at Nelson a LAB, and at Latchmere a LGB.

The committees and the School Governors monitor progress towards the objectives set in the School Development Plan (SDP), the risks identified through the risk register, and feed back to the full Board of Trustees which meets at least four times a year. Decisions are taken at meetings of the full Board of Trustees in consideration of reports and recommendations from Trustees' committees and School Governors.

Members of staff, in addition to the Executive Head Teacher and the Head of School at Nelson, attend committee, LAB and LGB meetings to present reports in their areas of responsibility, for example curriculum development and special educational needs.

The Trustees have agreed a scheme of delegation which sets out a statement of internal control, and responsibilities.

Trustees are responsible for setting general policy, adopting an annual plan and budget and are involved in major decisions including capital expenditure and senior staff appointments.

Arrangements for setting pay and remuneration of key management personnel

The Trustees have delegated significant authority and responsibility in the day-to-day running of the Academy Trust to the Executive Head Teacher and Senior Management Team (SMT). The pay and remuneration of members of the SMT and Executive Head Teacher is determined in accordance with the Academy Trust's Performance Appraisal and Pay policies, which reflect the requirements of the School Teachers' Pay and Conditions Document (STPCD).

Trade union facility time

No employees were officials of any relevant trade unions in the year ended 31 August 2021. Therefore, none of their time was spent on union activities.

LATCHMERE ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

Related parties and co-operation with other organisations

Latchmere Teaching School Alliance

Latchmere is a designated National Teaching School, working with strategic partners to provide high-quality training and development through the Latchmere Teaching School Alliance (LTSA).

Activities during 2020-21 have included initial teacher training through management of the School Direct programme, provision of induction training and certification for newly qualified teachers (NQTs) and hosting other training courses.

The LTSA receives grant funding from the National College for Teaching and Leadership (NCTL) for core activities and for School Direct trainees, it also generates its own income streams from the NQT programme and hosted training courses.

The finances of the LTSA are managed in parallel to the Academy Trust budget, with funding, income and associated expenditure being accounted for separately. These are included in our financial statements and treated as ring-fenced restricted funds.

The National Teaching School framework has been revised and our designation terminates on 31 August 2021.

There are no other related parties which either control or significantly influence the decisions and operations of the Academy Trust.

OBJECTIVES AND ACTIVITIES

Objects and aims

The principal objectives and activities of the Charitable Company are the operation of the Academies known as Latchmere School and Nelson Primary School to provide a differentiated, free education for its pupils by providing a broad and balanced curriculum.

Objectives, strategies and activities

The main objectives of the Charitable Company are summarised below:

- To provide outstanding teaching and learning;
- To care for the individual. The structures and ethos of the schools ensure care for the individual;
- To provide a fit place to learn. The Academy Trust aims to provide inspirational and well-run schools;
- To provide aspirational leadership;
- To provide an enriched curriculum whilst complying with statutory requirements;
- To provide value for money;
- To conduct the Academy Trust's business in accordance with the highest standards of integrity and probity; and
- To foster partnerships within the local community and the wider community.

Public benefit

In setting our objectives and planning our activities, the Trustees have carefully considered the Charity Commission's general guidance on public benefit. In this respect, the Trustees consider that the Charitable Company's aims are demonstrably to the public benefit.

LATCHMERE ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

STRATEGIC REPORT

Achievements and performance

Ofsted inspection outcomes

	Overall Grade	Quality of Education	Behaviour and Attitudes	Personal Development	Leadership and Management	Early Years
Latchmere Jan 2019	Good	Good	Outstanding	Outstanding	Good	-
Nelson Nov 2019	RI	RI	Good	Good	RI	Good

Nelson received a remote Monitoring visit in November 2020. Ofsted's visits to schools during the autumn term were not inspections and they did not give a graded judgement.

Attendance

Despite the impact of coronavirus (COVID-19), the attendance of pupils across the MAT was above national average at 96.7%

Included in the table below are the Teacher Assessments (TA) for Nelson and Latchmere. Targets will be set following Autumn Term Assessment 2021. 2019 and 2020 have been left in the table for comparison.

2021 - % Achieving (Provisional)	Latchmere 2019	Latchmere TA 2020	Latchmere TA 2021	Nelson 2019	Nelson TA 2020	Nelson TA 2021
EYFSP Good Level of Development	76	73-75	66.4	59	55-65	63.6
Phonics Expected Standard	86	72-82	77	72	72-74	68.6
Year 2 Phonics catch up	-	-	80	-	-	77.5
KS1 Expected or Above RWM	69	67-73	54.6	69	63-65	52.5
KS1 Expected or Above Reading	83	76-85	68.9	75	67-70	60
KS1 Expected or Above Writing	72	70-75	57.1	69	65-67	65
KS1 Expected or Above Maths	88	80-87	69.7	77	68-70	55
KS1 Expected or Above Science	93	87-93	-	80	75-80	-
KS1 Greater Depth RWM	19	18-22	13.4	8	6-9	0
KS1 Greater Depth Reading	34	34-35	38.7	25	23-26	17.5
KS1 Greater Depth Writing	22	22-30	17.6	12	9-12	0
KS1 Greater Depth Maths	32	35-41	37.8	21	9-12	0
KS2 Expected or Above RWM	73	85	83	61	69	66
KS2 Expected or Above Reading	82	90	89	76	83	80
KS2 Expected or Above Writing	89	88	88	78	73	72
KS2 Expected or Above Maths	88	92	88	71	72	76
KS2 Expected or Above GPS	88	91	-	83	70	-
KS2 Expected or Above Science	96	94	-	92	90	-
KS2 High Standard RWM	30	33	30	12	8	17
KS2 High Standard Reading	48	55	58	28	17	36
KS2 Greater Depth Writing	34	37	39	19	9	24
KS2 High Standard Maths	51	48	43	32	13	26
KS2 High Standard GPS	54	43	-	40	20	-

LATCHMERE ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

Attendance (continued)

- The impact of missed learning due to coronavirus lockdowns and bubble closures was evident and started to be addressed during the year;
- Teachers carried out catch up sessions for their class before and after school based on highest need identified during assessment and gaps analysis;
- Catch up sessions were extremely successful in KS2;
- In Early Years Foundation Stage (EYFS) outcomes improved at Nelson as an additional teacher was employed;
- Phonics outcomes at both schools were lower than 2019. This has become objective 1 on SDP as the school's approach has been reviewed and updated in line with recent research and best practice;
- Children's outcomes in KS1 were lower than expected. The interruption of these formative years due to lockdown, alongside the opportunity for staff to gather independent assessments, mean staff are less confident in the consistency of children's knowledge and skills. This will become a closely monitored focus as children enter KS2; and
- Staff have erred on the side of caution to ensure all gaps are fully addressed as children move into the next key stage.

LATCHMERE ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

Financial review

Most of the Academy Trust's income is obtained from the Department for Education (DfE) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the 12 months ended 31 August 2021 and the associated expenditure is shown as restricted funds in the statement of financial activities.

The Academy Trust also receives grants from Kingston and Richmond Local Authorities to support pupils who have a Statement of Educational Need (SEN) with associated funding allocation, and also for pupils aged 3 to 4 years attending the Nursery classes. In accordance with the Charities Statement of Recommended Practice, "Accounting and Reporting by Charities" such grants are shown as restricted income.

During the year ended 31 August 2021, financial expenditure of £8,098,569 (2020: £8,126,812) was covered in part by recurrent grant funding from the DfE and other grant income. The Academy Trust has generated and will aim to actively continue to generate alternative income streams to support its expenditure not covered by recurrent grant income.

The coronavirus pandemic has for the second year continued to affect these alternative income streams, the majority of which depend on "business as usual" with the normal population of children at school, and normal activity levels.

All children returned to school in September 2020, within a more restricted environment to reduce coronavirus transfer. The continued restrictions meant that it was not possible this year to resume lettings of the schools' facilities. Another key source of income, wraparound care also suffered as take up remained reduced due to many parents working from home and not requiring childcare. A subsequent national lockdown and school closure between January and March 2021 further impacted on wraparound care income and also income from school meals. Lost income was partially mitigated by reductions in associated costs, and both schools were able to claim under the Job Retention Scheme for furloughed catering and wraparound care staff.

Throughout the year we have experienced high levels of pupil and staff absence due to the closure of 'bubbles' and the requirement for all to self-isolate. We have had higher than normal costs of covering staff absence, with a large number of staff being required to self-isolate through the year. We have been able to partially offset this cost through SSP claims for coronavirus related absence (up to 10 days per employee)

We received COVID-19 catch-up funding from the ESFA totalling £99,440, these funds being used to cover the cost of additional tuition sessions and to purchase equipment and resources to aid remote learning. Just over £20,000 was spent on learning resources and IT equipment, including a set of 15 laptops for each school. These being in addition to 59 laptops and routers allocated by the DfE via the Get help with technology service. We participated fully in the national free school meals voucher scheme, distributing vouchers from both the DfE and the Local Authority to qualifying families. We have also been able to assist many non-eligible families who have suffered hardship during the pandemic, due to the astonishing generosity of our parents, who have donated almost £4,500 during the year to help others.

Overall, across both schools, the net impact due to coronavirus on school generated income was a reduction of approximately £148,917.

The deficit excluding transfers for the year ended 31 August 2021 was £41,816 (2020: deficit of £72,320) (excluding fixed asset funds and excluding the LGPS pension liability movement).

At 31 August 2021 the carry forward funds, excluding fixed assets and pension obligations was £746,287 (2020: £788,103).

Financial and risk management objectives and policies

The Academy Trust finance and risk policies are run with rigour. The committee structure ensures all decisions are debated appropriately.

LATCHMERE ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

Principal risks and uncertainties

A strategic risk register outlining low, medium and high-risk factors has been drawn up by the Trustees. The risk register identifies the key strategic (not operational) risks, the likelihood of these occurring, their potential impact on the Academy Trust and the actions taken to reduce and mitigate risks. The Trust's Scheme of Delegation sets out the roles and responsibilities of the different committees in respect of risk management. In addition, the Trust has determined that the risk register will be formally reviewed on an annual basis but risk will be discussed and reported up to the Trust Board throughout the year. Key risks identified this year, include:

- Decreasing pupil numbers;
- Maintaining and improving educational standards;
- Estates - premises, facilities and equipment;
- Effective governance and legal risks; and
- Financial control and management.

From a financial risk perspective, as the Academy Trust has one main funding source, the DfE, there is a reliance on the funding remaining at a level to cover the financial requirements of the Academy Trust. This is outside the control of the Academy Trust.

In a normal year the Academy Trust will continue to develop and build its other income streams, including the servicing of programmes provided through the LTSA, wraparound childcare clubs and the letting of its facilities. As outlined above the continued coronavirus restrictions and a further period of school closure has made this difficult. The ability of the Trust to generate other income continues to be a risk that the Trustees are monitoring.

Additional coronavirus associated costs have included cleaning materials, personal protective equipment (PPE), resources for remote learning and working, and extra cleaner time.

Over previous years successful bids for grants from the ESFA Condition Improvement Fund (CIF) have provided funds for essential repairs and refurbishments of the Academy Trust's facilities, enabling the conservation of the Academy Trust's educational funding. Over the past 5 years CIF grants have enabled the refurbishment of roofs, security and safeguarding improvements, extension of SEN accommodation, refurbishment of children's toilets, a classroom extension and improved fire safety measures. However, given the age and condition of certain assets, and the scope of anticipated projects, the ability to fund required repairs and refurbishment remains a risk that the Trust is monitoring and aiming to further mitigate as funding through CIF awards is not guaranteed.

The Academy Trust does not carry out any fundraising activities itself but benefits from the fundraising endeavours of the Latchmere School Parents Association (LSPA), the Latchmere Learning Fund and the Nelson Primary School Parent Teacher Association (PTA) whose energy and commitment are greatly valued. The LSPA finances the regular upkeep of the Latchmere swimming pool, and all three bodies contribute substantial funds each year for targeted projects. The Trust's reliance on the efforts of the parent and carer community is a risk and coronavirus restrictions have continued to impact normal fundraising activities. This means that there has been less money available to support school projects. Notwithstanding this the LSPA has funded IT equipment at Latchmere School, and the PTA at Nelson School have continued to provide funds for playground equipment.

The unforeseen risk introduced by the coronavirus last year has endured, impacting the normal running of the schools and the Academy finances for the whole of the 2020-21 financial year. With the suspension of all restrictions and the encouraging levels of vaccination in the population we are hopeful that "business as usual" will be restored but are taking a cautious approach and do not expect this to be fully achieved in the 2021-22 financial year.

Financial sustainability for the Academy Trust means ensuring the longevity of the organisation by being able to mobilise resources that support its strategic plans, managing core costs within its means, embracing initiatives and opportunities to innovate and secure new income streams. In this context, Trust expansion presents opportunities to strengthen sustainability, but also creates risk. The Academy Trust's approach is to move at a sensible pace with proper due diligence; employing robust governance, management and monitoring processes to ensure that identified risks are minimised.

LATCHMERE ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

Reserves policy

The Academy Trust's reserves policy is informed by an analysis of the budgetary process (current year budget and 3-year projection), the strategic and operational plans (SDP) and the risk management process. This includes forecasts for levels of income and expenditure in future years on the basis of planned activity, analysis of future development needs and opportunities that could not be met out of annual income, and assessment of the financial implications of mitigating future uncertainties.

In determining an appropriate level of reserves consideration is given to:

- The risk of unforeseen emergency or other unexpected need for funds;
- Covering unforeseen day to day operational costs, for example employing temporary cover staff;
- Any uncertainty, turbulence or expected reduction in funding arrangements or income streams; and
- Planned commitments, or designations, that cannot be met by future income alone.

Reserves are split between:

- Free reserves, where use is not formally identified (contingency); and
- Designated reserves, where surplus funds are being held or built up for specific future expenditure.

There is no absolute level of free reserves that the Academy Trust should hold but generally these are maintained at no less than 1% and ideally around 5% of budgeted expenditure.

The amount allocated to designated reserves will be project dependent and will include the following:

- Planned / committed property developments;
- Property maintenance not covered by annual funding;
- Planned replacement of high value fixed assets; and
- Development of ICT infrastructure.

The total value of the academy's net current assets at 31 August 2021 were £312,148 (2020: £422,421). Designated reserves included the unspent amounts dedicated grants for Early Years and SEN, as well as Covid Catch up Funding. The unrestricted reserves remaining at 31 August 2021 amounted to £259,317 (2020: £296,379) representing approximately 3.7% (2020: 3.9%) of budget. Restricted general funds held at 31 August 2021 totalled £486,970 (2020: £491,724) excluding the pension reserve deficit of £4,801,000 (2020: £3,656,000). Restricted fixed asset funds as at 31 August 2021 amounted to £22,851,396 (2020: £23,309,195).

Investment policy

The Academy Trust has no investments other than bank deposits. The Academy Trust manages its funds carefully and routinely places spare funds on deposit.

Going concern

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, the Board of Trustees continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

LATCHMERE ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

Plans for future periods

The SDP outlines the priorities for the coming year for both schools with objective 1 of the SDP the same for both schools as linked to standards. Further objectives differ to meet the individual needs of the schools:

2021/22 SDP priorities

Latchmere

- Development Focus 1: To implement and embed the phonics teaching approach from Wandle Teaching School Hub (WTSH);
- Development Focus 2: To improve outcomes for disadvantaged pupils, including those with Special Educational Needs and disabilities (SEND) and pupils receiving the Pupil Premium Grant (PPG);
- Development Focus 3: To develop the role of Subject Leaders to ensure they have a deep understanding of their subject area, including areas of strength and areas for development across the school;
- Development Focus 4: To ensure all stakeholders have a firm understanding of what constitutes bullying and any bullying incidents identified by or raised to the school are dealt with effectively;
- Development focus 5: To review staff workload by completing the DfE workload review; and
- Development focus 6: To develop a consistent approach to teaching and Learning across the school.

Nelson

- Development Focus 1: To implement and embed the phonics teaching approach from Wandle Teaching School Hub (WTSH) and develop a consistent approach to reading at KS2;
- Development Focus 2: To ensure the best possible teaching and support for disadvantaged pupils and ensure there is demonstrative impact of the Pupil Premium strategy;
- Development Focus 3: To improve the well-being of staff and children (development of Well-being lead / Review staff workload by completing the DfE workload review);
- Development Focus 4: To raise the profile of Nelson within the local community; and
- Development Focus 5: To further develop subjects/the curriculum across the school and the role of Subject Leaders to ensure they have a deep understanding of their subject area, including areas of strength and areas for development across the school.

The Academy Trust's budget for 2021-22 assumes that both schools will open as normal for pupils in September 2021 and remain open, albeit with lower activity levels in some school generated income streams. Coronavirus restrictions have been updated in line with government guidance, and the school is beginning to open to external users. The demand for school meals is expected to return to normal levels, and for wraparound care clubs to resume but to continue at slightly lower than normal levels as many parents continue to work from home, or more flexibly. We expect to be able to make the school's facilities available for hire once again from September 2021. Budget projections for the year take all of this into account.

LATCHMERE ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

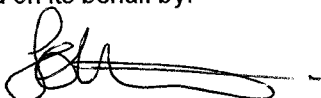
Auditor

The auditor, RSM UK Audit LLP, is deemed to be reappointed as auditor of the charitable company under section 487(2) of the Companies Act 2006.

Statement as to disclosure of information to auditor

The Trustees have confirmed that, as far as they are aware, there is no relevant audit information of which the auditor is unaware. Each of the Trustees have confirmed that they have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

The Trustees' report is approved by order of the Board of Trustees and the strategic report (included therein) is approved by the Board of Trustees in their capacity as the directors at a meeting on 08 December 2021 and signed on its behalf by:



Sarah McCarthy
Chair of Trustees

LATCHMERE ACADEMY TRUST

GOVERNANCE STATEMENT

Scope of responsibility

As Trustees we acknowledge we have overall responsibility for ensuring that Latchmere Academy Trust has an effective and appropriate system of control, financial and otherwise. However, such a system is designed to manage rather than eliminate the risk of failure to achieve the Academy Trust's objectives and can provide only reasonable and not absolute assurance against material misstatement or loss. As Trustees, we have reviewed and taken account of the guidance in DfE's Governance Handbook and competency framework for governance.

The Trustees have delegated the day-to-day responsibility to the Executive Head Teacher, 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 the Academy Trust and the Secretary of State for Education. The Executive Head Teacher is also responsible for reporting to the Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and the Statement of Trustees' Responsibilities. The Board of Trustees has formally met (in person or remotely) five times during the year.

In addition to the formal, minuted Board meetings the Trustees met frequently during the year to discuss key issues and areas of concern. 4 extraordinary Board Meetings were held to support the leadership appointments process. Trustees and Governors take on 'Link' roles for key areas of focus and undertake monitoring and oversight meetings throughout the year. Current 'Link' roles include PPG, SEND, Safeguarding, Estates and Health & Safety and Wellbeing. Governors also undertake oversight visits on each area of the Schools' Development Plans through the year and report any risks identified to the appropriate Trust committee.

Despite COVID-19, the trustees have been able to continue their oversight work through early adoption of online meetings. All Board and committee meetings have taken place online. This has not limited our work - in fact the Trustees believe this change of approach has been positive in allowing more frequent participation from more people across locations. Moving forward the Trustees will continue to employ online meetings to facilitate more participation alongside face-to-face interaction.

Attendance during the year at meetings of the Board of Trustees was as follows:

Trustees	Meetings attended	Out of possible
Justin Jacobs (Vice Chair of Trustees and Chair of School Improvement and Standards committee September – November 2020) (resigned 15 July 2021)	3	5
Sarah McCarthy (Chair of Trustees)	5	5
Julie Ritchie (Accounting Officer) (resigned 31 October 2020)	1	1
Raghu Venkatesam (Chair of Finance and Resources committee September – November 2020) (Chair of School Improvement and Standards committee from November 2020)	4	5
Madeleine Maguire (Chair of Nelson School Local Advisory Board) (resigned 15 July 2021)	4	4
Clare Reeve Curatola (Chair of Finance and Resources committee from November 2020)	5	5
Lucy Lewis (Chair of Governors Latchmere School)	5	5
Jennifer Singer	5	5
Nicholas Murphy	4	5
Derek Angliss (appointed 16 September 2020 resigned 2 December 2020)	1	1
Anna Steels (Accounting Officer) (appointed 1 November 2020)	4	4

LATCHMERE ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

The Board of Trustees works closely with the Executive Head and the Senior Leadership Team in the following 3 areas:

- Strategic Leadership for the Trust and the schools;
- Financial Oversight, to ensure the financial health and longevity of the Trust; and
- Improving educational outcomes for all pupils in our schools.

Latchmere Academy Trust has completed its fourth year with two schools, after the inclusion of Nelson Primary School into the Multi Academy Trust (MAT) in September 2017. The Trust has experienced a change in senior leadership during this year that has allowed the Trust to review its strategic objectives and redefine the appropriate leadership structure. This process has required a considerable investment of time and energy by the Trustees, Governors and Senior Leadership Team.

The departure of two senior leaders in October 2020 led to us putting in place an interim leadership team for the rest of the academic year whilst we re-evaluated our strategic direction. This change, together with the continuing impact of coronavirus has meant that this has been an extremely challenging year for the Trust. However, trustees, governors, staff and parents have worked together to minimise the impact on our pupils. The Trust has made significant progress in improving its structure and operating procedures.

Governance priorities for the year were agreed by the Board of Trustees:

- LAT Strategic Plan and Leadership Structure – Strategic positioning for the Trust was defined and a leadership structure agreed and roles scoped. Recruitment was undertaken and permanent role holders appointed for 1 September 2021;
- Governance succession planning – a plan was developed with internal candidates identified and recruitment plans for additional external resource agreed with Members;
- Development of Nelson LAB in to a LGB – we have rebuilt the Nelson governance function with a focus on recruiting governors with key skill sets and they have committed to training and development to become an effective local committee. From 1st September 2021 more responsibilities will be delegated to the body to ensure consistency with Latchmere School; and
- Depth of questioning and challenging increased - following feedback from OFSTED, and after self-evaluation continued to identify this as an area of development, the Board commissioned an external provider to deliver training to all Trustees and Governors on how to be more effective in their roles. This will be evaluated again in our external review of governance.

The governance structure of the Trust has been reviewed and a revised Scheme of Delegation has been drafted, approved and will be implemented from 1 September 2021. The focus has been on achieving clarity of roles across the structure and ensuring monitoring and reporting is flowing effectively. The roles of Link Trustees and Governors have also been formalised. We have appointed Link roles for Safeguarding, PPG, Wellbeing, SEN and Estates.

The Trust Board has undertaken a self-evaluation of its governance practices during the year and has commissioned an internal audit of the Governance function. The Trust Board has agreed to commission an external review of its effectiveness in 2022/23.

Governance reviews

The Finance and Resources Committee is a sub-committee of the Board of Trustees.

Its purpose is to oversee the Academy Trust's financial affairs and to report to the Board of Trustees. They regularly review financial policies and procedures, to monitor and review income and expenditure ensuring compliance with the overall financial plan for the Academy Trust. The chair of the Finance and Resources Committee summarises the management accounts and presents these to the Full Board of Trustees. The Committee also recommends the acceptance/non-acceptance of the Academy Trust's budget at the start of the financial year.

The Finance and Resources Committee has formally met five times (in person or remotely) during the year.

LATCHMERE ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

Attendance during the year at meetings of the Committee was as follows:

Trustees	Meetings attended	Out of possible
Sarah McCarthy (Chair of Trustees)	5	5
Julie Ritchie (Accounting Officer) (resigned 31 October 2020)	1	1
Raghu Venkatesam (Chair of Finance and Resources committee September – November 2020) (Chair of School Improvement and Standards committee from November 2020)	1	1
Clare Reeve Curatola (Chair of Finance and Resources committee from November 2020)	5	5
Jennifer Singer	5	5
Nicholas Murphy	4	5
Anna Steels (Accounting Officer) (appointed 1 November 2020)	4	4

Review of value for money

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

The Accounting Officer considers how the Academy 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 Trust has delivered improved value for money during the year within the limits of the coronavirus pandemic and to the extent that it was possible and practical, by:

- Rigorous tracking of pupil progress and achievement to ensure interventions and support are targeted to realise best outcomes;
- Ensuring all pupil premium pupils achieved the expected progress in reading, writing and mathematics;
- Providing creative curriculum and extra curriculum activities to provide pupils with the opportunity to develop both academically and emotionally;
- Retaining and adding to an inspirational staff team;
- Ensuring pupil attainment and progress remain high; and
- Improving attendance.

Additionally, in this exceptional year, while the schools remained closed during lockdown, and during the partial re-opening:

- Ensuring a safe caring and welcoming environment for the children of key workers and vulnerable families; and
- Ensuring the provision of quality home learning materials and remote access to learning for children not at school.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in the Academy Trust for the period 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements.

LATCHMERE ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period 1 September 2020 to 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 Trustees.

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 system of delegation and accountability. In particular it includes:

- Comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees;
- Regular reviews by the Finance 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; and
- Identification and management of risks.

Pursuant to the ESFA requirements outlined in the Academies Financial Handbook (AFH), and a competitive procurement process, the Trustees appointed Kreston Reeves to provide internal audit and scrutiny services in February 2021. Kreston Reeves were instructed to undertake two audits: (1) financial responsibilities, resources and controls in respect of period ended 31 March 2021 (May 2021); (2) governance (July/August 2021). Kreston Reeves reported to the Board (via the Risk and Audit Committee), in writing and by attendance at Committee meetings.

Review of effectiveness

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

- The work of the internal auditor;
- The financial management and governance self-process of the school resource management self-assessment tool;
- The work of the external auditor; and
- The work of the management team within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications as the result of their review of the system of internal control by the Finance and Resources Committee. A plan to check for any weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the Board of Trustees on 08 December 2021 and signed on its behalf by:



Sarah McCarthy
Chair of Trustees



Anna Steels
Accounting Officer

LATCHMERE ACADEMY TRUST

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Latchmere Academy Trust, I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2020.

I confirm that I and the Academy Trust's Board of Trustees are able to identify any material irregular or improper use of funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academies Financial Handbook 2020.

I confirm that the following instances of material irregularity, impropriety or funding non-compliance discovered to date have been notified to the board of Trustees and ESFA. If any instances are identified after the date this statement, these will be notified to the board of trustees and ESFA:

The Academy Trust has entered into a related party transaction (see note 23) which was not reported to the ESFA in advance of the contract commencing, as required under 5.40 of the Academies Financial Handbook. The ESFA have been respectively notified and confirmed that, on 20 August 2021, the transaction has now been registered.

In addition, the transactions totalling, £13,343, were not carried out at cost, as required under 5.48 of the Academies Financial Handbook. Again the ESFA have been notified of this.

Since discovering this issue the Trust has ceased using Tradewind Recruitment to procure agency supply staff.



Anna Steels
Accounting Officer

08 December 2021

LATCHMERE ACADEMY TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also the directors of Latchmere Academy Trust for the purposes of company law) are responsible for preparing the Trustees' report (including the strategic report) and the financial statements in accordance with the Academies Accounts Direction published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the Board of Trustees on 08 December 2021 and signed on its behalf by:



Sarah McCarthy
Chair of Trustees

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LATCHMERE ACADEMY TRUST

Opinion

We have audited the financial statements of Latchmere Academy Trust (the "charitable company") for the year ended 31 August 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice), 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 charitable company's 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;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with 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 Auditor's 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 UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Trustees' are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LATCHMERE ACADEMY TRUST (CONTINUED)

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report, which includes the Directors' Report and the Strategic 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; and
- the Directors' Report and the Strategic Report included within the Trustees' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on page 19, the Trustees (who act as Trustees for the charitable activities of the charitable company are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses, and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LATCHMERE ACADEMY TRUST (CONTINUED)

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory framework that the charitable company operates in and how the charitable company is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Companies Act 2006, Education and Skills Funding Agency's Academies Financial Handbook and Annual Accounts Direction . We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Trustees' Report.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to the Education Inspection Framework under the Education Act 2005 (as amended), Keeping Children Safe in Education under the Education Act 2002, the UK General Data Protection Regulation (UK GDPR) and the Data Protection Act 2018. We performed audit procedures to inquire of management and those charged with governance whether the charitable company is in compliance with these law and regulations and inspected correspondence with regulatory authorities.

The audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business.

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

Use of our report

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

RSM UK Audit LLP

Kerry Gallagher (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
Davidson House
Forbury Square
Reading
Berkshire, RG1 3EU
10 December 2021
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LATCHMERE ACADEMY TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total 2021 £	Total 2020 £
Income and endowments from:						
Donations and capital grants	3	13,239	-	30,302	43,541	135,733
Charitable activities:						
- Funding for educational operations	4	223,649	6,490,393	-	6,714,042	6,612,093
- Funding for teaching school	24	-	126,650	-	126,650	135,200
Other trading activities	5	157,063	26,559	-	183,622	263,684
Investments	6	99	-	-	99	2,062
Total		394,050	6,643,602	30,302	7,067,954	7,148,772
Expenditure on:						
Raising funds	7	22,519	-	-	22,519	99,743
Charitable activities:						
- Educational operations	8	408,593	7,021,393	488,101	7,918,087	7,836,693
- Teaching school		-	157,963	-	157,963	190,376
Total	7	431,112	7,179,356	488,101	8,098,569	8,126,812
Net expenditure		(37,062)	(535,754)	(457,799)	(1,030,615)	(978,040)
Other recognised losses						
Remeasurement of net defined benefit obligations	22	-	(614,000)	-	(614,000)	(153,000)
Net movement in funds		(37,062)	(1,149,754)	(457,799)	(1,644,615)	(1,131,040)
Reconciliation of funds						
Total funds brought forward		296,379	(3,164,276)	23,309,195	20,441,298	21,572,338
Total funds carried forward		259,317	(4,314,030)	22,851,396	18,796,683	20,441,298

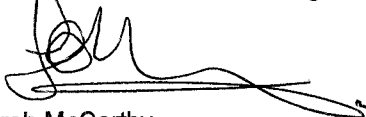
LATCHMERE ACADEMY TRUST

BALANCE SHEET

AS AT 31 AUGUST 2021

	Notes	2021		2020	
		£	£	£	£
Fixed assets					
Tangible assets	13		23,285,535		23,674,877
Current assets					
Debtors	14	79,335		64,427	
Cash at bank and in hand		545,365		690,863	
			624,700		755,290
Current liabilities					
Creditors: amounts falling due within one year	15	(312,552)		(332,869)	
Net current assets			312,148		422,421
Net assets excluding pension liability			23,597,683		24,097,298
Defined benefit pension scheme liability	22		(4,801,000)		(3,656,000)
Total net assets			18,796,683		20,441,298
Funds of the Academy Trust:					
Restricted funds	17				
- Restricted fixed asset funds			22,851,396		23,309,195
- Restricted income funds			486,970		491,724
- Pension reserve			(4,801,000)		(3,656,000)
Total restricted funds			18,537,366		20,144,919
Unrestricted income funds	17		259,317		296,379
Total funds			18,796,683		20,441,298

The financial statements on pages 23 to 48 were approved by the Board of Trustees and authorised for issue on 08 December 2021 and are signed on their behalf by:



Sarah McCarthy
Chair of Trustees

LATCHMERE ACADEMY TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Net cash used in operating activities	19		(47,300)		(27,842)
Cash flows from investing activities					
Dividends, interest and rents from investments		99		2,062	
Capital grants from DfE Group		22,821		23,095	
Capital funding received from sponsors and others		7,481		72,020	
Purchase of tangible fixed assets		(128,599)		(126,074)	
Net cash used in investing activities			(98,198)		(28,897)
Net decrease in cash and cash equivalents in the reporting period			(145,498)		(56,739)
Cash and cash equivalents at beginning of the year			690,863		747,602
Cash and cash equivalents at end of the year			545,365		690,863

LATCHMERE ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

General information

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

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

Basis of preparation

The financial statements of the Academy Trust have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2020 to 2021 issued by ESFA, the Charities Act 2011 and the Companies Act 2006. The Academy Trust is a public benefit entity under FRS 102 and has therefore applied the relevant public benefit requirements of FRS 102.

The financial statements are presented in sterling which is also the functional currency of the Academy Trust.

Monetary amounts in these financial statements are rounded to the nearest whole £1 except where otherwise indicated.

Going concern

The Trustees assess whether the use of going concern is appropriate, ie whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charitable company to continue as a going concern.

The Trustees have set a balanced budget for 2021-22 and 2022-23 which takes account of the continuing Coronavirus situation, having reduced our projections on all income lines that have been affected in 2020-21. The pandemic presents a developing situation with unknown outcomes, and challenges in managing the Schools. The budget is subject to monthly monitoring enabling us to take timely action as and when required. Both Schools and the Academy Trust overall have reserves and cash balances that can be drawn on should it be necessary to cover any unexpected additional costs or larger falls in income than have been budgeted.

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

Income

All 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.

LATCHMERE ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies (Continued)

General Annual Grant is recognised in full in the statement of financial activities in the period 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 at fair value of the consideration received or receivable in the period it is receivable and to the extent the Academy Trust has provided the goods or services.

Interest receivable

Interest receivable is included in the statement of financial activities on a receivable basis, and is stated inclusive of related tax credits.

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 are allocated on the portion of the asset's use.

Expenditure on raising funds

The Academy Trust raises funds from parents' voluntary contributions to support a programme of curriculum enhancement for all pupils. This includes trips and visits as well as in-school workshops that support the curriculum.

Charitable activities

These are costs incurred on the Academy Trust's educational operations to further its charitable aims for the benefit of the beneficiaries, including support costs and costs relating to the governance of the Academy Trust apportioned to charitable activities.

LATCHMERE ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies (Continued)

Tangible fixed assets and depreciation

Assets costing £2,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment. Subsequent costs are capitalised only when it is probable that such costs will generate future economic benefits. All other costs of repairs and maintenance are charged to the statement of financial activities as incurred.

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 that require the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the statement of financial activities and carried forward in the balance sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the statement of financial activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

Depreciation is provided on all tangible fixed assets other than freehold land, so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Long leasehold land and buildings	Land - 125 years / Buildings - 25-50 years
Computer equipment	3 - 5 years
Fixtures, fittings and equipment	3 - 10 years

Residual value is calculated on prices prevailing at the reporting date, after estimated costs of disposal, for the asset as if it were at the age and in the condition expected at the end of its useful life.

The full amount of annual depreciation is applied in the year of acquisition and no depreciation is applied in the year of disposal.

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 and/or services it must provide.

Financial instruments

The Academy Trust has chosen to adopt Sections 11 and 12 of FRS 102 in full in respect of financial instruments.

LATCHMERE ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies (Continued)

Financial assets and liabilities

Financial assets and financial liabilities are recognised when the Academy Trust becomes a party to the contractual provisions of the instrument.

Financial liabilities are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form.

All financial assets and liabilities are initially measured at transaction price (including transaction costs), unless the arrangement constitutes a financing transaction. A financial asset or financial liability that is payable or receivable in one year is measured at the undiscounted amount expected to be received or paid net of impairment, unless it is a financing transaction. If an agreement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and financial liabilities are offset only when there is a current legally enforceable right to set off the recognised amounts and the intention to either settle on a net basis, or to realise the asset and settle the liability simultaneously.

Taxation

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

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'), which are multi-employer 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 projected unit method. The TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently there is insufficient information to use defined benefit accounting, it is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

The LGPS is a funded multi-employer scheme and the assets are held separately. 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 reporting date. The amounts charged to net income 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 as other comprehensive income. Actuarial gains and losses are recognised immediately as other comprehensive income.

LATCHMERE ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies (Continued)

Fund accounting

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

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

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from the Department for Education Group.

Short term employment benefits

Short term employment benefits such as salaries and compensated absences (holiday pay) are recognised as an expense in the year in which the employees render service to the Academy Trust. The cost of any unused holiday entitlement the Academy Trust expects to pay in future periods is recognised in the period the employees' services are rendered.

2 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

The Academy 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 or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 22, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 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.

3 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Capital grants	-	22,821	22,821	23,095
Other donations	13,239	7,481	20,720	112,638
	<u>13,239</u>	<u>30,302</u>	<u>43,541</u>	<u>135,733</u>

The income from donations and capital grants was £43,541 (2020: £135,733) of which £13,239 was unrestricted (2020: £40,618) and £30,302 was restricted fixed assets (2020: £95,115).

LATCHMERE ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

4 Funding for the Academy Trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
DfE / ESFA grants				
General annual grant (GAG)	-	5,099,690	5,099,690	4,954,405
Other DfE / ESFA grants:				
- Universal infant free school meals	-	187,177	187,177	213,694
- Pupil premium	-	179,801	179,801	162,036
- PE & Sports	-	42,940	42,940	43,270
- Teachers pay	-	68,711	68,711	70,868
- Teachers pension	-	194,130	194,130	200,222
- Others	-	75,555	75,555	71,827
	-	5,848,004	5,848,004	5,716,322
Other government grants				
Local authority grants	-	542,949	542,949	572,522
COVID-19 additional funding (DfE / ESFA)				
Catch-up premium	-	99,440	99,440	-
COVID-19 additional funding (non-DfE / ESFA)				
Coronavirus job retention scheme grant	15,639	-	15,639	33,694
Other non-DFE / ESFA COVID-19 funding	16,156	-	16,156	4,187
Teaching school	-	126,650	126,650	135,200
Other income	191,854	-	191,854	285,368
	191,854	126,650	318,504	420,568
	223,649	6,617,043	6,840,692	6,747,293

The income from funding for educational operations was £6,840,692 (2020: £6,747,293) of which £223,649 was unrestricted (2020: £323,249) and £6,617,043 was restricted (2020: £6,424,044).

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 within the Other DfE/ESFA grants/Other DfE group grants line item, but as separate lines under the Other DfE/ESFA grants heading. The prior year numbers have been reclassified.

LATCHMERE ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

4 Funding for the Academy Trust's educational operations (Continued)

The Academy Trust has been eligible to claim additional funding in the year from government support schemes in response to the coronavirus outbreak. The funding received of is shown above under COVID-19 additional funding.

The funding received for coronavirus exceptional support covers £131,235 (2020: £37,881) of catch up premium, furlough income under the Coronavirus Job Retention Scheme and statutory sick pay costs. These costs are included in notes 7 and 8 below as appropriate.

The Academy Trust received £99,440 (2020: £nil), including £70,640 (2020: £nil) for Latchmere School and £28,800 (2020: £nil) for Nelson School, of funding for catch-up premium and costs incurred in respect of this funding totalled £58,608 with the remaining £40,832 to be spent in 2021/22.

The Academy Trust furloughed some of its catering staff under the government's Coronavirus Job Retention Scheme. The funding received of £15,639 (2020: £33,694), including £12,931 (2020: £27,440) for Latchmere School and £2,708 (2020: £6,254) for Nelson School, relates to staff costs in respect of 5 (2020: 18) staff, which are included within note 9 below as appropriate.

The Academy Trust also received statutory sick pay rebates for employees who were absent due to coronavirus for a maximum of 2 weeks. The funding received was £16,156 (2020: £4,187), including £10,855 (2020: £2,473) for Latchmere School and £5,301 (2020: £1,714) for Nelson School.

5 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Hire of facilities	1,815	-	1,815	22,350
Catering income	132,356	-	132,356	120,705
Teaching school	-	26,559	26,559	38,489
Other income	22,892	-	22,892	82,140
	<u>157,063</u>	<u>26,559</u>	<u>183,622</u>	<u>263,684</u>

The income from other trading activities was £183,622 (2020: £263,684) of which £157,063 was unrestricted (2020: £225,195) and £26,559 was restricted (2020: £38,489).

6 Investment income

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Interest from short term deposits	99	-	99	2,062
	<u>99</u>	<u>-</u>	<u>99</u>	<u>2,062</u>

The income from funding for investment income was £99 (2020: £2,062) of which £99 was unrestricted (2020: £2,062).

LATCHMERE ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

7 Expenditure

	Staff costs £	Non Pay Expenditure		Total 2021 £	Total 2020 £
		Premises £	Other £		
Expenditure on raising funds					
- Direct costs	-	-	22,519	22,519	99,743
Academy's educational operations					
- Direct costs	4,680,515	-	297,073	4,977,588	4,892,714
- Allocated support costs	1,660,436	910,670	369,393	2,940,499	2,943,979
Teaching school					
- Direct costs	58,998	-	88,965	147,963	160,376
- Allocated support costs	-	-	10,000	10,000	30,000
Total expenditure	6,399,949	910,670	787,950	8,098,569	8,126,812

The expenditure on raising funds was £22,519 (2020: £99,743) of which £22,519 was unrestricted (2020: £99,743).

Net income/(expenditure) for the year includes:	2021 £	2020 £
Depreciation of tangible fixed assets	517,941	519,099
Net interest on defined benefit pension liability	63,000	56,000
Fees payable to RSM UK Audit LLP and its associates in respect of both audit and non-audit services are as follows:		
- Audit	19,400	18,250
- Other services	5,500	5,350
- Internal audit services	-	2,500
- Other audit services	4,350	4,050

No ex-gratia payments were made in the year ended 31 August 2021. A one-off ex-gratia payment of £1,000 was made in August 2020. This was a non pensionable payment to a member of support staff for their contribution to maintaining provision during and following COVID-19.

The legal authority sought to make ex-gratia payments followed the Academies Financial Handbook 2020, being delegated authority or approval from the Education and Skills Funding Agency.

LATCHMERE ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

8 Charitable activities

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Direct costs				
Educational operations	50,589	4,926,999	4,977,588	4,892,714
Teaching school	-	147,963	147,963	160,376
Support costs				
Educational operations	358,004	2,582,495	2,940,499	2,943,979
Teaching school	-	10,000	10,000	30,000
	<u>408,593</u>	<u>7,667,457</u>	<u>8,076,050</u>	<u>8,027,069</u>

The expenditure on charitable activities was £8,076,050 (2020: £8,027,069) of which £408,593 was unrestricted (2020: £638,903), £7,179,356 was restricted (2020: £6,900,331) and £488,101 was restricted fixed assets (2020: £487,835).

	Teaching school £	Educational operations £	Total 2021 £	Total 2020 £
Analysis of support costs				
Support staff costs	-	1,660,436	1,660,436	1,645,174
Depreciation	-	517,941	517,941	519,099
Technology costs	-	5,054	5,054	47,159
Premises costs	-	392,729	392,729	353,069
Legal costs	-	9,998	9,998	7,263
Other support costs	10,000	323,511	333,511	373,632
Governance costs	-	30,830	30,830	28,583
	<u>10,000</u>	<u>2,940,499</u>	<u>2,950,499</u>	<u>2,973,979</u>

LATCHMERE ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

9 Staff

Staff costs

Staff costs during the year were:

	2021 £	2020 £
Wages and salaries	4,455,223	4,425,121
Social security costs	408,773	391,642
Pension costs	1,458,178	1,439,681
	<u>6,322,174</u>	<u>6,256,444</u>
Staff costs - employees	6,322,174	6,256,444
Agency staff costs	81,080	72,301
	<u>6,403,254</u>	<u>6,328,745</u>
Staff development and other staff costs	28,925	28,114
	<u>6,432,179</u>	<u>6,356,859</u>

Staff numbers

The average number of persons employed by the Academy Trust during the year was as follows:

	2021 Number	2020 Number
Teachers	73	75
Administration and support	122	124
Management	2	2
	<u>197</u>	<u>201</u>

Higher paid staff

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

	2021 Number	2020 Number
£60,001 - £70,000	2	1
£70,001 - £80,000	-	1
£80,001 - £90,000	2	-
£130,001 - £140,000	-	1
	<u>2</u>	<u>2</u>

Key management personnel

The key management personnel of the Academy Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £641,157 (2020: £747,149).

LATCHMERE ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

10 Central services

The Academy Trust has provided the following central services to its academies during the year:

- human resources;
- financial services;
- educational support services.

The Academy Trust charges for these services on the following basis:

- 5% of GAG;
- other bases as arising.

The amounts charged during the year were as follows:

	2021	2020
	£	£
Latchmere School	-	-
Nelson Primary School	99,500	99,500
	<u>99,500</u>	<u>99,500</u>

Latchmere School bears the cost of central service staffing and resources, all of which are located at Latchmere. The charge to Nelson Primary School offsets this; no separate charge is made to Latchmere School.

11 Trustees' and Governors' remuneration and expenses

Four Trustees and Governors (2020: four) have been paid remuneration or have received other benefits from an employment with the Academy Trust. The Executive Head Teacher and other staff Trustees and Governors only receive remuneration in respect of services they provide undertaking the roles of Executive Head Teacher and staff members under their contracts of employment, and not in respect of their services as Trustees or Governors.

The value of Trustees' and Governors' remuneration and other benefits was as follows:

The value of the Executive Head Teacher, Mrs Ritchie's remuneration was £6,292 (2020: £133,197) up to 31 October 2020. The Executive Head Teacher is accruing retirement benefits under the Teachers' Pension Scheme and contributions paid up to 31 October 2020 amounted to £1,490 (2020: £31,541).

The value of the replacement Executive Head Teacher, Mrs Steels' remuneration was £72,762 from 1 November 2020 to 31 August 2021. The Executive Head Teacher is accruing retirement benefits under the Teachers' Pension Scheme and contributions paid from 1 November 2020 to 31 August 2021 amounted to £17,230. In the year ended 31 August 2020, Mrs Steels was a staff Trustee and received remuneration in accordance with her role.

The value of two (2020: three) staff Governors' remuneration was £126,194 (2020: £181,471) in the year. The staff Governors are accruing retirement benefits under the Teachers' Pension Scheme and contributions paid in the year amounted to £29,883 (2020: £42,972).

During the year ended 31 August 2021, expenses relating to gifts to staff and meeting refreshments totalling £nil (2020: £112) were reimbursed to no Trustees (2020: one).

LATCHMERE ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

12 Trustees 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, and provides unlimited cover. It is not possible to quantify the Trustees' and officers' indemnity element from the overall cost of the RPA scheme membership.

13 Tangible fixed assets

	Long leasehold land and buildings	Computer equipment	Fixtures, fittings and equipment	Total
	£	£	£	£
Cost				
At 1 September 2020	25,631,469	462,443	410,520	26,504,432
Additions	6,809	76,768	45,022	128,599
At 31 August 2021	25,638,278	539,211	455,542	26,633,031
Depreciation				
At 1 September 2020	2,151,386	398,651	279,518	2,829,555
Charge for the year	413,323	54,999	49,619	517,941
At 31 August 2021	2,564,709	453,650	329,137	3,347,496
Net book value				
At 31 August 2021	23,073,569	85,561	126,405	23,285,535
At 31 August 2020	23,480,083	63,792	131,002	23,674,877

14 Debtors

	2021 £	2020 £
Other debtors	7,282	6,711
Prepayments and accrued income	72,053	57,716
	79,335	64,427

15 Creditors: amounts falling due within one year

	2021 £	2020 £
Other taxation and social security	93,735	93,914
Accruals and deferred income (see note 16)	218,817	238,955
	312,552	332,869

LATCHMERE ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

16 Deferred income	2021	2020
	£	£
Deferred income is included within:		
Creditors due within one year	155,647	168,843
	<u>155,647</u>	<u>168,843</u>
Deferred income at 1 September 2020	168,843	221,774
Released from previous years	(168,843)	(221,774)
Resources deferred in the year	155,647	168,843
	<u>155,647</u>	<u>168,843</u>
Deferred income at 31 August 2021	155,647	168,843
	<u><u>155,647</u></u>	<u><u>168,843</u></u>

At the balance sheet date the Academy Trust was holding funds received in advance for rates funding and UIFSM income for the year to 31 March 2022, money collected for school meals and wrap around care costs for the autumn term.

LATCHMERE ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

17 Funds

	Balance at 1 September 2020 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2021 £
Restricted general funds					
General Annual Grant (GAG)	321,756	5,099,690	(5,099,690)	-	321,756
Other DfE / ESFA grants:					
- Universal infant free school meals	-	187,177	(187,177)	-	-
- Pupil premium	-	179,801	(179,801)	-	-
PE & Sports	-	42,940	(42,940)	-	-
Teachers pay	-	68,711	(68,711)	-	-
Teachers pension	-	194,130	(194,130)	-	-
- Others	144,729	75,555	(116,387)	-	103,897
Catch-up premium	-	99,440	(58,608)	-	40,832
Other government grants	374	542,949	(542,949)	-	374
Teaching school	4,754	153,209	(157,963)	-	-
Other restricted funds	20,111	-	-	-	20,111
Pension reserve	(3,656,000)	-	(531,000)	(614,000)	(4,801,000)
	<u>(3,164,276)</u>	<u>6,643,602</u>	<u>(7,179,356)</u>	<u>(614,000)</u>	<u>(4,314,030)</u>
Restricted fixed asset funds					
Inherited on conversion	18,949,838	-	(290,764)	-	18,659,074
DfE group capital grants	2,160,347	22,821	(96,729)	-	2,086,439
Capital expenditure from GAG	67,524	-	(6,892)	-	60,632
Local authority	1,900,895	-	(50,657)	-	1,850,238
Other restricted fixed asset fund	230,591	7,481	(43,059)	-	195,013
	<u>23,309,195</u>	<u>30,302</u>	<u>(488,101)</u>	<u>-</u>	<u>22,851,396</u>
Total restricted funds	<u>20,144,919</u>	<u>6,673,904</u>	<u>(7,667,457)</u>	<u>(614,000)</u>	<u>18,537,366</u>
Unrestricted funds					
General funds	<u>296,379</u>	<u>394,050</u>	<u>(431,112)</u>	<u>-</u>	<u>259,317</u>
Total funds	<u>20,441,298</u>	<u>7,067,954</u>	<u>(8,098,569)</u>	<u>(614,000)</u>	<u>18,796,683</u>

LATCHMERE ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

17 Funds (Continued)

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

The General Annual Grant (GAG) represents the core funding for the educational activities of the Academy that has been provided to the Academy Trust via the ESFA by the DfE. The General Annual Grant Fund has been set up because the GAG must be used for the normal running costs of the academy. Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2021.

The other DfE/ESFA fund includes funding for Pupil Premium, the other government grants fund includes Local Authority funding for Special Educational Needs (SEN) and Early Years (for pupils in the Nursery classes) and the other restricted fund includes all similar income that is restricted for use within the Academy Trust's operations.

The other restricted funds represents all sundry sources of restricted income from various sources that are individually immaterial in value. The relevant restricted expenditure is then also recorded through this fund.

The teaching school fund represents grant funding received from the National College for Teaching and Leadership (NCTL) for core activities and for School Direct trainees, in the Academy Trust's role as a designated National Teaching School. It also generates its own income streams from the NQT programme and hosted training courses. The relevant restricted expenditure is then also recorded through this fund.

The pension reserve represents the separately identifiable pension scheme deficit inherited from the local authority upon conversion to academy status, and through which all the pension scheme movements are recognised.

The inherited fixed assets fund has been set up to recognise the tangible assets gifted to the Academy Trust upon conversion which represent the school sites including the freehold and long leasehold land and buildings and all material items of plant and machinery included therein. The remaining restricted fixed asset funds represent other fixed assets acquired with restricted funds. Depreciation charged on these assets is allocated to the relevant fund.

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

LATCHMERE ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

17 Funds (Continued)

Funds prior year

	Balance at 1 September 2019 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2020 £
Restricted general funds					
General Annual Grant (GAG)	222,967	4,954,405	(4,855,616)	-	321,756
Other DfE / ESFA grants:					
- Universal infant free school meals	-	213,694	(213,694)	-	-
- Pupil premium	-	162,036	(162,036)	-	-
PE & Sports	-	43,270	(43,270)	-	-
Teachers pay	-	70,868	(70,868)	-	-
Teachers pension	-	200,222	(200,222)	-	-
- Others	184,483	71,827	(79,101)	(32,480)	144,729
Other government grants	-	572,522	(572,148)	-	374
Teaching school	21,441	173,689	(190,376)	-	4,754
Other restricted funds	20,111	-	-	-	20,111
Pension reserve	(2,990,000)	-	(513,000)	(153,000)	(3,656,000)
	(2,540,998)	6,462,533	(6,900,331)	(185,480)	(3,164,276)
Restricted fixed asset funds					
Transfer on conversion	19,240,605	-	(290,767)	-	18,949,838
DfE group capital grants	2,200,283	23,095	(95,511)	32,480	2,160,347
Capital expenditure from GAG	74,416	-	(6,892)	-	67,524
Local authority	1,937,829	15,649	(52,583)	-	1,900,895
Other restricted fixed asset fund	216,302	56,371	(42,082)	-	230,591
	23,669,435	95,115	(487,835)	32,480	23,309,195
Total restricted funds	21,128,437	6,557,648	(7,388,166)	(153,000)	20,144,919
Unrestricted funds					
General funds	443,901	591,124	(738,646)	-	296,379
Total funds	21,572,338	7,148,772	(8,126,812)	(153,000)	20,441,298

LATCHMERE ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

17 Funds (Continued)

Total funds analysis by academy

	2021	2020
	£	£
Fund balances at 31 August 2021 were allocated as follows:		
Latchmere School	423,532	220,586
Nelson Primary School	322,755	567,517
	<u>746,287</u>	<u>788,103</u>
Total before fixed assets fund and pension reserve		
Restricted fixed asset fund	22,851,396	23,309,195
Pension reserve	(4,801,000)	(3,656,000)
	<u>18,796,683</u>	<u>20,441,298</u>
Total funds	<u><u>18,796,683</u></u>	<u><u>20,441,298</u></u>

Total cost analysis by academy

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

	Teaching and educational support staff	Other support staff costs	Educational supplies	Other costs excluding depreciation	Total 2021	Total 2020
	£	£	£	£	£	£
Latchmere School	3,214,485	1,255,745	286,440	536,568	5,293,238	5,335,114
Nelson Primary School	1,557,258	406,871	67,368	255,893	2,287,390	2,272,599
	<u>4,771,743</u>	<u>1,662,616</u>	<u>353,808</u>	<u>792,461</u>	<u>7,580,628</u>	<u>7,607,713</u>
	<u><u>4,771,743</u></u>	<u><u>1,662,616</u></u>	<u><u>353,808</u></u>	<u><u>792,461</u></u>	<u><u>7,580,628</u></u>	<u><u>7,607,713</u></u>

18 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	443,053	-	22,842,482	23,285,535
Current assets	36,918	578,868	8,914	624,700
Creditors falling due within one year	(220,654)	(91,898)	-	(312,552)
Defined benefit pension liability	-	(4,801,000)	-	(4,801,000)
	<u>259,317</u>	<u>(4,314,030)</u>	<u>22,851,396</u>	<u>18,796,683</u>
Total net assets	<u><u>259,317</u></u>	<u><u>(4,314,030)</u></u>	<u><u>22,851,396</u></u>	<u><u>18,796,683</u></u>

LATCHMERE ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

18 Analysis of net assets between funds (Continued)

	Unrestricted Funds	Restricted General Funds	Restricted Fixed Asset Funds	Total Funds
	£	£	£	£
Fund balances at 31 August 2020 are represented by:				
Tangible fixed assets	376,824	-	23,298,053	23,674,877
Current assets	18,611	725,094	11,585	755,290
Creditors falling due within one year	(99,056)	(233,370)	(443)	(332,869)
Defined benefit pension liability	-	(3,656,000)	-	(3,656,000)
Total net assets	<u>296,379</u>	<u>(3,164,276)</u>	<u>23,309,195</u>	<u>20,441,298</u>

19 Reconciliation of net expenditure to net cash flow from operating activities

	2021 £	2020 £
Net expenditure for the reporting period (as per the statement of financial activities)	(1,030,615)	(978,040)
Adjusted for:		
Capital grants from DfE and other capital income	(30,302)	(95,115)
Interest receivable	(99)	(2,062)
Defined benefit pension scheme costs less contributions payable	468,000	457,000
Defined benefit pension scheme finance cost	63,000	56,000
Depreciation of tangible fixed assets	517,941	519,099
Movements in working capital:		
(Increase)/decrease in debtors	(14,908)	154,701
(Decrease) in creditors	(20,317)	(139,425)
Net cash used in operating activities	<u>(47,300)</u>	<u>(27,842)</u>

20 Analysis of changes in net funds

	1 September 2020 £	Cash flows £	31 August 2021 £
Cash	690,863	(145,498)	545,365

21 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 or she is a member, or within one year after he or she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he or she ceases to be a member.

LATCHMERE ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

22 Pension and similar obligations

The Academy Trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by the Royal Borough of Kingston upon Thames. Both are multi-employer defined benefit schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2016, and that of the LGPS related to the period ended 31 March 2019.

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

Teachers' Pension Scheme

Introduction

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

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis - these contributions along with those made by employers are credited to the Exchequer. 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 below the information available on the scheme.

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:

- Total scheme liabilities for service (pensions currently payable and the estimated cost of future benefits) of £218 billion
- Value of notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196 billion
- Notional past service deficit of £22 billion
- Discount rate is 2.4% in excess of CPI

As a result of the valuation, new employer contribution rates were set at 23.68% (including a 0.08% administration levy) of pensionable pay from September 2019 onwards (compared to 16.48% during 2018/19). The next valuation result is due to be implemented from 1 April 2023.

The employer's pension costs paid to the TPS in the period amounted to £628,183 (2020: £622,419).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 20.8% - 22.7% for employers and 5.5% - 12.5% for employees.

LATCHMERE ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

22 Pension and similar obligations (Continued)

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.

Total contributions made	2021 £	2020 £
Employer's contributions	362,000	365,000
Employees' contributions	105,000	101,000
Total contributions	<u>467,000</u>	<u>466,000</u>

Principal actuarial assumptions

The following information is based upon a full actuarial valuation of the fund at 31 March 2016 updated to 31 August 2021 by a qualified independent actuary.

	2021 %	2020 %
Rate of increase in salaries	3.3-3.9	2.6-3.3
Rate of increase for pensions in payment/inflation	2.9	2.2-2.3
Discount rate for scheme liabilities	1.7	1.6-1.7
Inflation assumption (CPI)	2.9	2.2-2.3

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

	2021 Years	2020 Years
Retiring today		
- Males	21.6-21.9	21.7-21.8
- Females	24.3	23.9-24.4
Retiring in 20 years		
- Males	22.9-23.0	22.6-23.2
- Females	25.7-26.2	25.5-25.9

LATCHMERE ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

22 Pension and similar obligations (Continued)

The Academy Trust's share of the assets in the scheme	2021 Fair value £	2020 Fair value £
Equities	4,134,000	3,291,960
Bonds	847,000	744,960
Cash	423,000	308,100
Multi-asset fund	113,000	80,190
Property	399,000	230,790
Total fair value of assets	<u>5,916,000</u>	<u>4,656,000</u>

The actual return on scheme assets was £947,000 (2020: £(42,000)).

Amount recognised in the statement of financial activities	2021 £	2020 £
Current service cost	830,000	822,000
Net interest cost	63,000	56,000
Total operating charge	<u>893,000</u>	<u>878,000</u>

Changes in the present value of defined benefit obligations	2021 £
At 1 September 2020	8,312,000
Current service cost	830,000
Interest cost	144,000
Employee contributions	105,000
Actuarial loss	1,480,000
Benefits paid	(154,000)
At 31 August 2021	<u>10,717,000</u>

LATCHMERE ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

22 Pension and similar obligations (Continued)

Changes in the fair value of the Academy Trust's share of scheme assets

	2021 £
At 1 September 2020	4,656,000
Interest income	81,000
Return on plan assets (excluding net interest on the net defined pension liability)	866,000
Employer contributions	362,000
Employee contributions	105,000
Benefits paid	(154,000)
	<hr/>
At 31 August 2021	5,916,000
	<hr/> <hr/>

23 Related party transactions

Owing to the nature of the Academy Trust's operations and the composition of the Board of Trustees being drawn from local public and private sector organisations, it is inevitable that transactions will take place with organisations in which a member of the Board of Trustees may have an interest. All transactions involving related parties or connected parties are conducted in accordance with the requirements of the AFH. The Trust notifies the ESFA of all transactions made on or after 1 April 2019 and obtains their approval where required. The Trust's financial regulations and normal procurement procedures are in place at all times, unless otherwise stated.

The Academy Trust was responsible for running the North Kingston Children's Centre on behalf of the Royal Borough of Kingston local authority. During the year the Academy Trust received £nil (2020: £8,600) of funding from the council, and £nil (2020: £nil) income generated by the Children's Centre activities, to run the Centre, which incurred costs of £nil (2020: £9,000). The Children's Centre was closed on 31 March 2020 and Academy Trust had no further involvement with the North Kingston Children Centre from this point onwards. Therefore, at the year end the Academy Trust held £nil (2020: £nil) on behalf of the Royal Borough of Kingston. The income and expenditure incurred on this has been excluded from the Academy Trust's financial statements.

Tradewind Recruitment Limited - a company in which Mr N Murphy (a trustee) is a director of.

The Academy Trust used Tradewind Recruitment Limited to provide agency staff totalling £13,343 (2020: £3,541) during the year. No amounts were outstanding at 31 August 2021 (2020: £nil)

The Academy Trust has used the services of Tradewind Recruitment Limited for a number of years prior to Mr N Murphy becoming a Trustee. Mr Murphy was not personally involved in any of the transactions that were conducted with Tradewind Recruitment Limited.

As reported within the Accounting Officer Statement and the regularity report, unfortunately the ESFA were not notified of the transaction in advance of the contract commencing nor were the transactions at cost.

Key management personnel compensation disclosure is included in note 9.

LATCHMERE ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

24 Teaching school trading account

	2021		2020	
	£	£	£	£
Direct income				
External funding		126,650		135,200
Other income				
Fundraising and other trading activities		26,559		38,489
Total income		<u>153,209</u>		<u>173,689</u>
Direct costs				
Direct staff costs	58,998		56,066	
Other direct costs	88,965		104,310	
		<u>147,963</u>		<u>160,376</u>
Other costs				
Other support costs	10,000		30,000	
		<u>(157,963)</u>		<u>(190,376)</u>
Total expenditure				
		(157,963)		(190,376)
Deficit from all sources		<u>(4,754)</u>		<u>(16,687)</u>
Teaching school balances at 1 September 2020		4,754		21,441
Teaching school balances at 31 August 2021		<u>-</u>		<u>4,754</u>

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO LATCHMERE ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY

Conclusion

We have carried out an engagement in accordance with the terms of our engagement letter dated 16 July 2021 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, to obtain limited assurance about whether the expenditure disbursed and income received by Latchmere Academy Trust during the period 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.

In the course of our work, except for the matter listed below, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2020 to 31 August 2021 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

As noted in the Statement of Regularity, Propriety and Compliance, the Academy Trust entered into related party transactions which were not reported to the ESFA in advance of the contract commencing, nor were the transactions carried out at cost. The total cost of the transactions during the period were £13,343.

Basis for conclusion

The framework that has been applied is set out in the Academies Accounts Direction 2020 to 2021 Part 9: Regularity Reporting. We are independent of Latchmere Academy Trust in accordance with the ethical requirements that are applicable to this engagement and we have fulfilled our ethical requirements in accordance with these requirements. We believe the assurance evidence we have obtained is sufficient to provide a basis for our conclusion.

Responsibilities of Latchmere Academy Trust's accounting officer and Trustees

The accounting officer is responsible, under the requirements of Latchmere Academy Trust's funding agreement with the Secretary of State for Education dated 31 August 2012 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. The accounting officer is also responsible for preparing the Statement of Regularity, Propriety and Compliance. The Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the proper conduct and financial operation of Latchmere Academy Trust and appointment of the accounting officer.

Reporting Accountant's responsibilities for reporting on regularity

Our work included identification and assessment of the design and operational effectiveness of the controls, policies and procedures that have been implemented to ensure compliance with the framework of authorities including the specific requirements of the funding agreement with the Secretary of State for Education, the Academies Financial Handbook 2020 published by the Education and Skills Funding Agency and high level financial control areas where we identified a material risk of irregularity is likely to arise. It also included areas assessed as presenting a higher risk of impropriety. We undertook detailed testing, on a sample basis, based on the identified areas where a material irregularity is likely to arise, or potential impropriety where such areas are in respect of controls, policies and procedures that apply to classes of transactions. Our work was undertaken with due regard to the 'Evidence to support conclusion on regularity' guidance in Academies Accounts Direction 2020 to 2021.

This work was integrated with our audit on the financial statements and evidence was also derived from the conduct of that audit to the extent it supports the regularity conclusion.

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON
REGULARITY TO LATCHMERE ACADEMY TRUST AND THE EDUCATION AND SKILLS
FUNDING AGENCY (CONTINUED)**

Use of our report

This report is made solely to Latchmere Academy Trust and the ESFA in accordance with the terms of our engagement letter dated 16 July 2021. Our work has been undertaken so that we might state to the Latchmere Academy Trust and the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Latchmere Academy Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

RSM UK Audit LLP

RSM UK Audit LLP

Chartered accountants

Davidson House

Forbury Square

Reading

Berkshire

RG1 3EU

10 December 2021
Dated: