

Company registration number 08135633 (England and Wales)

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

**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

# LATCHMERE ACADEMY TRUST

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# LATCHMERE ACADEMY TRUST

## REFERENCE AND ADMINISTRATIVE DETAILS

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### Members

Lisa Stone  
Pam Tatlow  
Nicholas Murphy (joined 21 June 2023)  
Stephen Pritchard (left 7 July 2023)  
Sarah McCarthy (left 16 June 2023)  
Justin Jacobs (left 20 June 2023)

### Trustees

Sarah McCarthy (Resigned 16 June 2023)  
Raghu Venkatesam (Chair of Trustees)  
Jennifer Singer  
Nicholas Murphy (Chair of finance and resources committee)  
(Resigned 16 June 2023)  
Anna Steels (Accounting Officer)  
Natasha Bhardwaj (Resigned 4 July 2023)  
Tom Brook (Chair of curriculum and standards committee)  
Alexander Pygram (Chair of finance and resources committee from 16  
June 2023)  
Adereti Doherty (Appointed 1 November 2022)

### Senior management team

- Executive headteacher and CEO
- Head of Latchmere School
- Head of Nelson School
- Deputy Head - Latchmere
- Deputy Head - Latchmere
- Assistant Head - Nelson
- Early Years leader
- Business manager and CFO
- Business manager and CFO

Anna Steels  
Carolyn Coles (Appointed 1 September 2023)  
Sian Ward  
Carolyn Coles (Resigned 31 August 2023)  
Claire Hogston  
Hayley Lewis  
Elaine Booth  
Marianne Isbell  
Adele Rowe (Appointed 1 July 2023)

### Company secretary

Clare Blake

### Company registration number

08135633 (England and Wales)

### Principal and registered office

Latchmere School  
Latchmere Road  
Kingstone upon Thames  
Surrey  
KT2 5TT

### Academies operated

Latchmere School  
Nelson Primary School

### Location

Kingston upon Thames  
Twickenham

### Executive Head Teacher

Carolyn Coles  
Sian Ward

### Independent auditor

RSM UK Audit LLP  
Davidson House  
Forbury Square  
Reading  
Berkshire  
RG1 3EU

# LATCHMERE ACADEMY TRUST

## REFERENCE AND ADMINISTRATIVE DETAILS

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<b>Internal scrutiny auditor</b>	Kreston Reeves LLP Montague Place Quayside Chatham Maritime Chatham ME4 4QU
<b>Bankers</b>	Royal Bank of Scotland 5 Church Street Sheffield S1 1HF
<b>Solicitors</b>	Stone King LLP 13 Queen Square Bath BA1 2HJ

# LATCHMERE ACADEMY TRUST

## TRUSTEES' REPORT

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The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year 1 September 2022 to 31 August 2023. The annual report serves the purposes of both a Trustees' report, and a Directors' report and strategic 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 836 and had a roll of 778 in the school census of 5 October 2023. Nelson Primary School has a pupil capacity of 390 and had a roll of 263 in the school census on 5 October 2023. Nelson's Pupil Admission Number (PAN) was 60 during the year. Latchmere's Pupil Admission Number (PAN) was 120 during the year. The PAN will reduce to 30 at Nelson and 90 at Latchmere from September 2024.

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)

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### **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 Governors For Schools. Trustees have also leveraged their virtual networks through apps such as LinkedIn. Candidates are invited to submit a covering letter detailing why they would like to become a Trustee and their relevant skills and capabilities, alongside their CV. An informal discussion takes place between the potential candidate and the Chair of Trustees to provide details of the Trust, the role of a Trustee, the commitment and capacity needed. 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. All appointments are subject to two references, a Disclosure and Barring Services (DBS) check and a conflicts of interest submission.

### **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.

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 the year under review the Trustees held an annual inter-Trust training day for Governors and Trustees to receive training on monitoring visits and Equality, Diversity and Inclusion.

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

During the year under review the Trustees held six full Board of Trustees meetings and six Trustees' Finance and Resources committee meetings. In addition, six meetings of the Local Committee (LC) at Nelson Primary School, and six meetings of the Local Committee (LC) at Latchmere School were held.

# LATCHMERE ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

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### **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 two committees in the year ended 31 August 2023:

- Finance and Resources, including Risk and Audit; and
- Curriculum and Standards

Additionally, each school has its own Governors who form a Local Committee.

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, and Local committee 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.

The Trustees delegate the strategic and operational management of the Trust to the Executive Headteacher (EHT).

The EHT is responsible for the leadership and management of the central executive team and the heads of school, and reports to the Trust Board and its committees. The EHT delegates the day-to-day management of the Trust's schools to the Heads of School, line managing them in accordance with the Trust's appraisal and performance management policies.

During the academic year, the EHT was also the Head of School at Latchmere, however a new Head of School was appointed on 1 September 2023.

### **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 2023. Therefore, none of their time was spent on union activities.

### **Related parties, connected charities and co-operation with other organisations**

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

# LATCHMERE ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

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### 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.

### STRATEGIC REPORT

#### Achievements and performance

##### Attendance

The attendance of pupils across the MAT has increased slightly over the last year and is now 94.6%, which is above national average (92.5%) This remains significantly below pre COVID attendance and continues to have a negative impact on outcomes with children less likely to achieve their full potential; especially the most disadvantaged as seen nationally.

As a result, school led rapid catch-up programs focusing on the bottom 20% of attainers are in place at each school in an attempt to close the gap between them and their peers. The Covid recovery premium and school led tutoring funds received from the ESFA have contributed towards the additional costs of this support.



# LATCHMERE ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

The table below shows the expected outcomes for schools within the MAT for 2022-2023. The table shows 2019 data for both Kingston and Richmond as no comparative data has been shared since then.

	Kingston 19	Richmond 19	National 22	Latchmere 23	Nelson 23
EYFSP Good Level of Development	76	81	<b>65</b>	76	75
Phonics Expected Standard	84	87	<b>75</b>	82	72
Year 2 Phonics expected catch up			<b>87</b>	94	97
KS1 Expected or Above RWM	69	73		58	58
KS1 Expected or Above Reading	80	83	<b>67</b>	74	81
KS1 Expected or Above Writing	73	76	<b>58</b>	65	61
KS1 Expected or Above Maths	80	82	<b>68</b>	80	65
KS1 Expected or Above Science	87	91	<b>77</b>	83	65
KS1 Greater Depth RWM	16	19		11	6
KS1 Greater Depth Reading	31	39	<b>18</b>	31	23
KS1 Greater Depth Writing	19	23	<b>8</b>	12	13
KS1 Greater Depth Maths	28	34	<b>15</b>	26	6
MTC Mean Score				22.9	21.4
MTC 25/25				47	34
KS2 Expected or Above RWM	69	80	<b>59</b>	85	58
KS2 Expected or Above Reading	78	87	<b>75</b>	92	74
KS2 Expected or Above Writing	81	88	<b>69</b>	89	81
KS2 Expected or Above Maths	83	90	<b>71</b>	92	74
KS2 Expected or Above GPS	84	91	<b>78</b>	93	72
KS2 Expected or Above Science	87	92	<b>83</b>	94	98
KS2 High Standard RWM	15	21	<b>7</b>		
KS2 High Standard Reading	35	45	<b>28</b>	61	43
KS2 Greater Depth Writing	24	28	<b>13</b>	24	12
KS2 High Standard Maths	37	47	<b>23</b>	64	33
KS2 High Standard GPS	46	56	<b>36</b>	72	21

A new phonics programme introduced in 2021 is now having a positive impact across the trust and is significantly closing gaps with 95% of children across the trust passing the phonics screening by the end of Year 2 (compared to 87% nationally).

Key Stage 2 outcomes have improved significantly across both schools as children impacted by the pandemic have had longer to receive interventions to make up for lost learning.

### Ofsted inspection outcomes

OFSTED Grades	Overall Grade	Quality of Education	Behaviour and Attitudes	Personal Development	Leadership & Management	Early Years
Latchmere Jan 2019	Good	Good	Outstanding	Outstanding	Good	Good
Nelson Sep 2023	Good	Good	Good	Good	Good	Good

Nelson received a section 5 (graded) Ofsted Inspection in September 2023 and was rated as a good school in all areas, including overall effectiveness. Latchmere expect to receive a section 8 inspection (ungraded) before September 2025.

# LATCHMERE ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

### Contextual data

	2020-2021	2021-2022	2022-2023
FSM	13%	13.4%	15.1%
Ever 6	13.6%	13.9%	15.3%
SEND EHCP	2.2%	2.3%	3.2%
SEND other	10.6%	12.5%	15.3%
EAL	29.2%	33.5%	32.7%

### Numbers on Roll

The areas where both schools are located have experienced a reduction in applications over the last few years due to a smaller number of children at primary age. This is having a significant impact on the number of pupils on roll. The MAT currently has 1,041 places filled out of 1,226. These available spaces are having a significant impact on the GAG funding the MAT receives. A consultation to vary the Pupil Admission Number (PAN) for 2024-2025 at Nelson (30 PAN) and Latchmere (90 PAN) has been completed to ensure future classes are full, giving optimum funding and increased financial efficiency. Despite this, the number of Reception starters at Latchmere next year is significantly lower at 68/90.

### Financial review

Education funding methodology creates challenges where rolls are reducing, and the uneven pattern of reduction itself exacerbates this. With pupil numbers in some year groups at 80% of capacity or lower, financial efficiency is potentially compromised, as resourcing cannot be neatly reduced by the same proportion. The Trust has projected forward to a time in the future where the schools will be smaller, but full and therefore potentially optimally efficient. The journey to get there is likely to be a bumpy road but can be managed. Notwithstanding this in the year ended 31 August 2023 the biggest challenge for the Trust has come from external events and decisions over which we have no control, and which have increased costs and created a level of uncertainty both in the year under review and going forward. Pay awards announced at the start of the year far exceeded budget plans. Initially unfunded, but later partially addressed through reorganisation of DfE grants and changes in Government policy (notably the abolition of the planned increase in National Insurance). General cost of living increases have continued to affect all areas of our operations, from catering and cleaning to the cost of school trips and curriculum resources.

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 2023 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 an Education and Health Care Plan (EHCP) 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 2023, financial expenditure of £7,726,570 (2022: £8,316,348) was covered in part by recurrent grant funding from the DfE and other grant income. The Academy Trust generates alternative income streams to support its expenditure not covered by recurrent grant income. This school generated income had suffered during the coronavirus lock downs and restrictions of the previous two years, and has still not recovered to pre-pandemic levels.

During the 2022-23 academic year, in response to the Teachers industrial action, classes were closed to pupils where their teacher was on strike, for a total of eight days. Both schools were open to remaining pupils on all of these days. Employees are not paid for any days they are striking. The financial impact of the teachers industrial action during the year ended 31 August 2023 was a reduction of approximately £48,000 in Trust expenditure.

We received Covid Recovery and School Led Tutoring funding from the ESFA totaling £40,218 (2022: £27,631), these funds being used to provide individual and small group interventions for Pupil Premium Grant (PPG) pupils, and to support rapid catch-up sessions, as outlined above. We have continued to participate in the national free school meals voucher scheme, distributing vouchers from both the DfE and the Local Authority to qualifying families during the school holidays. We have also continued to assist many non-eligible families who suffered hardship during the pandemic, and who now experience further difficulties in the face of cost of living increases. We provide food bank vouchers as well as additional supermarket vouchers, thanks to the continuing generosity of our parents, who have donated a further £1,000 during the year, on top of the £5,600 donated in the previous two years, to help others.

# LATCHMERE ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

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### Financial review (continued)

The surplus excluding transfers for the year ended 31 August 2023 was £95,847 (2022: deficit £67,034) (excluding restricted fixed asset funds and excluding the LGPS pension liability movement).

At 31 August 2023 the carry forward funds, excluding restricted fixed assets fund and pension obligations was £725,570 (2022: £670,454).

### 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.

### 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.

We are seeing a developing trend in the locality of both of our schools where the demand for primary school places is reducing year on year. Due to the direct relationship between pupil numbers and government funding this is a priority area for attention and a risk that Trustees are continuing to monitor closely.

Although notionally now 'post-pandemic', we continue to experience the disruption and cost of Covid related absences. The current financial crisis together with the volatile political and economic situation in the UK puts further pressure on our budgets, with large increases in energy and other running costs, higher than anticipated salary costs, and uncertainty over future government funding.

In a normal year the Academy Trust will continue to develop and build its other income streams, including wraparound childcare clubs and the letting of its facilities. A financial crisis following on the heels of a pandemic presents a significant barrier to building additional income. The ability of the Trust to generate other income continues to be a risk that the Trustees are monitoring.

In line with the trustees' responsibility for ensuring that the Trust's estate is safe, well-maintained and compliant with both legislation and good practice, the Academy Trust follows documented routines and processes in relation to the maintenance of school buildings, grounds and equipment. These include regular health and safety checks and actions, service and maintenance contracts for all plant, machinery and equipment at recommended intervals, and timely remedial works completed as recommended. Premises teams include skilled personnel that enable a wide range of repair and maintenance tasks to be completed "in-house", and staff appropriately trained to carry out some required checks and processes, for example PAT testing, water sampling, and management of swimming pool plant.

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. 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.

# LATCHMERE ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

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### Principal risks and uncertainties (continued)

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. 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 as their contributions are contingent on being able to run fundraising activities, which were seriously impeded during the pandemic. This year's community and fundraising activities have provided funds for IT equipment, improvements to the outside environment and the Latchmere swimming pool. During the year, Nelson Primary School secured a grant of £28,000 to support 'green' initiatives. The Academy Trust is now looking at additional funding streams, including the short-term leasing of spare spaces caused by a reduction in pupil numbers.

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.

### 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.

### 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 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 2023 were £423,355 (2022: £304,681). The unrestricted reserves remaining at 31 August 2023 amounted to £368,545 (2022: £293,927) representing approximately 5% (2022: 4.1%) of budget. Restricted general funds held at 31 August 2023 totalled £357,025 (2022: £376,527) excluding the pension reserve deficit of £69,000 (2022: £1,028,000). Restricted fixed asset funds as at 31 August 2023 amounted to £22,372,530 (2022: £22,642,262).

# LATCHMERE ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

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### 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.

### **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 it is linked to standards. Further objectives differ to meet the individual needs of the schools:

#### 2023/24 SDP priorities

##### Latchmere

- Development Focus 1: To review and update the behaviour policy to ensure there is a consistent approach across the school, considering pupils with 'identified' characteristics.
- Development Focus 2: To update the schools art and DT curriculum offer in line with the National Curriculum.
- Development Focus 3: To develop the current WAC offer to ensure that there is sufficient space and resource to offer places to all our families who need it now and in the future.
- Development Focus 4: To improve staff wellbeing in order to retain quality staff.
- Development Focus 5: Review the curriculum to ensure diversity of representation and reflect realities in all subjects underpinned by our British Values.
- Development focus 6: To improve outcomes for disadvantaged pupils, including those with Special Educational Needs and disabilities (SEND) and pupils receiving the Pupil Premium Grant (PPG).

##### Nelson

- Development Focus 1: To review and update the behaviour policy to ensure there is a consistent approach across the school, considering pupils with 'identified' characteristics.
- Development Focus 2: To embed the mastery approach to teaching mathematics and improve outcomes across the school.
- Development Focus 3: To develop a positive reading culture and continue to improve outcomes in reading and phonics (continued from 2022).
- Development Focus 4: To reduce teacher workload.
- Development Focus 5: To continue to develop all subjects across the school with a focus on implementation and outcomes (continued from 2022).
- Development focus 6: To continue to develop a consistent approach to teaching and Learning that meets the needs of all learner, including SEND and disadvantaged.

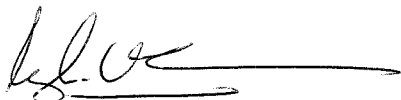
### **AUDITOR**

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 auditors**

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 06 December 2023 and signed on its behalf by:



Raghu Venkatesam  
**Chair of Trustees**

# LATCHMERE ACADEMY TRUST

## GOVERNANCE STATEMENT

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### 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) six times during the year.

In addition to the formal, minuted Board meetings the Trustees met frequently during the year to discuss key focus areas 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.

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

<b>Trustees</b>	<b>Meetings attended</b>	<b>Out of possible</b>
Sarah McCarthy (Resigned 16 June 2023)	5	5
Raghu Venkatesam (Chair of Trustees)	6	6
Jennifer Singer	6	6
Nicholas Murphy (Chair of finance and resources committee) (Resigned 16 June 2023)	4	5
Anna Steels (Accounting Officer)	6	6
Natasha Bhardwaj (Resigned 4 July 2023)	1	5
Tom Brook (Chair of curriculum and standards committee)	5	6
Alexander Pygram (Chair of finance and resources committee from 16 June 2023)	6	6
Adereti Doherty (Appointed 1 November 2022)	4	5

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 sixth year with two schools, after the inclusion of Nelson Primary School into the Multi Academy Trust (MAT) in September 2017. The Executive Head has been in post since September 2021.



# LATCHMERE ACADEMY TRUST

## GOVERNANCE STATEMENT (CONTINUED)

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### 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 seven times (in person or remotely) during the year.

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

Trustees	Meetings attended	Out of possible
Sarah McCarthy (Resigned 16 June 2023)	4	4
Raghu Venkatesam (Chair of Trustees)	7	7
Jennifer Singer	6	7
Nicholas Murphy (Chair of finance and resources committee) (Resigned 16 June 2023)	5	5
Anna Steels (Accounting Officer)	6	7
Natasha Bhardwaj (Resigned 4 July 2023)	5	7
Alexander Pygram (Chair of finance and resources committee from 16 June 2023)	7	7
Adereti Doherty (Appointed 1 November 2022)	1	6

### 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, as well as estate safety and management, 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. To ensure the estates are in good order, there is a regular maintenance schedule in place for the facilities, including maintenance of the fire alarm and fire equipment, and electrical condition reports. The recommendations for actions are then followed and put to tender to ensure value for money is achieved. Contracted services are reviewed and new quotations sought when contracts come up for renewal. In the 2022-23 academic year spending on the estates maintenance was 7.9% of non-staff costs.

The Accounting Officer for the Academy Trust has delivered improved value for money during the year by:

- Seeking quotes for goods and services;
- Ensuring reputable suppliers are used; and
- Ensuring only essential items have been purchased.

### 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 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements.

# LATCHMERE ACADEMY TRUST

## GOVERNANCE STATEMENT (CONTINUED)

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### 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 2022 to 31 August 2023 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 Academy Trust Handbook, and a competitive procurement process, the Trustees appointed Kreston Reeves to provide internal audit and scrutiny services in February 2021. This year, Kreston Reeves were instructed to undertake three audits: (1) enhanced payroll (November 2022); (2) core financial procedures, (March 2023) (3) GDPR and IT (July / August 2023). Kreston Reeves reported to the Board (via the Risk and Audit Committee), in writing.

### Managing conflicts of interest

The MAT has a policy and procedure to deal with conflicts of interest. Conflicts of interest responsibilities are outlined in the Trust's Code of Conduct that each trustee and governor signs annually. Additionally, all trustees, governors and senior staff members are required to complete a declaration of interests form annually. This enables the maintenance of an up-to-date and complete register of interests which is shared with the Executive Headteacher and Chief Financial Officer, ensuring they are aware of any supplier / company where a conflict could arise. This enables the executive team to use the information on the register in the day-to-day management and governance of the academy trust.

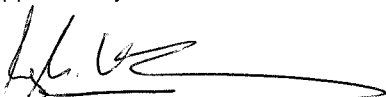
### Review of effectiveness

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 scrutiny 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 06 December 2023 and signed on its behalf by:



Raghu Venkatesam  
Chair of Trustees



Anna Steels  
Accounting Officer



# LATCHMERE ACADEMY TRUST

## STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

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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, including for estates safety and management, under the funding agreement 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 Trust Handbook 2022, including responsibilities for estates safety and management.

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 Trust Handbook 2022.

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



Anna Steels  
**Accounting Officer**

06 December 2023

# LATCHMERE ACADEMY TRUST

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

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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:

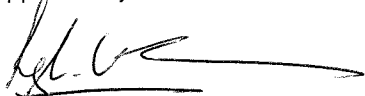
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting 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 06 December 2023 and signed on its behalf by:



Raghu Venkatesam  
**Chair of Trustees**

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

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## Opinion

We have audited the financial statements of Latchmere Academy Trust (the "charitable company") for the year ended 31 August 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and 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 2022 to 2023 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 2023 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 2022 to 2023 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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Conclusions relating to going concern

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

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

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.

## 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.

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

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### **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 16, 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.

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.

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

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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: <https://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

11 December 2023

# LATCHMERE ACADEMY TRUST

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total 2023 £	Total 2022 £
<b>Income and endowments from:</b>						
Donations and capital grants	3	59,126	-	147,810	206,936	289,413
Charitable activities:						
- Funding for educational operations	4	527,412	6,322,892	-	6,850,304	6,739,626
Other trading activities	5	297,526	-	-	297,526	294,930
Investments	6	10,188	-	-	10,188	412
<b>Total</b>		<b>894,252</b>	<b>6,322,892</b>	<b>147,810</b>	<b>7,364,954</b>	<b>7,324,381</b>
<b>Expenditure on:</b>						
Raising funds	7	143,868	-	-	143,868	138,728
Charitable activities:						
- Educational operations	8	675,766	6,448,663	458,273	7,582,702	8,177,620
<b>Total</b>	<b>7</b>	<b>819,634</b>	<b>6,448,663</b>	<b>458,273</b>	<b>7,726,570</b>	<b>8,316,348</b>
<b>Net income/(expenditure)</b>		<b>74,618</b>	<b>(125,771)</b>	<b>(310,463)</b>	<b>(361,616)</b>	<b>(991,967)</b>
Transfers between funds	17	-	(40,731)	40,731	-	-
<b>Other recognised gains/(losses)</b>						
Actuarial gains on defined benefit schemes	22	-	1,106,000	-	1,106,000	4,480,000
<b>Net movement in funds</b>		<b>74,618</b>	<b>939,498</b>	<b>(269,732)</b>	<b>744,384</b>	<b>3,488,033</b>
<b>Reconciliation of funds</b>						
Total funds brought forward		293,927	(651,473)	22,642,262	22,284,716	18,796,683
Total funds carried forward		368,545	288,025	22,372,530	23,029,100	22,284,716

**LATCHMERE ACADEMY TRUST****BALANCE SHEET****AS AT 31 AUGUST 2023**

	Notes	2023		2022	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	13		22,674,745		23,008,035
<b>Current assets</b>					
Debtors	14	97,736		278,241	
Cash at bank and in hand		1,011,389		422,615	
			1,109,125		700,856
<b>Current liabilities</b>					
Creditors: amounts falling due within one year	15	(685,770)		(396,175)	
<b>Net current assets</b>			423,355		304,681
<b>Net assets excluding pension liability</b>			23,098,100		23,312,716
Defined benefit pension scheme liability	22		(69,000)		(1,028,000)
<b>Total net assets</b>			23,029,100		22,284,716
<b>Funds of the Academy Trust:</b>					
<b>Restricted funds</b>	17				
- Restricted fixed asset funds			22,372,530		22,642,262
- Restricted income funds			357,025		376,527
- Pension reserve			(69,000)		(1,028,000)
<b>Total restricted funds</b>			22,660,555		21,990,789
<b>Unrestricted income funds</b>	17		368,545		293,927
<b>Total funds</b>			23,029,100		22,284,716

The financial statements on pages 20 to 44 were approved by the Board of Trustees and authorised for issue on 06 December 2023 and are signed on their behalf by:



Raghu Venkatesam  
Chair of Trustees

# LATCHMERE ACADEMY TRUST

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2023

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	Notes	2023 £	£	2022 £	£
<b>Cash flows from operating activities</b>					
Net cash provided by operating activities	19		452,204		19,070
<b>Cash flows from investing activities</b>					
Dividends, interest and rents from investments		10,188		412	
Capital grants from DfE Group		223,683		50,202	
Capital funding received from sponsors and others		67,130		26,388	
Purchase of tangible fixed assets		(164,431)		(218,822)	
<b>Net cash provided by/(used in) investing activities</b>			136,570		(141,820)
<b>Net increase/(decrease) in cash and cash equivalents in the reporting period</b>			588,774		(122,750)
Cash and cash equivalents at beginning of the year			422,615		545,365
<b>Cash and cash equivalents at end of the year</b>			1,011,389		422,615

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# LATCHMERE ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023

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### 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 2022 to 2023 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 have set a balanced budget for 2023-24 and 2024-25. The budget takes account of the current financial pressures affecting the education sector and beyond, including the rising cost of energy, goods and services. The current offers for staff pay awards are also reflected in the budget.

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 small reserves and cash balances that can be drawn upon should it be necessary to cover any additional costs.

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.

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.

# LATCHMERE ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

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### 1 Accounting policies (Continued)

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.

#### **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.

# LATCHMERE ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

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### 1 Accounting policies (Continued)

#### **Tangible fixed assets and depreciation (continued)**

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 - 5 - 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.

#### 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.

#### *Derecognition of financial assets and liabilities*

A financial asset is derecognised only when the contractual rights to cash flows expire or are settled, or substantially all the risks and rewards of ownership are transferred to another party, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party. A financial liability (or part thereof) is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

# LATCHMERE ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

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### 1 Accounting policies (Continued)

#### 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 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 and the effect of the asset ceiling are recognised immediately as other comprehensive income.

The LGPS assets are managed by the scheme trustees at scheme level, and the determination / allocation of assets to each individual employer in the scheme is managed by the scheme actuary. The assets are allocated to each employer for accounting purposes based on the valuation of the assets at the latest triennial valuation as adjusted for subsequent contributions received from the employer, asset returns and benefit payments made (either on a cash basis or actuarial basis).

The retirement benefit obligation recognised represents the deficit or surplus in the defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

#### 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.

# LATCHMERE ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### 1 Accounting policies (Continued)

#### 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.

Termination benefits are recognised immediately as an expense when the Academy Trust is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

### 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 2022 has been used by the actuary in valuing the pensions liability at 31 August 2023. 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.

Determining the existence of a minimum funding requirement for the Local Government Pension Scheme to including in the asset ceiling in measuring and recognising a surplus in the scheme. This judgement is based on an assessment of the nature of the scheme as a statutory scheme and is the inherent implied continuance and the operation of the primary and secondary contributions.

### 3 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Capital grants	-	66,484	66,484	207,401
Other donations	59,126	81,326	140,452	82,012
	<u>59,126</u>	<u>147,810</u>	<u>206,936</u>	<u>289,413</u>

The income from donations and capital grants was £206,936 (2022: £289,413) of which £59,126 was unrestricted (2022: £55,624) and £147,810 was restricted fixed assets (2022: £233,789).

# LATCHMERE ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### 4 Funding for the Academy Trust's charitable activities

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
<b>Funding for academy trust's educational operations</b>				
<b>DfE/ESFA grants</b>				
General annual grant (GAG)	-	5,051,046	5,051,046	5,322,928
Other DfE/ESFA grants:				
- Universal infant free school meals	-	175,377	175,377	174,658
- Pupil premium	-	192,541	192,541	184,980
- Others	-	311,851	311,851	164,125
	-	5,730,815	5,730,815	5,846,691
<b>Other government grants</b>				
Local authority grants	-	551,859	551,859	544,839
<b>COVID-19 additional funding (DfE / ESFA)</b>				
Catch-up premium	-	40,218	40,218	27,631
<b>COVID-19 additional funding (non-DfE / ESFA)</b>				
Other non-DFE / ESFA COVID-19 funding	-	-	-	7,245
Other incoming resources	527,412	-	527,412	313,220
	527,412	6,322,892	6,850,304	6,739,626

The income from funding for charitable activities was £6,850,304 (2022: £6,739,626) of which £527,412 was unrestricted (2022: £320,465) and £6,322,892 was restricted (2022: £6,419,161).

# LATCHMERE ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### 4 Funding for the Academy Trust's charitable activities (Continued)

Grants relating to PE& Sports, teachers pay and teachers pension are considered small grants this year, therefore have been reallocated to others within the other DfE/ESFA grants in the current and previous years.

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 £40,218 (2022: £34,876) 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 £40,218 (2022: £27,631), including £25,797 (2022: £9,729) for Latchmere School and £14,421 (2022: £17,903) for Nelson School, of funding for catch-up premium during the year. The costs incurred in respect of funding received during the year was £40,218 (2022: £68,464).

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 £nil (2022: £7,245), including £nil (2022: £5,145) for Latchmere School and £nil (2022: £2,100) for Nelson School.

### 5 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Hire of facilities	10,026	-	10,026	10,086
Catering income	155,529	-	155,529	154,081
Other income	131,971	-	131,971	130,763
	<u>297,526</u>	<u>-</u>	<u>297,526</u>	<u>294,930</u>

The income from other trading activities was £297,526 (2022: £294,930) of which £297,526 was unrestricted (2022: £294,930).

### 6 Investment income

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Interest from short term deposits	<u>10,188</u>	<u>-</u>	<u>10,188</u>	<u>412</u>

The income from funding for investment income was £10,188 (2022: £412) of which £10,188 was unrestricted (2022: £412).

# LATCHMERE ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### 7 Expenditure

	Staff costs £	Non-pay expenditure Premises                  Other £                                  £		Total 2023 £	Total 2022 £
Expenditure on raising funds					
- Direct costs	-	-	143,868	143,868	138,728
Academy's educational operations					
- Direct costs	4,326,673	-	330,613	4,657,286	5,003,306
- Allocated support costs	1,368,354	1,132,617	424,445	2,925,416	3,174,314
	<u>5,695,027</u>	<u>1,132,617</u>	<u>898,926</u>	<u>7,726,570</u>	<u>8,316,348</u>

The expenditure on raising funds was £143,868 (2022: £138,728) of which £143,868 was unrestricted (2022: £138,728).

#### Net income/(expenditure) for the year includes:

	2023 £	2022 £
Net interest on defined benefit pension liability	44,000	83,000
Depreciation of tangible fixed assets	497,721	496,322
Fees payable to RSM UK Audit LLP and its associates in respect of both audit and non-audit services are as follows:		
- Audit	25,500	21,250
- Other services	6,800	6,140
- Tax compliance	-	1,400
- Other audit services	5,100	7,365



# LATCHMERE ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

8 Charitable activities	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
<b>Direct costs</b>				
Educational operations	47,200	4,610,086	4,657,286	5,003,306
<b>Support costs</b>				
Educational operations	628,566	2,296,850	2,925,416	3,174,314
	<u>675,766</u>	<u>6,906,936</u>	<u>7,582,702</u>	<u>8,177,620</u>

The expenditure on charitable activities was £7,582,702 (2022: £8,177,620) of which £675,766 was unrestricted (2022: £498,093), £6,448,663 was restricted (2022: £7,227,805) and £458,273 was restricted fixed assets (2022: £451,722).

	2023 £	2022 £
<b>Analysis of support costs</b>		
Support staff costs	1,370,608	1,818,926
Depreciation	497,721	496,322
Technology costs	5,880	6,962
Premises costs	634,896	407,863
Legal costs	4,810	9,431
Other support costs	360,690	390,658
Governance costs	50,811	44,152
	<u>2,925,416</u>	<u>3,174,314</u>

# LATCHMERE ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### 9 Staff

#### Staff costs

Staff costs during the year were:

	2023 £	2022 £
Wages and salaries	4,133,584	4,323,227
Social security costs	408,641	405,055
Pension costs	1,033,199	1,576,692
	<u>5,575,424</u>	<u>6,304,974</u>
Staff costs - employees	5,575,424	6,304,974
Agency staff costs	119,603	160,308
Staff restructuring costs	-	37,050
	<u>5,695,027</u>	<u>6,502,332</u>
Staff development and other staff costs	20,496	14,344
	<u>5,715,523</u>	<u>6,516,676</u>
Total staff expenditure	<u>5,715,523</u>	<u>6,516,676</u>
Staff restructuring costs comprise:		
Redundancy payments	-	37,050
	<u>-</u>	<u>37,050</u>

#### Staff numbers

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

	2023 Number	2022 Number
Teachers	58	69
Administration and support	106	120
Management	3	2
	<u>167</u>	<u>191</u>

#### Higher paid staff

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

	2023 Number	2022 Number
£60,001 - £70,000	1	2
£70,001 - £80,000	2	-
£80,001 - £90,000	1	2
£90,001 - £100,000	1	-
	<u>1</u>	<u>-</u>

# LATCHMERE ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### 9 Staff (Continued)

#### 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 £638,713 (2022: £651,290).

### 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 out these services based on the size of each school in relation to the whole. In the year ended 31 August 2023 this was Latchmere 2/3 and Nelson 1/3.

The amounts charged during the year were as follows:

Nelson Primary School £41,000.

Latchmere School bears the cost of central services 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.

The amounts charged during the year were as follows:

	2023	2022
	£	£
Latchmere School	-	-
Nelson Primary School	41,000	41,000
	<u>41,000</u>	<u>41,000</u>

### 11 Trustees' remuneration and expenses

Three Trustees and Governors (2022: three) 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 current Executive Head Teacher, Mrs Steels' remuneration was £95,164 (2022: £89,406). The Executive Head Teacher is accruing retirement benefits under the Teachers' Pension Scheme and contributions paid amounted to £22,535 (2022: £21,171).

The value of two (2022: two) staff Governors' remuneration was £146,597 (2022: £129,512) in the year. The staff Governors are accruing retirement benefits under the Teachers' Pension Scheme and contributions paid in the year amounted to £34,714 (2022: £30,668).

During the year ended 31 August 2023, administrative expenses totalling £nil (2022: £132) were reimbursed to Trustees (2022: one).

# LATCHMERE ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### 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 £
<b>Cost</b>				
At 1 September 2022	25,816,589	551,771	483,493	26,851,853
Additions	110,274	23,428	30,729	164,431
At 31 August 2023	<u>25,926,863</u>	<u>575,199</u>	<u>514,222</u>	<u>27,016,284</u>
<b>Depreciation</b>				
At 1 September 2022	2,980,331	490,433	373,054	3,843,818
Charge for the year	423,850	31,666	42,205	497,721
At 31 August 2023	<u>3,404,181</u>	<u>522,099</u>	<u>415,259</u>	<u>4,341,539</u>
<b>Net book value</b>				
At 31 August 2023	<u>22,522,682</u>	<u>53,100</u>	<u>98,963</u>	<u>22,674,745</u>
At 31 August 2022	<u>22,836,258</u>	<u>61,338</u>	<u>110,439</u>	<u>23,008,035</u>

The long leasehold buildings are leased from the local councils of the individual academies and are leased over periods of up to 125 years for a peppercorn rent. No such charge has been made in the current year (2022: £nil).

### 14 Debtors

	2023 £	2022 £
VAT recoverable	9,334	36,718
Prepayments and accrued income	88,402	241,523
	<u>97,736</u>	<u>278,241</u>

# LATCHMERE ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

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

	2023	2022
	£	£
Other taxation and social security	100,975	94,695
Accruals and deferred income (see note 16)	584,795	301,480
	<u>685,770</u>	<u>396,175</u>

### 16 Deferred income

	2023	2022
	£	£
Deferred income is included within:		
Creditors due within one year	249,055	130,897
	<u>249,055</u>	<u>130,897</u>
Deferred income at 1 September 2022	130,897	155,647
Released from previous years	(130,897)	(155,647)
Resources deferred in the year	249,055	130,897
	<u>249,055</u>	<u>130,897</u>
Deferred income at 31 August 2023	249,055	130,897

At the balance sheet date the Academy Trust was holding funds received in advance for UIFSM and KS2FSM grant income for the year to 31 March 2024, 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 2023

### 17 Funds

	Balance at 1 September 2022 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2023 £
<b>Restricted general funds</b>					
General Annual Grant (GAG)	272,630	5,051,046	(5,048,940)	63,166	337,902
Universal infant free school meals	-	175,377	(175,377)	-	-
Pupil premium	-	192,541	(192,541)	-	-
Other grants	103,897	311,851	(292,728)	(103,897)	19,123
Catch-up premium	-	40,218	(40,218)	-	-
Other government grants	-	551,859	(551,859)	-	-
Pension reserve	(1,028,000)	-	(147,000)	1,106,000	(69,000)
	<u>(651,473)</u>	<u>6,322,892</u>	<u>(6,448,663)</u>	<u>1,065,269</u>	<u>288,025</u>
<b>Restricted fixed asset funds</b>					
Inherited on conversion	18,375,070	-	(283,804)	-	18,091,266
DfE group capital grants	2,207,808	66,484	(93,403)	-	2,180,889
Capital expenditure from GAG	62,382	-	(6,857)	40,731	96,256
Local authority	1,807,821	-	(45,004)	-	1,762,817
Other restricted fixed asset fund	189,181	81,326	(29,205)	-	241,302
	<u>22,642,262</u>	<u>147,810</u>	<u>(458,273)</u>	<u>40,731</u>	<u>22,372,530</u>
<b>Total restricted funds</b>	<u>21,990,789</u>	<u>6,470,702</u>	<u>(6,906,936)</u>	<u>1,106,000</u>	<u>22,660,555</u>
<b>Unrestricted funds</b>					
General funds	<u>293,927</u>	<u>894,252</u>	<u>(819,634)</u>	<u>-</u>	<u>368,545</u>
<b>Total funds</b>	<u>22,284,716</u>	<u>7,364,954</u>	<u>(7,726,570)</u>	<u>1,106,000</u>	<u>23,029,100</u>

# LATCHMERE ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

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### 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 2023.

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 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 2023

### 17 Funds (Continued)

#### Funds prior year

	Balance at 1 September 2021 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2022 £
<b>Restricted general funds</b>					
General Annual Grant (GAG)	321,756	5,322,928	(5,363,255)	(8,799)	272,630
Universal infant free school meals	-	174,658	(174,658)	-	-
Pupil premium	-	184,980	(184,980)	-	-
PE & Sports	-	42,710	(42,710)	-	-
Teachers pay	-	4,317	(4,317)	-	-
Teachers pension	-	12,196	(12,196)	-	-
Other grants	103,897	104,902	(104,902)	-	103,897
Catch-up premium	40,832	27,631	(68,463)	-	-
Other government grants	374	544,839	(545,213)	-	-
Other restricted funds	20,111	-	(20,111)	-	-
Pension reserve	(4,801,000)	-	(707,000)	4,480,000	(1,028,000)
	<u>(4,314,030)</u>	<u>6,419,161</u>	<u>(7,227,805)</u>	<u>4,471,201</u>	<u>(651,473)</u>
<b>Restricted fixed asset funds</b>					
Inherited on conversion	18,659,074	-	(284,004)	-	18,375,070
DfE group capital grants	2,086,439	207,401	(86,032)	-	2,207,808
Capital expenditure from GAG	60,632	-	(7,049)	8,799	62,382
Local authority	1,850,238	5,853	(48,270)	-	1,807,821
Other restricted fixed asset fund	195,013	20,535	(26,367)	-	189,181
	<u>22,851,396</u>	<u>233,789</u>	<u>(451,722)</u>	<u>8,799</u>	<u>22,642,262</u>
<b>Total restricted funds</b>	<u>18,537,366</u>	<u>6,652,950</u>	<u>(7,679,527)</u>	<u>4,480,000</u>	<u>21,990,789</u>
<b>Unrestricted funds</b>					
General funds	<u>259,317</u>	<u>671,431</u>	<u>(636,821)</u>	<u>-</u>	<u>293,927</u>
<b>Total funds</b>	<u>18,796,683</u>	<u>7,324,381</u>	<u>(8,316,348)</u>	<u>4,480,000</u>	<u>22,284,716</u>



# LATCHMERE ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### 17 Funds (Continued)

#### Total funds analysis by academy

	2023	2022
	£	£
Fund balances at 31 August 2023 were allocated as follows:		
Latchmere School	419,317	344,166
Nelson Primary School	306,253	326,288
	<u>725,570</u>	<u>670,454</u>
Total before fixed assets fund and pension reserve	725,570	670,454
Restricted fixed asset fund	22,372,530	22,642,262
Pension reserve	(69,000)	(1,028,000)
	<u>23,029,100</u>	<u>22,284,716</u>
Total funds	<u><u>23,029,100</u></u>	<u><u>22,284,716</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 2023	Total 2022
	£	£	£	£	£	£
Latchmere School	3,189,947	992,402	214,483	850,031	5,246,863	4,923,195
Nelson Primary School	1,154,968	275,206	97,888	306,922	1,834,984	2,189,831
	<u>4,344,915</u>	<u>1,267,608</u>	<u>312,371</u>	<u>1,156,953</u>	<u>7,081,847</u>	<u>7,113,026</u>
	<u><u>4,344,915</u></u>	<u><u>1,267,608</u></u>	<u><u>312,371</u></u>	<u><u>1,156,953</u></u>	<u><u>7,081,847</u></u>	<u><u>7,113,026</u></u>

### 18 Analysis of net assets between funds

	Unrestricted Funds	Restricted General Funds	Restricted Fixed asset Funds	Total Funds
	£	£	£	£
<b>Fund balances at 31 August 2023 are represented by:</b>				
Tangible fixed assets	359,005	-	22,315,740	22,674,745
Current assets	9,540	1,042,795	56,790	1,109,125
Current liabilities	-	(685,770)	-	(685,770)
Pension scheme liability	-	(69,000)	-	(69,000)
	<u>368,545</u>	<u>288,025</u>	<u>22,372,530</u>	<u>23,029,100</u>
<b>Total net assets</b>	<u><u>368,545</u></u>	<u><u>288,025</u></u>	<u><u>22,372,530</u></u>	<u><u>23,029,100</u></u>

# LATCHMERE ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### 18 Analysis of net assets between funds (Continued)

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
<b>Fund balances at 31 August 2022 are represented by:</b>				
Tangible fixed assets	398,453	-	22,609,582	23,008,035
Current assets	71,614	596,562	32,680	700,856
Current liabilities	(176,140)	(220,035)	-	(396,175)
Pension scheme liability	-	(1,028,000)	-	(1,028,000)
<b>Total net assets</b>	<u>293,927</u>	<u>(651,473)</u>	<u>22,642,262</u>	<u>22,284,716</u>

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

	Notes	2023 £	2022 £
Net expenditure for the reporting period (as per the statement of financial activities)		(361,616)	(991,967)
Adjusted for:			
Capital grants from DfE and other capital income		(147,810)	(233,789)
Interest receivable	6	(10,188)	(412)
Pension costs less contributions payable	22	103,000	624,000
Pension scheme finance costs	22	44,000	83,000
Depreciation of tangible fixed assets		497,721	496,322
<b>Movements in working capital:</b>			
Decrease/(increase) in debtors		37,502	(41,707)
Increase in creditors		289,595	83,623
<b>Net cash provided by operating activities</b>		<u>452,204</u>	<u>19,070</u>

### 20 Analysis of changes in net funds

	1 September 2022 £	Cash flows £	31 August 2023 £
Cash	422,615	588,774	1,011,389

### 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 2023

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### 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 are managed by the Royal Borough of Kingston upon Thames and Wandsworth Council. Both are multi-employer defined benefit schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2020, and that of the LGPS to the period ended 31 March 2022.

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 2023 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 2020 in accordance with The Public Service Pensions (Valuations and Employer Cost Cap) Directions 2023 and the Employer Contribution Rate was assessed using agreed assumptions in line with the Directions and was accepted at the original assessed rate as there was no cost control mechanism breach.

The valuation report was published by the Department for Education on 26 October 2023.

The key elements of the valuation and subsequent consultation are:

- Total scheme liabilities for service (the capital sum needed at 31 March 2020 to meet the stream of future cash flows in respect of benefits earned) of £262 billion
- Value of notional assets (estimated future contributions together with the proceeds from the notional investments held at the valuation date) of £222 billion
- Notional past service deficit of £39.8 billion (2016 £22 billion)
- Discount rate is 1.7% in excess of CPI (2016 2.4% in excess of CPI) (this change has had the greatest financial significance)

As a result of the valuation, new employer contribution rates have been set at 28.6% of pensionable pay from 1 April 2024 until 31 March 2027 (compared to 23.68% under the previous valuation including a 0.08% administration levy).

The employer's pension costs paid to the TPS in the period amounted to £568,337 (2022: £609,328).

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

# LATCHMERE ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### 22 Pension and similar obligations (Continued)

#### 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 20.9 - 23.7% for employers and 5.5% - 12.5% for employees.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013 and on 21 July 2022, the Department for Education reaffirmed its commitment to the guarantee, with a parliamentary minute published on GOV.UK.

Total contributions made	2023 £	2022 £
Employer's contributions	358,000	345,000
Employees' contributions	105,000	100,000
Total contributions	<u>463,000</u>	<u>445,000</u>

#### Principal actuarial assumptions

The following information is based upon a full actuarial valuation of the fund at 31 March 2022 updated to 31 August 2023 by a qualified independent actuary.

	2023 %	2022 %
Rate of increase in salaries	3.50-3.90	3.45-3.90
Rate of increase for pensions in payment/inflation	2.90-3.00	2.90-3.05
Discount rate for scheme liabilities	5.20-5.30	4.25
Inflation assumption (CPI)	2.90-3.00	2.90-3.05

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

	2023 Years	2022 Years
Retiring today		
- Males	20.7-21.9	21.0-21.7
- Females	23.2-24.6	23.5-24.1
Retiring in 20 years		
- Males	22.0-22.8	22.3-22.8
- Females	24.6-25.9	24.9-26.0

# LATCHMERE ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### 22 Pension and similar obligations (Continued)

The Academy Trust's share of the assets in the scheme	2023 Fair value £	2022 Fair value £
Equities	3,151,000	3,543,000
Bonds	2,176,000	1,367,000
Cash	361,000	180,000
Multi-asset fund	144,000	73,000
Property	703,000	571,000
	<u>6,535,000</u>	<u>5,734,000</u>

The actual return on scheme assets was £359,000 (2022: £(447,000)).

Amount recognised in the statement of financial activities	2023 £	2022 £
Current service cost	456,000	969,000
Net interest cost	44,000	83,000
Plan introductions, changes, gain/(loss) on curtailment and gain/(loss) on settlement	5,000	-
	<u>505,000</u>	<u>1,052,000</u>

Changes in the present value of defined benefit obligations	2023 £
At 1 September 2022	6,762,000
Current service cost	456,000
Interest cost	293,000
Employee contributions	105,000
Actuarial gain	(996,000)
Benefits paid	(177,000)
Past service cost	5,000
	<u>6,448,000</u>
At 31 August 2023	<u>6,448,000</u>

# LATCHMERE ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### 22 Pension and similar obligations (Continued)

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

	2023 £
At 1 September 2022	5,734,000
Interest income	249,000
Return on plan assets (excluding net interest on the net defined pension liability)	266,000
Employer contributions	358,000
Employee contributions	105,000
Benefits paid	(177,000)
	<hr/>
At 31 August 2023	6,535,000
	<hr/> <hr/>
	2023 £
Present value of defined benefit obligations	(6,448,000)
Fair value of plan assets	6,535,000
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Net asset	87,000
Restriction to level of asset ceiling	(156,000)
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Net liability recognised in the balance sheet	(69,000)
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The value of the academy trust's share of net assets has been restricted due to the effect of the asset ceiling being the maximum value of the present of the economic benefits available in the form of the unconditional right to reduced contributions from the plan. A corresponding charge has been made to other comprehensive income in the period.

### 23 Related party transactions

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.

As reported within the prior year 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.

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

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## **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 2022 to 2023, to obtain limited assurance about whether the expenditure disbursed and income received by Latchmere Academy Trust during the period 1 September 2022 to 31 August 2023 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 2021 to 31 August 2022 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

## **Basis for conclusion**

The framework that has been applied is set out in the extant Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts. 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 Academy Trust Handbook, extant from 1 September 2022, for ensuring that expenditure disbursed and income received are 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 responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the extant Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts.

The objective of a limited assurance engagement is to perform such procedures as to obtain information and explanations in order to provide us with sufficient appropriate evidence to express a negative conclusion on regularity. A limited assurance engagement is more limited in scope than a reasonable assurance engagement and the procedures vary in nature and timing from, and are less in extent than for a reasonable assurance engagement; consequently a limited assurance engagement does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express a positive opinion.

We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2022 to 31 August 2023 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

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 Academy Trust Handbook 2022 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 the extant Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts.

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.

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

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## 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  
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RG1 3EU

Dated: 11 December 2023  
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