

Report of the Governors and
Financial Statements
for the Year Ended 31 August 2021
for
Llangrove C E Academy

Thorne Widgey Accountancy Ltd
Chartered Accountants
Statutory Auditors
2 Wyevale Business Park
Kings Acre
Hereford
Herefordshire
HR4 7BS

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for the Year Ended 31 August 2021

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Llangrove C E Academy

Reference and Administrative Details
for the Year Ended 31 August 2021

MEMBERS	Diocese of Hereford Educational Trust Rev P Benthon (appointed 01.10.2017) P Boulton (appointed 01.09.2020)	
GOVERNORS	P Box (Principal Accounting Officer resigned 31.08.2021) J Deloyde (Staff governor) C Harris (Chair Appointed 27.05.2020) S Dean (Staff Governor) P Benthon G Sinkowski (appointed 01.09.2020) P Boulton (appointed 01.09.2020) B Green (appointed 28.05.2021) M Feirn (appointed 01.09.2020; resigned 28.03.2021) J Shannon (Vice Chair: resigned 09.06.2021)	
SENIOR MANAGEMENT TEAM	P Box (resigned 31/08/21) S Dean (appointed 01/09/21) E Fox	Executive Headteacher Headteacher Deputy Head of school
DIRECTOR OF FINANCE AND ADMINISTRATION	J Deloyde	
COMPANY NAME	Llangrove C E Academy	
SENIOR STATUTORY AUDITOR	Lisa Weaver FCCA	
COMPANY SECRETARY	S Morehead	
REGISTERED OFFICE	Llangrove Ross on Wye Herefordshire HR9 6EZ	
REGISTERED COMPANY NUMBER	08333208 (England and Wales)	
AUDITORS	Thorne Widgey Accountancy Ltd Chartered Accountants Statutory Auditors 2 Wyevale Business Park Kings Acre Hereford Herefordshire HR4 7BS	

Llangrove C E Academy

Reference and Administrative Details
for the Year Ended 31 August 2021

SOLICITORS

Anthony Collins Solicitors
134 Edmond Street
Birmingham
B3 2ES

BANKERS

Lloyds
6-8 High Town
Hereford
HR1 2AE

The governors who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 August 2021. The governors have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) and the Academies Accounts Direction issued by the Education and Skills Funding Agency.

The annual report serves the purposes of both a governors' report and a directors' report under company law.

The academy trust operates an academy for pupils aged 5 to 11 serving a catchment area in South Herefordshire. It has a pupil capacity of 67 and had a roll of 73 in the school census on October 2020.

OBJECTIVES AND ACTIVITIES

Objects and aims

The principal object and activity of the Academy is to advance for the public benefit education in the United Kingdom, in particular, by establishing, maintaining, carrying on, managing and developing a school offering a broad range of curriculum of pupils of different abilities.

The aims of the Academy during the period ended 31 August 2021 are summarised below:

- to continue to raise the standard of educational attainment and achievement of all pupils
- to provide a broad and balanced curriculum, including extra-curricular activities
- to develop students as more effective learners
- to develop the Academy sites so that it enables students to achieve their full potential
- to ensure that every child enjoys the same high quality education in terms of resourcing, tuition and care
- to improve the effectiveness of the Academy by keeping the curriculum and organisational structure under continual review
- to provide value for money for the funds expended
- to fulfil the role of a teaching school
- to develop greater coherence, clarity and effectiveness in school systems
- to comply with all appropriate statutory and curriculum requirements
- to develop the Academy's capacity to manage change, and
- to conduct the Academy's business in accordance with the highest standards and integrity, probity and openness.

We aim to get the best for, and from, each child. We intend to enable each child to realise his or her full academic, creative and physical potential and to develop positive social and moral values. Our Academy continues to maintain and manage a school with a designated Church of England religious character, arranging for religious education and daily acts of worship. Our Academy is a community in which children, staff and parents should be part of a happy and caring environment.

Objectives, Strategies and Activities

The main objectives for the year and strategies for achieving them are contained in the school's Strategic Development Plan which is available from each member of the Senior Leadership Team.

Public benefit

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives. All our charitable activities are undertaken to further our charitable purposes for the public benefit.

Llangrove C E Academy

Report of the Governors for the Year Ended 31 August 2021

STRATEGIC REPORT

Achievement and performance

Charitable activities

Llangrove CE Academy again continues to increase in pupil numbers after the successful Ofsted inspection in January 2019; achieving Section 5, Outstanding School in Waiting.

We are also very proud and thrilled that Llangrove CE Academy achieved Outstanding in our SIAMS inspection back in November 2017. We are extremely proud of the children's achievements and felt that the report reflected our caring and nurturing school ethos. The full report is available on the school website.

Key performance indicators:

Pupil number have increased again this year. As funding is based on pupil numbers this is a key performance indicator. Pupil numbers for 20/21 were 73 for the October 2020 Census, an increase of 6 since the October 2019 Census.

Pupil attendance is another indicator used to determine performance. During the year 20/21 the overall percentage attendance rate was 97.91%, which is higher than the National Average for state funded schools.

Despite the challenges Covid-19 has brought us the whole school produced a Christmas Nativity production. Parents and carers were able to see their children perform this wonderful production via a private video link.

Unfortunately, due to the COVID-19 virus most of our established annual activities were cancelled. However, pupils from Year 6 were able to take part in leaver's adventure days in July. Where they camped overnight on the school grounds enjoying pizza and a film after an adventurous two days learning archery and laser clay shooting, as well as a visit to the Viking Games and hiking around Garway Hill.

As a school, during this difficult year, we have fully appreciated our wonderful outside grounds, including a large field, forest school area with many trees and our own pond. We have made full use of our beautiful surroundings by flying kites, developing our camping skills and of course practising our sports. Culminating in a very successful sports day in July when parents and carers were able to attend and celebrate the children's sporting achievements, once government restrictions allowed.

PE Achievements & Performances 2020-21

Playground

This last academic year, Llangrove CE Academy has had significant changes made to the playground equipment and markings. There has been a big change to one area which has been specifically developed for our younger children with the addition of a tunnel, chalkboard and wooden gazebo. With updated game areas and colourful markings to play on, the playground has become more accessible and appealing for the children.

School Games Mark Award

Llangrove CE Academy were again on track to maintain the Gold award achieved in 2018/19. However, due to the ongoing current circumstances and restrictions, the Award has been delayed for an additional academic year. For the second year, Herefordshire School Games organisers gave primary schools in Herefordshire the opportunity to apply for their award. It required schools to consider provision and accessibility to sport over the year and Llangrove CE Academy successfully achieved this award.

Herefordshire Virtual School Games

The Virtual Herefordshire Games continued into this academic year and we were keen to be involved. In the Ross-on-Wye schools cluster Virtual Netball Competition, the children had to score as many netball goals in two minutes. We were delighted that one of our house teams - Monnow, won this event, beating 28 other local schools.

A significant percentage of our KS2 pupils won Gold, Silver and Bronze Awards in Sports hall Athletics. All children gave their individual best performance in throwing, running and jumping.

In the School Games "Santa Dash" children trotted like reindeers and skipped like elves to the music of "Run run Rudolph" on the playground.

Llangrove C E Academy

Report of the Governors for the Year Ended 31 August 2021

The school and many children learning at home, participated in the virtual rugby skills competition. House points and certificates were sent home to those who participated.

In the Herefordshire Spring Virtual School Games, the children participated in timed individual events. Points were sent to the School Games organisers and points were accumulated for Llangrove CE Academy's end of year Sports Cup. The school also participated in the Herefordshire Virtual School Summer Games, where children participated in throwing, jumping and running. The results of all the children in the school were collated and sent to the organisers.

HMFA Sports League

Just one HMFA competitive event was able to go ahead this academic year. Years 3 and 4 travelled to Sutton Primary school and played in a football tournament against 5 other schools in the Federation. It was fantastic to have an inter-school competition running again.

Intra-house competitions

With a lack of competition outside school, we held numerous intra-house competitions with the older KS2 children. This included football, bench ball, netball, athletics and rounders.

Multi-skills

The annual multi-skills event in Hereford for KS1 was cancelled for the second consecutive year. As a result, Llangrove Academy organised our own multi-skills event for each "bubble".

Dance

With the Moving Targets dance event cancelled for the second year in March 2021, children in Beech class devised and performed a virtual dance for the Virtual Christmas play. Their routine involved a jazzed up version of "This little Light of Mine".

Coaching

Unfortunately, Worcester Warriors had to cancel their annual coaching sessions for this academic year. One class were fortunate to receive six weeks of outdoor tennis coaching with an experienced coach from Goodrich Tennis Club.

Sports Day

We were delighted to be able to run our annual Sports Day in July 2021. With the easing of restrictions, it meant that parents were able to join us at the school field. Added to the annual Sports Day shield, six children received medals for their contribution to Sport and fitness. One boy and one girl from each class were awarded the medals at the end of the Sports Day.

Swimming

Due to closure of pools, swimming lessons were unable to go ahead throughout the academic year.

The Daily Mile

An official member of the "Daily Mile" community, unfortunately Llangrove CE Academy weren't able to participate fully in this daily event. We anticipate a consistent return in the Autumn term of 2021.

Year 6

Year 6 were unable to develop their leading skills due to the restrictions of mixing year groups. The Summer Annual School Multi-skills afternoon they normally plan and run was again cancelled this year.

Key financial performance indicators

These are covered throughout the Governors' Report.

STRATEGIC REPORT

Financial review

Financial position

The majority of the Academy's income is obtained from the DfE in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the period ended 31 August 2021 and the associated expenditure are shown as restricted funds in the statement of financial activities.

The Academy also receives grants for fixed assets from the DfE in accordance with the Charities Statement of Recommended Practice, 'Accounting and Reporting by Charities' (SORP 2015), such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the useful life of the assets concerned as defined in the Academy's accounting policies.

During the year ended 31 August 2021, total expenditure of £327,436 (2020: £302,353) was covered by recurrent grant funding from the DfES. The net expenditure before transfers and revaluations for the year was £1,072 (2020: £22,587 net expenditure).

At 31 August 2021, the net book value of fixed assets was £685,628 (2020: £685,086) and movements in tangible fixed assets are shown in the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

Investment policy

The school will invest any surplus funds on deposit to ensure it maximises its return.

Reserves policy

The governors review the reserve levels of the Academy annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Academy's current level of reserves (total funds less the amount held in fixed assets and restricted funds) is £14,467 (2020: £12,800), all of which is free reserves. The level of general restricted reserves is £90,749 (2020: £70,025).

The Trust identifies the level of reserves as appropriate, adhering to best practice, to cover at least 3 months' salary. The reserves are also planned to purchase new tables and chairs in each classroom. This project was postponed last year due to Covid.

STRATEGIC REPORT

Financial review

Going concern

After making appropriate enquiries, the Governing Body has a reasonable expectation that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing the financial statements.

Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

The Trustees have considered the effects of the Covid-19 Pandemic in their assessment.

Impact on the School Due to COVID-19

Following the COVID-19 closures in the Spring and Summer terms of 2020, all pupils returned to school in September 2020, with the school organised into three 'class' bubbles. In order to support pupils' learning and enable all pupils to have access to home-learning, in the event of a positive case, bubble closure or a lockdown in school, Google Classroom was purchased. Staff received training through the HMFA ICT lead. All pupils were provided with an individual login. Parents were given an opportunity to trial-run the web-based learning platform to check that all pupils were able to access the resource from their homes and home devices.

Due to a 'bubble' closure in the second Autumn term, pupils were able to access daily online lessons as well as receive support and feedback on a daily basis during the closure. Google Classroom was also used successfully by staff to provide lessons and teaching support to individual pupils who were self-isolating at home.

In the Spring term - during the national lockdown - all pupils were able to access learning on Google Classroom. The staff, who were based in school teaching children of key workers and children who were vulnerable, held twice daily video 'meets' with the pupils - pupils (and their parents/carers) greatly valued the opportunity each day to talk with their teacher and their peers, including talking through their 'lockdown' experiences and feelings. 1:1 'meets' also took place if requested by a pupil or their parents/carers. The staff provided daily feedback for work that the children shared with them online. Work achieved by the children was also shared in the weekly 'Friday online Collective-Worship' which was a wonderful opportunity for the children, both those in school and at home, to see each other, listen to a Christian-value led Bible story and see all of the staff whilst celebrating their achievements for the week.

Staff kept a record of the children that were accessing the home learning resources; returning their work online and attending the daily class 'meets'. Pupils who were not regularly accessing Home learning were contacted by telephone, by the class teacher, and any concerns or issues were discussed on a 1:1 basis.

The learning activities, challenges and resources provided to the children were predominantly teacher created and were Topic themed where appropriate. Resources all included staff created videos and PowerPoints with teacher audios to support learning and pupil engagement. Maths resources included those provided by White Rose Maths premium home learning resources providing them with daily videos with accompanying worksheets as well as Llangrove staff videos. All pupils were provided with exercise books to record their home learning. The daily 'Meets' also included staff reading a class book.

Formal assessment, including national assessments, was cancelled at the end of the academic year 2020/21. The cancellation applied to: End of Key Stage 1 and End of Key Stage 2 assessments (including tests and teacher assessment); Year 1 phonics screening check; Year 4 multiplication tables check and the Early Years Foundation Stage Profile. Primary school performance measures will therefore not be published for the 2020/21 academic year. Progress of pupils / % of children expected to achieve ARE for Reading, Writing and Maths at end of each term was carried out by teaching staff (using Rising Stars assessments) and monitored by SLT and reported in termly Governor meetings.

Llangrove CE Academy Catch up Funding 2020-2021

Children and young people across the country have experienced unprecedented disruption to their education as a result of coronavirus (COVID-19). Those from the most vulnerable and disadvantaged backgrounds may be among those hardest hit. The aggregate impact of lost time in education may be substantial, and the scale of our response must match the scale of the challenge.

STRATEGIC REPORT

Financial review

Llangrove CE Academy have been granted a total of £5,840 for this year based on 67 pupils from last year's census. This money can be used to support children to close the attainment gap that has been created due to schools being closed to all but vulnerable and key worker children.

Access to Technology: £3,067 of this grant has been used to purchase additional Ipads. These new Ipads will stay in school which will enable the old ipads to be loaned out to pupils at home if needed or during a lockdown situation. More children can access class devices enabling them to rotate through discrete teaching, reading fluency and independent online activities and interventions.

1-to-1 and small group tuition: £403 has been spent on a range of physical and remote resources to enable the effective delivery of intervention materials. Purchases have been made for online programmes as well as purchasing Penpals for Writing Workbooks to enable the revision of basic skills. The online programmes also enable children to continue to practice subject skills during the holidays if required.

Children will continue to have on-line learning such as:

- 123Maths which can be used at home and at school. It provides children with 'step to step' skills to fill any gaps in their Maths knowledge. During this process they gain confidence and knowledge, allowing them to access any topics that they may have problems with.
- Nessy to improve reading, writing and spelling.
- Dyslexia Gold is suitable for ALL struggling readers, including pupils who are very far behind.
- White Rose Maths premium teaching videos are resources to support KS1 & KS2 pupil.

Additional Maths Tuition: Llangrove CE Academy have identified that children will have significantly increased rates of mathematics basic skills, reasoning and fluency. Therefore £2,370 has been put towards an additional maths teacher to work with targeted KS2 children and groups.

Fundraising

Due to Covid the annual Llangrove Community fundraising event: The May Fayre – did not take place.

Other fundraising initiatives for the School are APFS Christmas cards and 'Recycle with Michael' clothing collections. Both these schemes provide a % of income to the school. APFS Christmas cards took place in the Autumn term 2020 however Recycle with Michael scheme did not take place.

Principal risks and uncertainties

The Governors consider that the principal risks and uncertainties facing the Academy are:

- Meeting requisite standards of education for students in core subjects
- Complying with legislative requirements regarding employment law, data protection, discrimination, Companies House and HMRC, child protection, the Charity Commission and the National Curriculum.
- Financial risk - not operating within its budget and running a deficit, changes in funding, inappropriate or insufficient financial controls and systems, fraudulent activity and/or financial commitments made without adequate authorisation.
- Operational risks resulting from inexperienced or inappropriate staff being employed and inaccurate, out of date or inappropriate information.

The key controls used by the Academy include:

- Detailed terms of reference for all committees
- Formal agendas for the Academy board and committees
- Schemes of delegation and formal financial regulations
- Formal written policies
- Clear authorisation and approval levels
- Policies and procedures required by law to protect the vulnerable

STRATEGIC REPORT

Financial and risk management objectives and policies

The School has agreed a Risk Management strategy, a Risk register and a risk management plan. These have been discussed by governors and include the financial risks to the school. The register and plan are constantly reviewed in light of any new information and formally reviewed annually.

Plans for the future

Llangrove CE Academy will continue to strive to provide outstanding education and improve the levels of performance of its pupils at all levels. The Academy will continue to aim to attract high quality teachers and support staff in order to deliver its objectives.

Llangrove CE Academy will continue to work with partner schools to improve the educational opportunities for students in Herefordshire.

As a partner teaching school with Worcester University the Academy will continue to support students completing initial teacher training.

The Key Initiatives for 2021/22 are:

- Ensure that all children are protected from harm; both physically and emotionally.
- Provide the highest quality of education so that every child achieves their full potential, both academically as well as in artistic and sporting endeavour.
- Ensure that vulnerable and disadvantaged children receive the support they need to achieve their full potential.
- Provide a platform to build self-esteem, confidence and the skills to succeed in life.
- Enable children to make the best use of technology including the successful management of social media within their daily lives whilst being aware of online safety.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy Trust 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 Company was incorporated on the 17th December 2012 and converted from a Local Authority School to an Academy Trust on the 1st February 2013.

The governors act as the trustees for the charitable activities of Llangrove CE Academy and are also the directors of the Charitable Company for the purposes of company law. The Charitable Company is known as Llangrove CE Academy.

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

Members' liability

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.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governors' Indemnities

Governors benefit from indemnity insurance purchased at the Academy Trust's expense to cover the liability of the governors which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy Trust, provided that any such insurance shall not extend to any claim arising from any act or omission which the governors knew to be a breach of trust or breach of duty or which was committed by the governors in reckless disregard to whether it was a breach of trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the governors in their capacity as directors of the Academy Trust.

The liability insurance is provided by Arthur J Gallagher Insurance Brokers.

Principal activities

This is defined in the Articles of Association.

Method of Recruitment and appointment or Election of Governors

This is defined in the Articles of Association:

The Members shall appoint a minimum of 8 Governors of whom the following corporate members shall also be governors the Incumbent ex officio and including:

- 3 persons nominated by the Diocesan Board of Education
- 2 persons appointed by Llangrove Parochial Church Council
- 1 person appointed by Welsh Newton Parochial Church Council
- 1 person appointed by Llangarron Parochial Church Council

The Members may appoint Staff Governors through such process as they may determine.

The Headteacher shall be treated for all purposes as being an ex official Governor.

Parent Governors shall be elected by parents of registered pupils at the Academy. A Parent Governor must be a parent of a pupil at the Academy at the time when they are elected.

The Governing Body shall make all necessary arrangements for, and determine all other matters relating to, an election of Parent Governors, including any question of whether a person is a parent of a registered pupil at the Academy. Any election of Parent Governors which is contested shall be held by secret ballot.

Organisational structure

The Academy together with its close links with Herefordshire Marches Federation of Academies has a leadership structure which consists of the governors, The Senior Leadership Team and Team Leaders. The aim of the leadership structure is to devolve responsibility and encourage involvement in decision making at all levels. The Headteacher is the Accounting Officer.

The governors are responsible for setting general policy, adopting an annual plan and budget, approving the statutory accounts, monitoring the Academy by the use of budgets and other data, and making major decisions about the direction of the Academy, capital expenditure and staff appointments.

The Senior Management Team are the Principal (Chief Executive), three Vice Principals and the Finance Director. These leaders direct the Academy at an executive level implementing the policies laid down by the governors and reporting back to them. The Senior Managers are responsible for the authorisation of spending within agreed budgets and the appointment of staff, though appointment boards for posts in the Senior Management Team always contain a governor. Some spending control is devolved to members of the Senior Management Team, with limits above which the Principal must countersign.

Heads of Department are responsible for the day to day operation of curriculum subject areas and accordingly organise their teaching staff, capitation resources, facilities and students.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Policies and Procedures for the Induction and training of Governors

The Academy has a Governor Recruitment and Induction policy.

The training and induction provided for new governors includes a tour of the Academy and a chance to meet staff and pupils. The Governor Support Team at the Local Authority provides external training including financial matters. They provide regular updates on practice, legislation and guidance. All governors are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as governors.

Arrangement for setting pay and remuneration of key management

1. Performance pay review is completed by the HMFA pay review committee, made up of representatives from each school, mostly Chairs of Governors, including Llangrove's Chair of Governors.
2. Performance Management in each school takes place on an annual cycle of review. It is undertaken by the senior leaders, Deputy Head teachers and Executive Head teachers.
3. Targets are related to current school key areas as well as individual targets and are linked to the new teacher standards.
4. Staff underperforming are given clear agreed targets with appropriate timescale for review, and a mentor from the leadership team.

Related parties and other connected charities and organisations

The Academy has strong collaborative links with 2 other primary schools; Canon Pyon Primary Academy and Lord Scudamore Academy. The Headteacher Peter Box is Executive Headteachers at both of these schools.


Related Party Relationships have been recorded on a Register of Director's Declarations of Interest and any additional declarations noted at the start of each Board of Directors Meeting. Details of related party transactions can be found in the notes to the financial statements.

AUDITORS

Insofar as the governors are aware:

- there is no relevant audit information of which the Charitable Company's Auditor is unaware; and
- the governors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Governors Report, incorporating a strategic report, was approved by the board of governors, as the company directors on(31.12.21)..... and signed on its behalf by:


.....
C Harris - Governor

Scope of Responsibility

As governors, we acknowledge we have overall responsibility for ensuring that Llangrove C E Academy has an effective and appropriate system of control, financial and otherwise. However such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement of loss.

As trustees, we have reviewed and taken account of the guidance in DfE's Governance Handbook and competency framework for governance.

The board of the governors has 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 Llangrove C E Academy and the Secretary of State for Education. They are also responsible for reporting to the board of governors any material weaknesses or breakdowns in internal control.

The Trustees consider that the Board and its Committees combined, meet adequately and regularly over the course of the year in order to discharge their responsibilities and have robust and effective management arrangements.

Governance Statement
for the Year Ended 31 August 2021

Governance

The information on governance included here supplements that described in the Governors' Report and in the Statement of Governors' responsibilities. The Full Governing Body has formally met 4 times during the period. The Finance Committee has also formally met a further 3 times during the period. These meetings also covered Finance and staffing agendas. Attendance during the period at meetings of the Governing Body was as follows:

Governor Meeting Attendance

Governor	Meetings Attended	Out of a Possible
C Harris Chairman (appointed 27.5.20)	4	4
P Box Principal Accounting Officer	3	4
J Deloyde Staff Governor	3	4
S Dean Staff Governor	4	4
B Bentham	2	4
J Shannon (resigned 09.06.21)	3	4
P Boulton (appointed 01.09.20)	4	4
G Sinkowski (appointed 01.09.20)	4	4
M Feirn (appointed 01.09.20, resigned 28.03.21)	3	3
B Green (appointed 28.05.21)	1	1

Finance Committee Meeting Attendance

Governor	Meetings Attended	Out of a Possible
C Harris Chairman (appointed 27.5.20)	3	3
P Box Principal Accounting Officer	2	3
J Deloyde Staff Governor	3	3
S Dean Staff Governor	3	3

Governance Review

The Academy annually reviews the skills set of the Governors to ensure a broad range of knowledge/expertise is represented.

The academy trust on an annual basis should:

- Describe the evaluation or review that has been undertaken during the year on the impact and effectiveness of the board of trustees, including any external review of governance
- Describe the findings, any actions- taken and the impact they had
- Indicate when the academy trust intends to conduct its next self-evaluation or external review of governance.
- Configuration of the Trustees and Members will be reviewed during the early part of the new financial year, with guidance being sought from the ESFA.

Review of Value for Money

As accounting officer the Executive Headteacher has responsibility for ensuring that the academy trust delivers good value in the use of public resources. The accounting officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

The accounting officer considers how the trust's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data where available. The accounting officer for the academy trust has delivered improved value for money during the year by:

- HMFA have a legally bound connection with Llangrove and the other schools and academies in the Federation. We are able to minimise costs by the sharing of resources, staff, vehicles and combining pupil extra-curricular activities.
- We purchase services as a group to obtain discount and best rate. Examples of this are for Professional services, Advertising, IT licences, IT software, Combined Business Insurance.
- Where possible we negotiate and purchase services as a group to obtain discount and best rate. Two of our high value service providers offer discounts across the federation. These suppliers are Hoople Ltd who provides Payroll, Staffing and HR Services, Scholarpack (MIS) and Schools Advisory Service who provide staff absence insurance.
- We belong to Activate Central; a network of local schools within the county which focuses on professional development and training. This has provided us with the access to low cost specialist training events and expertise.
- As an academy we regularly look at our services and contracts to check if they need to be appraised or renegotiated to get the best mix of quality and effectiveness for the least cost. We continue to utilise the valuable people and skills we already have working in the Federation enabling us to make a further saving.
- Wherever possible we request annual service charges to be invoiced to us on a monthly/quarterly basis so that the cost can be evenly spread over the financial year to minimise impact on cash flow. Bank reconciliations are performed on a monthly basis to monitor cash flow.
- We adopt best practice in terms of prudence and financial management. Where possible a tender process is undertaken for any supplies or services over an agreed amount, this has driven down costs so as to obtain value for money.

The Academy Trust has continued to develop procedures for assessing need, and obtaining goods and services which provide "best value" in terms of suitability, efficiency, time and cost.

- We continue to buy the Academy's heating oil within a local "oil syndicate" as a bulk order giving a considerable saving each year of up to £300. This is also saving time as it is organised by a local villager who sources the best price and arranges delivery on our behalf.
- Llangrove CE Academy together with the HMFA have continued this year with the IT SLA that was agreed in 2017. The purchasing of this SLA as a group has once again given all the school a significant saving this year.
- Our onsite pre-school generates additional rental income each year, Leapfrogs rental is on a daily basis for most of the year, including school holidays. We also promote the use of our school premises for lettings which includes: Parish Councils, Leapfrogs Preschool fundraising activities, Beavers/Rainbows, amongst others. This now generates another small extra income. However, this year due to COVID-19 this source of income has been greatly reduced.

Staff sickness insurance was considered for 2021 - 2022 however we have used the Schools Advisory Service for the past few years. We find them very good, the website is easy to update and access for information. They are always helpful on the phone if you need support. Also as part of the HMFA group we receive a 10% discount on our policy. Other quotes were sourced from three other companies but were more costly than our existing provider.

Due to changes regarding 'Internal Scrutiny' in this year's Academics Financial Handbook an external independent provider was sourced to provide insurance to the Board. HMFA approached three companies and it was agreed that Juniper Education offered all the requirements needed. Llangrove CE Academy were able to be included with the HMFA MAT in two of the three areas of scrutiny. The cost was then shared between all Academies giving excellent value for money.

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 charitable company 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 Llangrove C E Academy for the period 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements.

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 charitable company 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 Llangrove C E Academy for the period 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The board of governors has reviewed the key risks to which the charitable company is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of governors is of the view that there is a formal on-going process for identifying, evaluating and managing the charitable company's significant risks that has been in place for the period 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of governors.

The Risk and Control Framework

The Academy Trust's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a 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 Governing Body.
- regular reviews by the Finance Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties;
- identification and management of risks.

The governing body has decided to buy-in internal scrutiny audit service from Juniper Education.

The internal reviewer's role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems as described above. They regularly report to the board of trustees on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities and annually prepares an annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.


Review of Effectiveness

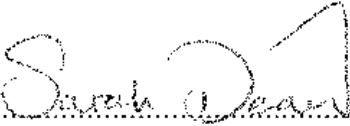
As Accounting Officer, the Executive Headteacher has responsibility for reviewing the effectiveness of the system of internal control. During the period in question the review has been informed by:

- the work of the Internal reviewer;
- the work of the external auditor;
- the financial management and governance self-assessment process;
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the finance committee and a plan to address any weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the board of trustees on10/12/21..... and signed on its behalf by:


.....
C. Harris - Governor


.....
S Dean - Accounting Officer

Llangrove C E Academy

Statement on Regularity, Propriety and Compliance
for the Year Ended 31 August 2021

As accounting officer of Llangrove C E Academy I have considered my responsibility to notify the academy board of governors and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy, under the funding agreement in place between the academy and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2020.

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

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 governors and ESFA.


.....

S Dean - Accounting Officer

Date: 10/12/21

Llangrove C E Academy

Statement of Governors' Responsibilities for the Year Ended 31 August 2021

The governors (who act as trustees of Llangrove C E Academy and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Report of the Governors and the financial statements in accordance with the Academies Accounts Direction issued 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 governors to prepare financial statements for each financial year. Under company law the governors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the governors are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

In so far as the governors are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the governors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

In preparing these financial statements, the trustees are required to state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.

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 on10/12/21..... and signed on its behalf by:



.....
C Harris - Governor

Opinion

We have audited the financial statements of Llangrove C E Academy (the 'charitable company') for the year ended 31 August 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency (ESFA).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and Academies Accounts Direction 2020 to 2021.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the 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 governors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the 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 governors with respect to going concern are described in the relevant sections of this report.

However, not all future events or conditions can be predicted. The COVID-19 viral pandemic is one of the most significant economic events for the UK with unprecedented levels of uncertainty of outcomes. It is therefore difficult to evaluate all of the potential implications on the entity's activities, funders, suppliers and wider economy. The Trustees' view on the impact of COVID-19 is disclosed in the Trustees' Report and the Accounting Policies.

Other information

The governors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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 Report of the Governors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Governors has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Governors.

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of governors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the governors were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Governors.

Responsibilities of governors

As explained more fully in the Statement of Governors' Responsibilities, the governors (who 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 governors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

We obtained an understanding of the legal and regulatory framework applicable to both the Academy itself and the sector in which it operates. We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our sector experience and through discussion with the trustees and other management. The most significant were identified as the Department for Education, the Education and Schools Funding Agency, the Academies Financial Handbook 2020, the Academies Accounts Direction 2021, Companies Act legislation and Charities Act and FRS102 SORP legislation.

We considered the extent of compliance with those laws and regulations as part of our procedures on the related financial statements. Our audit procedures included:

- Making enquiries of management as to where they consider there to be a susceptibility to fraud and whether they have any knowledge or suspicion of fraud;
- Obtaining an understanding of the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations;
- Assessing the design effectiveness of the controls in place to prevent and detect fraud;
- Assessing the risk of management override including identifying and testing journal entries;
- Challenging the assumptions and judgements made by management in its significant accounting estimates.

Whilst our audit did not identify any significant matters relating to the detection of irregularities including fraud, and despite the audit being planned and conducted in accordance with ISAs (UK), there remains an unavoidable risk that material misstatements in the financial statements may not be detected owing to inherent limitations of the audit, and that by their very nature, any such instances of fraud or irregularity would likely involve collusion, forgery, intentional misrepresentations, or the override of internal controls.


The maintenance and integrity of the Llangrove C E Academy website is the responsibility of the governors; the work carried out by the auditors does not involve the consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

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

Report of the Independent Auditors to the Members of
Llangrove C E Academy

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 auditors' 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.



Mrs Lisa Weaver FCCA (Senior Statutory Auditor)
for and on behalf of Thorne Widgery Accountancy Ltd
Chartered Accountants
Statutory Auditors
2 Wyevale Business Park
Kings Acre
Hereford
Herefordshire
HR4 7BS

Date:13/12/21.....

Independent Reporting Accountant's Assurance Report on Regularity to
Llangrove C E Academy and the Education and Skills Funding Agency

In accordance with the terms of our engagement and further to the requirements of the Education and Skills Funding Agency (ESFA), as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Llangrove C E Academy during the period 1 September 2020 to 31 August 2021 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Llangrove C E Academy's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Llangrove C E Academy's funding agreement with the Secretary of State for Education and the Academies Financial Handbook, extant from 1 September 2020, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2020 to 2021. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2020 to 31 August 2021 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2020 to 2021 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw our conclusions includes:

- detailed testing of a sample of items of income and expenditure to ensure appropriately applied for the purpose intended
- specific testing, on a sample basis, of system controls relevant to the above
- a general review of correspondence with the appropriate authorities regarding Academy governance matters during the year
- a general review and discussion of the Academy's internal control procedures for establishing and maintaining systems of control and documentation regarding these matters

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

Without qualifying our opinion, we would like to refer to the related and connected party transactions highlighted in the notes in the attached accounts.

Conclusion

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

Independent Reporting Accountant's Assurance Report on Regularity to
Llangrove C E Academy and the Education and Skills Funding Agency

Thorne Widgery

Thorne Widgery Accountancy Ltd
Chartered Accountants
Reporting Accountant
2 Wyevale Business Park
Kings Acre
Hereford
Herefordshire
HR4 7BS

Date:13/12/21.....

Llangrove C.E. Academy

Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
for the Year Ended 31 August 2021

					31.8.21	31.8.20
	Notes	Unrestricted funds £	Restricted Fixed Asset Fund £	Restricted General Fund £	Total funds £	Total funds £
INCOME AND ENDOWMENTS FROM						
Donations and capital grants	2	1,342	4,787	4,469	10,598	15,292
Charitable activities						
Funding for the academy's educational operations	3	-	-	477,755	477,755	416,116
Other trading activities	4	4,500	-	-	4,500	1,187
Investment income	5	<u>12</u>	<u>-</u>	<u>-</u>	<u>12</u>	<u>41</u>
Total		5,854	4,787	482,224	492,865	432,636
EXPENDITURE ON						
Charitable activities						
Academy's educational operations	3	<u>698</u>	<u>17,515</u>	<u>475,724</u>	<u>493,937</u>	<u>455,223</u>
Total	6	<u>698</u>	<u>17,515</u>	<u>475,724</u>	<u>493,937</u>	<u>455,223</u>
NET INCOME/(EXPENDITURE)		5,156	(12,728)	6,500	(1,072)	(22,587)
Transfers between funds	16	<u>-</u>	<u>7,777</u>	<u>(7,777)</u>	<u>-</u>	<u>-</u>
Other recognised gains/(losses)						
Actuarial gains/(losses) on defined benefit schemes		<u>-</u>	<u>-</u>	<u>8,000</u>	<u>8,000</u>	<u>(9,000)</u>
Net movement in funds		5,156	(4,951)	6,723	6,928	(31,587)
RECONCILIATION OF FUNDS						
Total funds brought forward		<u>12,800</u>	<u>690,112</u>	<u>(181,974)</u>	<u>520,938</u>	<u>552,525</u>
TOTAL FUNDS CARRIED FORWARD		<u>17,956</u>	<u>685,161</u>	<u>(175,251)</u>	<u>527,866</u>	<u>520,938</u>

The notes form part of these financial statements

Balance Sheet
31 August 2021

	Notes	31.8.21 £	31.8.20 £
FIXED ASSETS			
Tangible assets	12	685,628	685,086
CURRENT ASSETS			
Debtors	13	15,031	17,340
Cash at bank and in hand		<u>120,587</u>	<u>91,574</u>
		135,618	108,914
CREDITORS			
Amounts falling due within one year	14	(27,380)	(21,062)
NET CURRENT ASSETS		<u>108,238</u>	<u>87,852</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		793,866	772,938
PENSION LIABILITY	17	(266,000)	(252,000)
NET ASSETS		<u>527,866</u>	<u>520,938</u>
FUNDS	16		
Restricted funds:			
Restricted Pension Fund		(266,000)	(252,000)
General Annual Grant		87,264	54,185
DFE/YPLA Capital Grants		13,922	10,921
Conversion and depreciation		657,382	668,522
Fixed Assets funded by other grants/donation		13,857	10,670
Other DFE/ESFA Universal infant free school meals		-	1,060
Other DFE/ESFA PE and sports		<u>3,485</u>	<u>14,780</u>
		<u>509,910</u>	<u>508,138</u>
Unrestricted funds:			
Unrestricted Fund		14,467	12,800
Unrestricted Fixed Asset Fund		<u>3,489</u>	-
		<u>17,956</u>	<u>12,800</u>
TOTAL FUNDS		<u>527,866</u>	<u>520,938</u>

The financial statements were approved and authorised for issue by the Board of Governors and authorised for issue on 10/9/21... and were signed on its behalf by:



C Harris - Governor

Llangrove C E Academy

Cash Flow Statement
for the Year Ended 31 August 2021

	Notes	31.8.21 £	31.8.20 £
Cash flows from operating activities			
Cash generated from operations	1	<u>42,904</u>	<u>12,583</u>
Net cash provided by operating activities		<u>42,904</u>	<u>12,583</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(18,690)	-
Capital grants from DfE/EFA		4,787	4,718
Interest received		<u>12</u>	<u>41</u>
Net cash (used in)/provided by investing activities		<u>(13,891)</u>	<u>4,759</u>
Change in cash and cash equivalents in the reporting period		29,013	17,342
Cash and cash equivalents at the beginning of the reporting period		<u>91,574</u>	<u>74,232</u>
Cash and cash equivalents at the end of the reporting period		<u>120,587</u>	<u>91,574</u>

The notes form part of these financial statements

Notes to the Cash Flow Statement
for the Year Ended 31 August 2021

1. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES			
	31.8.21	31.8.20	
	£	£	
Net expenditure for the reporting period (as per the Statement of Financial Activities)	(1,072)	(22,587)	
Adjustments for:			
Depreciation charges	18,148	17,633	
Capital grants from DfE/ESFA	(4,787)	(4,718)	
Interest received	(12)	(41)	
Decrease/(increase) in debtors	2,309	(4,554)	
Increase in creditors	6,318	2,848	
Difference between pension charge and cash contributions	<u>22,000</u>	<u>24,002</u>	
Net cash provided by operations	<u>42,904</u>	<u>12,583</u>	
 2. ANALYSIS OF CHANGES IN NET FUNDS			
	At 1.9.20	Cash flow	At 31.8.21
	£	£	£
Net cash			
Cash at bank and in hand	<u>91,574</u>	<u>29,013</u>	<u>120,587</u>
	<u>91,574</u>	<u>29,013</u>	<u>120,587</u>
Total	<u>91,574</u>	<u>29,013</u>	<u>120,587</u>

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Academies Accounts Direction 2020 to 2021 issued by the ESFA, the Charities Act 2011 and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Llangrove C E Academy meets the definition of a public benefit entity under FRS 102.

Going concern & covid 19

The governors assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. The governors make this assessment in respect of a period of one year from the date of approval of the financial statements. The governors 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.

The trustees have considered the impact of the current COVID-19 pandemic on the future finances of the academy.

The Academy's current level of reserves (total funds less the amount held in fixed assets and restricted funds) is £14,467 (2020: £12,800) all of which is free reserves. The level of general restricted reserves is £90,749 (2020: 70,025).

The Trustees are currently reviewing the financial position of the Academy to ensure it has a surplus on free reserves in the medium to long term, and the Trustees assume that the Academy will be able to continue as a going concern.

The Trustee's assessment that is appropriate to use the going concern assumption is based on the following:

- a) the Academy has adequate cash to fund its working capital requirements during this period;
- b) there is no significant unbudgeted expenditure or capital expenditure, unless supported by additional funding, during this period; and
- c) income is received in line with the forecast

On this basis the Trustees have concluded that the Academy has adequate resources to continue in operational existence for the foreseeable future and thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Grants

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of meeting any performance-related conditions there is not unconditional entitlement to the income and its recognition is deferred and included in creditors as deferred income until the performance-related conditions are met. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the Statement of Financial Activities in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability.

f. ACCOUNTING POLICIES - continued

Grants

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.

Sponsorship income

Sponsorship income provided to the charity which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable (where there are no performance-related conditions), where it is probable that the income will be received and the amount can be measured reliably.

Donations

Donations are recognised on a receivable basis (where there are no performance related conditions), where it is probable that the income will be received and the amount can be measured reliably.

Other income

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

Donated goods, facilities and services

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, 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 accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

All resources expended are inclusive of irrecoverable VAT.

Charitable activities

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

Tangible fixed assets

The fixed asset capitalisation policy has been reviewed in the year and increased from £2,500 to £5,000. Assets costing £5,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of Financial Activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful lives, as follows:

Leasehold buildings	2% per annum
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1. ACCOUNTING POLICIES - continued

Tangible fixed assets

Fixtures, fittings and equipment	15-20% per annum
ICT equipment	33 1/3% per annum

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

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.

Land and buildings are not revalued.

Included within long leasehold is land and buildings that the academy occupies site under a Church Supplement Agreement with the Hereford Diocese Board of Education which gives the academy permission to occupy the site only. The Diocese Board of Education can give the academy a two year notice period to terminate the agreement and to be vacated from the site.

Liabilities

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

Provisions

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

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

Leased Assets

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

Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

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

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

Taxation

The Academy Trust is considered to pass the tests set out in Paragraph 1, Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a Charitable Company for UK corporation tax purposes.

1. ACCOUNTING POLICIES - continued

Taxation

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.

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.

Pension costs and other post-retirement benefits

Retirement benefits to employees of the academy trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. TPS is an unfunded scheme and contributions are calculated to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary based on quadrennial valuations using a prospective unit credit method. TPS is an unfunded multiemployer scheme with no underlying assets to assign between employers. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded scheme and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

The annual valuation at the year end has taken into account the effects of the McCloud judgement

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

Critical accounting estimates and areas of judgement

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

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.

Notes to the Financial Statements - continued
for the Year Ended 31 August 2021

1. ACCOUNTING POLICIES - continued

Critical accounting estimates and areas of judgement

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in the pension note, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at the year end. 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.

2. DONATIONS AND CAPITAL GRANTS

	Unrestricted funds	Restricted funds	31.8.21 Total funds	31.8.20 Total funds
	£	£	£	£
Capital grants	-	4,787	4,787	4,718
School trips etc	-	3,106	3,106	5,238
Grants and donations	<u>1,342</u>	<u>1,363</u>	<u>2,705</u>	<u>5,336</u>
	<u>1,342</u>	<u>9,256</u>	<u>10,598</u>	<u>15,292</u>

All of the figures included in the comparatives related to restricted funds.

Grants received, included in the above, are as follows:

	31.8.21	31.8.20
	£	£
Capital Grant	<u>4,787</u>	<u>4,718</u>

3. FUNDING FOR THE ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds	Restricted funds	31.8.21 Total funds	31.8.20 Total funds
	£	£	£	£
DfE/ESFA grants				
General Annual Grant(GAG)	-	368,293	368,293	319,046
Other DfE/ESFA grants				
Others	-	6,374	6,374	3,766
Pupil premium	-	19,860	19,860	14,858
Universal infant free school meals	-	10,226	10,226	12,455
Teachers' pay	-	4,702	4,702	4,702
Teachers' pension	-	13,286	13,286	13,286
PE and sports	-	<u>16,550</u>	<u>16,550</u>	<u>16,580</u>
	-	<u>439,291</u>	<u>439,291</u>	<u>384,693</u>
Other Government grant				
LAC funding	-	<u>32,624</u>	<u>32,624</u>	<u>31,423</u>
Covid-19 additional funding (DfE/ESFA)				
Catch-up premium	-	<u>5,840</u>	<u>5,840</u>	-
	-	<u>477,755</u>	<u>477,755</u>	<u>416,116</u>

All of the figures included in the comparatives related to restricted funds.

Notes to the Financial Statements - continued
for the Year Ended 31 August 2021

4. OTHER TRADING ACTIVITIES

	Unrestricted funds £	Restricted funds £	31.8.21 Total funds £	31.8.20 Total funds £
Hire of facilities	<u>4,500</u>	<u>-</u>	<u>4,500</u>	<u>1,187</u>

All of the figures included in the comparatives related to unrestricted funds.

5. INVESTMENT INCOME

	Unrestricted funds £	Restricted funds £	31.8.21 Total funds £	31.8.20 Total funds £
Deposit account interest	<u>12</u>	<u>-</u>	<u>12</u>	<u>41</u>

All of the figures included in the comparatives related to unrestricted funds.

6. EXPENDITURE

	Non-pay expenditure			31.8.21	31.8.20
	Staff costs £	Premises £	Other costs £	Total £	Total £
Charitable activities					
Academy's educational operations					
Direct costs	245,766	11,252	86,299	343,317	309,169
Allocated support costs	<u>79,180</u>	<u>28,699</u>	<u>42,741</u>	<u>150,620</u>	<u>146,054</u>
	<u>324,946</u>	<u>39,951</u>	<u>129,040</u>	<u>493,937</u>	<u>455,223</u>

Net income/(expenditure) is stated after charging/(crediting):

	31.8.21 £	31.8.20 £
Auditors' remuneration	6,400	7,000
Other non-audit services	835	290
Depreciation - owned assets	18,148	17,635
Operating leases	<u>767</u>	<u>767</u>

7. CHARITABLE ACTIVITIES - ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds £	Restricted funds £	31.8.21 Total funds £	31.8.20 Total funds £
Direct costs	-	343,317	343,317	309,169
Support costs	<u>698</u>	<u>149,922</u>	<u>150,620</u>	<u>146,054</u>
	<u>698</u>	<u>493,239</u>	<u>493,937</u>	<u>455,223</u>

7. CHARITABLE ACTIVITIES - ACADEMY'S EDUCATIONAL OPERATIONS - continued

	31.8.21 Total £	31.8.20 Total £
Analysis of support costs		
Support staff costs	79,180	75,692
Depreciation	6,896	6,493
Administrative supplies	9,197	7,148
Premises costs	28,699	23,134
Other support costs	19,413	26,297
Governance costs	<u>7,235</u>	<u>7,290</u>
Total support costs	<u>150,620</u>	<u>146,054</u>

All of the figures included in the comparatives related to restricted funds.

8. GOVERNORS' REMUNERATION AND BENEFITS

One or more trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment.

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

J Deloyde (staff governor):	Remuneration	£30,000 - £35,000	(2020: £30,000 - £35,000)
	Employers Pension Contributions	£5,000 - £10,000	(2020: £5,000 - £10,000)
S Dean (staff governor):	Remuneration	£35,000 - £40,000	(2020: £35,000 - £40,000)
	Employers Pension Contributions	£5,000 - £10,000	(2020: £5,000 - £10,000)

Remuneration for governors appointed and resigning during the year are only stated for the period the individual was acting as a governor.

Other related party transactions involving the trustees are set out in the notes to the financial statements.

Governors' expenses

During the period ended 31 August 2021, no travel and subsistence expenses were reimbursed or paid directly to any trustees (2020: £0).

9. STAFF COSTS

	31.8.21 £	31.8.20 £
Wages and salaries	244,127	233,011
Social security costs	14,714	12,508
Operating costs of defined benefit pension schemes	<u>64,654</u>	<u>56,699</u>
	323,495	302,218
Supply teacher costs	<u>1,451</u>	<u>1,531</u>
	<u>324,946</u>	<u>303,749</u>

Notes to the Financial Statements - continued
for the Year Ended 31 August 2021

9. STAFF COSTS - continued

The average number of persons (including senior management team) employed by the charitable company during the year was as follows:

	31.8.21	31.8.20
Teachers	3	3
Administration and Support	10	11
Management	<u>1</u>	<u>1</u>
	<u>14</u>	<u>15</u>

No employees received emoluments in excess of £60,000.

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) received by key management personnel for their services to the academy trust was £148,928 (2020: £140,683)

2020

From the 1 September 2019, £20,000 of executive headship services have been provided by the Hereford Marches Federation of Academies. In addition to £5,000 related to central staffing services.

2021

From the 1 September 2020, £20,000 of executive headship services have been provided by the Hereford Marches Federation of Academies. In addition to £7,500 related to central staffing services.

10. GOVERNORS' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the Academy has purchased insurance to protect Governors and Officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the period ended 31 August 2021 was £32 (2020: £30).

The cost of this insurance is included in the total insurance cost.

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted Fixed Asset Fund £	Restricted General Fund £	Total funds £
INCOME AND ENDOWMENTS FROM				
Donations and capital grants	284	4,717	10,291	15,292
Charitable activities				
Funding for the academy's educational operations	-	-	416,116	416,116
Other trading activities	1,185	2	-	1,187
Investment income	<u>41</u>	<u>-</u>	<u>-</u>	<u>41</u>
Total	1,510	4,719	426,407	432,636
EXPENDITURE ON				
Charitable activities				
Academy's educational operations	185	18,764	436,274	455,223

Notes to the Financial Statements - continued
for the Year Ended 31 August 2021

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Restricted Fixed Asset Fund £	Restricted General Fund £	Total funds £
Total	185	18,764	436,274	455,223
NET INCOME/(EXPENDITURE)	1,325	(14,045)	(9,867)	(22,587)
Other recognised gains/(losses) Actuarial gains/(losses) on defined benefit schemes	-	-	(9,000)	(9,000)
Net movement in funds	1,325	(14,045)	(18,867)	(31,587)
RECONCILIATION OF FUNDS				
Total funds brought forward	11,475	704,158	(163,108)	552,525
TOTAL FUNDS CARRIED FORWARD	12,800	690,113	(181,975)	520,938

12. TANGIBLE FIXED ASSETS

	Long leasehold £	Fixtures and fittings £	Totals £
COST			
At 1 September 2020	753,000	47,069	800,069
Additions	-	18,690	18,690
At 31 August 2021	753,000	65,759	818,759
DEPRECIATION			
At 1 September 2020	84,478	30,505	114,983
Charge for year	11,252	6,896	18,148
At 31 August 2021	95,730	37,401	133,131
NET BOOK VALUE			
At 31 August 2021	657,270	28,358	685,628
At 31 August 2020	668,522	16,564	685,086

Included within long leasehold is land and buildings that the academy occupies under a Church Supplement Agreement with the Hereford Diocese Board of Education which gives the academy permission to occupy the site only. The Diocese Board of Education can give the academy a two year notice period to terminate the agreement and to be vacated from the site.

Included within long leasehold is non-depreciated land with a value of £196,000.

Land and buildings are not revalued.

Notes to the Financial Statements - continued
for the Year Ended 31 August 2021

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.8.21	31.8.20
	£	£
VAT	1,661	2,158
Prepayments and accrued income	13,370	15,182
	<u>15,031</u>	<u>17,340</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.8.21	31.8.20
	£	£
Trade creditors	7,338	1,039
Social security and other taxes	10,679	9,915
Other creditors	29	177
Accruals and deferred income	7,290	7,467
Accrued expenses	<u>2,044</u>	<u>2,464</u>
	<u>27,380</u>	<u>21,062</u>

At the balance sheet date the Academy Trust was holding funds received in advance for Universal Infant Free School Meal grant relating to the Autumn 2021 term and rates relief relating to the next financial year.

15. ANALYSIS OF NET ASSETS BETWEEN FUNDS

		Restricted		31.8.21
	Unrestricted funds	Fixed Asset Fund	Restricted General Fund	Total funds
	£	£	£	£
Fixed assets	3,489	682,139	-	685,628
Current assets	14,467	3,022	118,129	135,618
Current liabilities	-	-	(27,380)	(27,380)
Pension liability	-	-	(266,000)	(266,000)
	<u>17,956</u>	<u>685,161</u>	<u>(175,251)</u>	<u>527,866</u>

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

		Restricted		31.8.20
	Unrestricted funds	Fixed Asset Fund	Restricted General Fund	Total funds
	£	£	£	£
Fixed assets	-	685,086	-	685,086
Current assets	12,800	5,027	91,087	108,914
Current liabilities	-	-	(21,062)	(21,062)
Pension liability	-	-	(252,000)	(252,000)
	<u>12,800</u>	<u>690,113</u>	<u>(181,975)</u>	<u>520,938</u>

Notes to the Financial Statements - continued
for the Year Ended 31 August 2021

16. MOVEMENT IN FUNDS

	At 1.9.20 £	Net movement in funds £	Transfers between funds £	At 31.8.21 £
Restricted general funds				
Restricted Pension Fund	(252,000)	(14,000)	-	(266,000)
General Annual Grant	54,186	40,855	(7,777)	87,264
DfE/YPLA Capital Grants	10,920	3,002	-	13,922
Conversion and depreciation	668,522	(11,140)	-	657,382
Fixed Assets funded by other grants/donation	10,670	(4,590)	7,777	13,857
Other DfE/ESFA Universal infant free school meals	1,060	(1,060)	-	-
Other DfE/ESFA PE and sports	14,780	(11,295)	-	3,485
	<u>508,138</u>	<u>1,772</u>	<u>-</u>	<u>509,910</u>
Unrestricted funds				
Unrestricted Fund	12,800	5,156	(3,489)	14,467
Unrestricted Fixed Asset Fund	-	-	3,489	3,489
	<u>12,800</u>	<u>5,156</u>	<u>-</u>	<u>17,956</u>
TOTAL FUNDS	<u>520,938</u>	<u>6,928</u>	<u>-</u>	<u>527,866</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Restricted general funds				
Restricted Pension Fund	-	(22,000)	8,000	(14,000)
General Annual Grant	368,291	(327,436)	-	40,855
Other Restricted	37,094	(37,094)	-	-
Other DfE/ESFA Grants	6,374	(6,374)	-	-
DfE/YPLA Capital Grants	4,787	(1,785)	-	3,002
Conversion and depreciation	-	(11,140)	-	(11,140)
Fixed Assets funded by other grants/donation	-	(4,590)	-	(4,590)
Other DfE/ESFA Pupil premium	19,861	(19,861)	-	-
Other DfE/ESFA Universal infant free school meals	10,226	(11,286)	-	(1,060)
Other DfE/ESFA Teachers' pay	4,702	(4,702)	-	-
Other DfE/ESFA Teachers' pension	13,286	(13,286)	-	-
Other DfE/ESFA PE and sports	16,550	(27,845)	-	(11,295)
Other DfE/ESFA Catch-up premium	5,840	(5,840)	-	-
	<u>487,011</u>	<u>(493,239)</u>	<u>8,000</u>	<u>1,772</u>
Unrestricted funds				
Unrestricted Fund	5,854	(698)	-	5,156
TOTAL FUNDS	<u>492,865</u>	<u>(493,937)</u>	<u>8,000</u>	<u>6,928</u>

Notes to the Financial Statements - continued
for the Year Ended 31 August 2021

16. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.9.19 £	Net movement in funds £	At 31.8.20 £
Restricted general funds			
Restricted Pension Fund	(219,000)	(33,000)	(252,000)
General Annual Grant	37,491	16,694	54,185
Other Restricted	6,203	(6,203)	-
DfE/YPLA Capital Grants	9,544	1,377	10,921
Conversion and depreciation	679,662	(11,140)	668,522
Fixed Assets funded by other grants/donation	14,952	(4,282)	10,670
Other DfE/ESFA Universal infant free school meals	-	1,060	1,060
Other DfE/ESFA PE and sports	12,198	2,582	14,780
	<u>541,050</u>	<u>(32,912)</u>	<u>508,138</u>
Unrestricted funds			
Unrestricted Fund	11,475	1,325	12,800
	<u>552,525</u>	<u>(31,587)</u>	<u>520,938</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Restricted general funds				
Restricted Pension Fund	-	(24,000)	(9,000)	(33,000)
General Annual Grant	319,047	(302,353)	-	16,694
Other Restricted	41,713	(47,916)	-	(6,203)
Other DfE/ESFA Grants	3,766	(3,766)	-	-
DfE/YPLA Capital Grants	4,720	(3,343)	-	1,377
Conversion and depreciation	-	(11,140)	-	(11,140)
Fixed Assets funded by other grants/donation	(1)	(4,281)	-	(4,282)
Other DfE/ESFA Pupil premium	14,858	(14,858)	-	-
Other DfE/ESFA Universal infant free school meals	12,455	(11,395)	-	1,060
Other DfE/ESFA Teachers' pay	4,702	(4,702)	-	-
Other DfE/ESFA Teachers' pension	13,286	(13,286)	-	-
Other DfE/ESFA PE and sports	16,580	(13,998)	-	2,582
	<u>431,126</u>	<u>(455,038)</u>	<u>(9,000)</u>	<u>(32,912)</u>
Unrestricted funds				
Unrestricted Fund	1,510	(185)	-	1,325
	<u>432,636</u>	<u>(455,223)</u>	<u>(9,000)</u>	<u>(31,587)</u>

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

16. MOVEMENT IN FUNDS - continued

- General Annual Grant (GAG): Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG that it could carry forward at the year end.
- Other DfE/ESFA Grants: are utilised for the purposes intended by the donor.
- Other Restricted General Funds: include payments made towards Academy trips.
- The Pension Fund: is the surplus/(deficit) in the Local Government Pension Scheme.
- Restricted Fixed Asset Funds: include the fixed assets transferred on conversion to Academy, capital grants, additions and depreciation.
- Unrestricted Funds: are all those income and expenses for general use in the Academy.

Transfers between funds

During the year transfers between funds have been made to reflect capital items purchased out of revenue funds.

17. PENSION AND SIMILAR OBLIGATIONS

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

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

Contributions amounting to £6,204 were payable to the schemes at 31 August 2021 (2020 - £4,579) and are included within creditors.

Teachers' pension scheme

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

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

17. PENSION AND SIMILAR OBLIGATIONS - continued

Valuation of the teachers' pension scheme

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

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

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

The employer's pension costs paid to TPS in the period amounted to £27,762 (2020 - £25,839).

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

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

Local government pension scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £38,062 (2020 - £31,814), of which employer's contributions totalled £30,756 (2020 - £24,818), and employees' contributions totalled £7,306 (2020 - £6,996). The agreed contribution rates for future years are 20.20 per cent for employers and 5.50 per cent for employees.

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

As the scheme is in deficit, the academy has entered into an agreement with the trustees to make additional contributions in addition to normal funding levels.

The rates payable will be the Future Service Rate of 23.4% of payroll plus phased lump sum deficit contributions starting at £6,000 for the year 2020/21, increasing to £7,000 for 2021/22 and 2022/23. The rate payable from 1 April 2023 will be further revised following the valuation of the Pension Fund on 31 March 2022.

The current estimated recovery period is 13 years.

Notes to the Financial Statements - continued
for the Year Ended 31 August 2021

17. PENSION AND SIMILAR OBLIGATIONS - continued

The amounts recognised in the Balance Sheet are as follows:

	Defined benefit pension plans	
	31.8.21	31.8.20
	£	£
Present value of funded obligations	(543,000)	(447,000)
Fair value of plan assets	<u>277,000</u>	<u>195,000</u>
	(266,000)	(252,000)
Present value of unfunded obligations	<u>-</u>	<u>-</u>
Deficit	<u>(266,000)</u>	<u>(252,000)</u>
Net liability	<u>(266,000)</u>	<u>(252,000)</u>

The amounts recognised in the Statement of Financial Activities are as follows:

	Defined benefit pension plans	
	31.8.21	31.8.20
	£	£
Current service cost	54,000	51,000
Net interest from net defined benefit asset/liability	(30,000)	4,000
Past service cost	<u>-</u>	<u>-</u>
	<u>24,000</u>	<u>55,000</u>
Actual return on plan assets	<u>37,000</u>	<u>3,000</u>

Changes in the present value of the defined benefit obligation are as follows:

	Defined benefit pension plans	
	31.8.21	31.8.20
	£	£
Opening defined benefit obligation	447,000	374,000
Current service cost	54,000	51,000
Contributions by scheme participants	8,000	7,000
Interest cost	7,000	7,000
Actuarial losses/(gains)	(9,000)	9,000
Benefits paid	(2,000)	(1,000)
Gains/Loss on Assumptions	<u>38,000</u>	<u>-</u>
	<u>543,000</u>	<u>447,000</u>

Notes to the Financial Statements - continued
for the Year Ended 31 August 2021

17. PENSION AND SIMILAR OBLIGATIONS - continued

Changes in the fair value of scheme assets are as follows:

	Defined benefit pension plans	
	31.8.21	31.8.20
	£	£
Opening fair value of scheme assets	195,000	155,000
Interest on plan assets	4,000	-
Contributions by employer	37,000	31,000
Contributions by scheme participants	7,000	7,000
Expected return	37,000	3,000
Benefits paid	(3,000)	(1,000)
	<u>277,000</u>	<u>195,000</u>

The amounts recognised in other recognised gains and losses are as follows:

	Defined benefit pension plans	
	31.8.21	31.8.20
	£	£
Actuarial gains/(losses)	<u>8,000</u>	<u>(9,000)</u>
	<u>8,000</u>	<u>(9,000)</u>

The major categories of scheme assets as amounts of total scheme assets are as follows:

	Defined benefit pension plans	
	31.8.21	31.8.20
	£	£
Equities	231,000	129,000
Government bonds	-	13,000
Bonds - Other	-	10,000
Cash/liquidity	7,000	8,000
Property	12,000	11,000
Other	<u>27,000</u>	<u>24,000</u>
	<u>277,000</u>	<u>195,000</u>

Principal actuarial assumptions at the Balance Sheet date (expressed as weighted averages):

	31.8.21	31.8.20
Discount rate	5.90%	1.80%
Future salary increases	4.00%	3.60%
Future pension increases	2.80%	2.20%
Inflation assumption (CPI)	2.70%	2.10%
Commutation of pensions to lump sums	50.00%	-

Notes to the Financial Statements - continued
for the Year Ended 31 August 2021

17. PENSION AND SIMILAR OBLIGATIONS - continued

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

	31.8.21	31.8.20
Retiring today		
Males	22.7	22.6
Females	25.1	25
Retiring in 20 years		
Males	24.4	24.2
Females	27.1	27
Sensitivity analysis		
	31.8.21	31.8.20
	£	£
Discount rate +0.1%	(10,000)	(8,000)
Discount rate -0.1%	10,000	8,000
Mortality assumption - 1 year increase	17,000	12,000
Mortality assumption - 1 year decrease	(16,000)	(12,000)
CPI rate +0.1%	10,000	8,000
CPI rate -0.1%	(10,000)	(8,000)

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

	31.08.21	31.08.20
Retiring today		
Males	22.7	22.6
Females	25.1	25.0
Retiring in 20 years		
Males	24.4	24.2
Females	27.1	27
Sensitivity Analysis		
	31.08.21	31.08.20
	£000's	£000's
Discount rate +0.1%	256	244
Mortality assumption - 1 year increase	283	264
CPI rate +0.1%	276	260

Notes to the Financial Statements - continued
for the Year Ended 31 August 2021

18. CONTINGENT LIABILITIES

There are no significant contingent liabilities that the Governors are aware of.

19. CAPITAL COMMITMENTS

	31.8.21	31.8.20
	£	£
Contracted but not provided for in the financial statements	<u>-</u>	<u>-</u>

20. LONG-TERM COMMITMENTS, INCLUDING OPERATING LEASES

Minimum lease payments under non-cancellable operating leases fall due as follows:

	31.8.21	31.8.20
	£	£
Within one year	384	767
Between one and five years	<u>-</u>	<u>384</u>
	<u>384</u>	<u>1,151</u>

21. RELATED PARTY DISCLOSURES

Owing to the nature of the charitable company and the composition of the board of governors being drawn from local public and private sector organisations, transactions may take place with organisations in which the governors have an interest. The following related party transactions took place in the financial period.

21. RELATED PARTY DISCLOSURES - continued

The following related party transactions took place in the period of account.

The Hereford Marches Federation of Academies - an academy which P Box is a Governors:

- During the year income of £Nil (2020: £Nil) was received from The Hereford Marches Federation of Academies
- During the year expenditure of £29,117 (2020: £29,606) was paid to The Hereford Marches Federation of Academies. £20,000 of this related to the Executive Headship Services, £7,500 related to central staffing services and the remainder was relating to the recharge of expenditure all in the course of normal business.
- At the year end £nil was due to The Hereford Marches Federation of Academies (2020: £nil)

S Morehead - company secretary of the academy:

- During the year S Morehead invoiced the academy for £739 (2020: £923) in relation to providing the company secretary service.
- Gross fees of £894 (2020: 1,083) were also paid to S Morehead through IR35 in relation to a health and safety service level agreement.
- There were no amounts outstanding at the year end (2020: £Nil)

Transactions with other federation academies:

		Income	Expenditure
Canon Pyon CE Academy	P Box is Executive Headteacher	£Nil (2020: £Nil)	£Nil (2020: £Nil)
Marden Primary Academy	Headteacher is P Box partner - M Newton	£Nil (2020: £Nil)	£Nil (2020: £Nil)
Kings Cagle Academy	P Box is Headteacher	£Nil (2020: £Nil)	£Nil (2020: £Nil)
Sutton Primary Academy	P Box is Headteacher	£Nil (2020: £Nil)	£Nil (2020: £33)
St Weonards Primary School	M Newton is Executive Headteacher	£Nil (2020: £Nil)	£Nil (2020: £Nil)

All of the above transaction were made in the normal course of business, £Nil was due to the academy at the year end (2020: £Nil).

HMFA Enterprises, a subsidiary company of Hereford Marches Federation of Academies.

- During the year income of £Nil (2020: £Nil) was received from HMFA Enterprises
- During the year expenditure of £14,315 (2020: £18,663) was paid to HMFA Enterprises. This expenditure was in relation to the provision of school meals to Llangrove CE Academy.
- At the year end no amounts were due to HMFA Enterprises (2020: £Nil)

All transactions involving such organisations are conducted in accordance with the requirements of the Academies Financial Handbook, including notifying ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the charitable company's financial regulations and normal procurement procedures relating to connected and related party transactions.

Llangrove C E Academy

Detailed Statement of Financial Activities
for the Year Ended 31 August 2021

	31.8.21 £	31.8.20 £
INCOME AND ENDOWMENTS		
Donations and capital grants		
Capital grants	4,787	4,718
School trips etc	3,106	5,238
Grants and donations	<u>2,705</u>	<u>5,336</u>
	10,598	15,292
Other trading activities		
Hire of facilities	4,500	1,187
Investment income		
Deposit account interest	12	41
Charitable activities		
Grants	<u>477,755</u>	<u>416,116</u>
Total incoming resources	492,865	432,636
EXPENDITURE		
Charitable activities		
Wages	187,831	176,945
Social security	11,682	9,788
Pensions	44,802	39,793
Supply teacher costs	1,451	1,531
Educational supplies	59,886	42,891
Educational consultancy	4,413	3,081
Depreciation	11,252	11,140
Interest on pension scheme liabilities	<u>22,000</u>	<u>24,000</u>
	343,317	309,169
Support costs		
Management		
Wages	56,296	56,066
Social security	3,032	2,720
Pensions	19,852	16,906
Administrative supplies	9,197	7,148
Recruitment and support	4,168	5,596
Maintenance of premises and equipment	10,709	11,408
Cleaning	2,987	2,442
Rent and rates	1,869	1,776
Energy costs	5,837	5,077
Insurance	2,274	2,431
Professional fees	5,023	4,406
Catering	15,176	16,192
Fixtures and fittings	6,896	6,493
Bank interest and charges	<u>69</u>	<u>103</u>
	143,385	138,764

This page does not form part of the statutory financial statements

Llangrove C.E. Academy

Detailed Statement of Financial Activities
for the Year Ended 31 August 2021

	31.8.21 £	31.8.20 £
Management		
Governance costs		
Auditors' remuneration	6,400	7,000
Auditors' remuneration for non audit work	<u>835</u>	<u>290</u>
	<u>7,235</u>	<u>7,290</u>
Total resources expended	<u>493,937</u>	<u>455,223</u>
Net expenditure	<u>(1,072)</u>	<u>(22,587)</u>

