

Bishop Luffa School
(A Company Limited by Guarantee)
Annual Report and Financial Statements
Year ended 31 August 2020

Company Registration Number:
08749379 (England and Wales)

Bishop Luffa School

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Bishop Luffa School

Reference and Administrative Details

Members:

The Diocese of Chichester Education Trust

The Dean and Chapter of the Cathedral Church of the Holy Trinity in Chichester

The Rural Dean of Chichester

The Rural Dean of Westbourne

The Rural Dean of Arundel and Bognor

The Chair of the Board of Directors

Trustees:

N Hoggarth*	(Chair – Foundation Director)
J Wilson	(Vice-Chair – Foundation Director)
I Creswick*	(Foundation Director)
G Ewins*	(Foundation Director)
S Holland	(Ex-officio Foundation Director)
D Jarratt	(Foundation Director)
M Lumley	(Foundation Director)
B Dempster*	(Foundation Director)
A Doye	(Foundation Director)
A Taylor-Bennett	(Foundation Director)
A Hindman*	(Headteacher and Accounting Officer)
L Eames	(Staff Director until 12 October 2019)
C Parrott*	(Staff Director- from 15 October 2019)
K Allman	(Staff Director – from 16 September 2019)
C Bacon*	(Parent Director)
B Ghinelli	(Parent Director)
N Shaw	(Co-opted Director – until 31 May 2020)
L Parslow	(appointed 1 September 2020)
D Rooks	(appointed 1 September 2020)

*members of the Resources committee

Company Secretary

M Nicholds

Bishop Luffa School

Reference and Administrative Details

Senior Management Team:

A Hindman	(Headteacher)
S Williams	(Deputy Head)
S White	(Deputy Head)
M Nicholds	(Business Manager)
J Saunders	(Assistant Head)
L Watson	(Assistant Head)
A Jackson	(Assistant Head)
N Topley	(Assistant Head)
T Brown	(Assistant Head)
A Smith	(Assistant Head)
J Colins-Ballands	(Assistant Head)

Company Name
Bishop Luffa School

Principal and Registered Office
Bishop Luffa School
Westgate
Chichester
West Sussex
PO19 3HP

Company Registration Number
08749379 (England and Wales)

Independent Auditor
Hopper Williams & Bell Limited
Statutory Auditor
Highland House
Mayflower Close
Chandlers Ford
Eastleigh
Hampshire
SO53 4AR

Bishop Luffa School

Reference and Administrative Details

Bankers

Lloyds Bank
10 East Street
Chichester
West Sussex
PO19 1HJ

Solicitors

Paris Smith LLP
1 London Road
Southampton
Hampshire
SO15 2AE

Bishop Luffa School

Trustees' Report

'Trustee', 'director' and 'governor' mean the same and are used interchangeably.

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

The trust operates a Church of England academy for pupils aged 11-18 serving the local area of West Chichester and the three deaneries to the west of the Chichester Diocese. It has a pupil capacity of 1466 and the school roll was 1473 in June 2020.

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 trustees of Bishop Luffa School are also the directors of the charitable company for the purposes of company law. The charitable company is known as Bishop Luffa School.

Details of the trustees who served during the year and to the date these accounts are approved are included in the Reference and Administrative Details on page 1.

Members' Liability

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

*As required in the academy trust's funding agreement/memorandum and articles of association.

Trustees' Indemnities

Governors' third-party indemnity is covered by the Risk Protection Arrangement that the school has with the Department for Education.

Bishop Luffa School

Trustees' Report

Method of Recruitment and Appointment or Election of Trustees

The Members shall appoint no fewer than 11 Foundation Governors one of whom shall be the Incumbent of St Wilfrid's Church, in the ecclesiastical parish in which Bishop Luffa School is situated, or in the case of vacancy or unwillingness of the Incumbent to act, such person as may be appointed to act in their stead by the Archdeacon of the Archdeaconry of Chichester.

The Governing Body may appoint two Staff Governors through such process as they may determine, provided that the total number of Governors (including the Principal) who are employees of the Academy Trust does not exceed one third of the total number of Governors.

In appointing the Staff Governors, the Governors shall hold a secret ballot of all staff employed under a contract of employment or a contract for services or otherwise engaged to provide services to the Academy (excluding the Principal). All arrangements for the calling and the conduct of the election and resolution of questions as to whether any person is an eligible candidate shall be determined by the Governors. If a Staff Governor ceases to work at the Academy then he shall be deemed to have resigned and shall cease to be a Governor automatically on termination of his work at the Academy. Any election of a Staff Governor which is contested shall be held by secret ballot.

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 he is 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.

The arrangements made for the election of a Parent Governor shall provide for every person who is entitled to vote in the election to have an opportunity to do so by post or, if they prefer, by having their ballot paper returned to the Academy Trust by a registered pupil at the Academy.

Where a vacancy for a Parent Governor is required to be filled by election, the Governing Body shall take such steps as are reasonably practical to secure that every person who is known to them to be a parent of a registered pupil at the Academy is informed of the vacancy and that it is required to be filled by election, informed that he is entitled to stand as a candidate, and vote at the election, and given an opportunity to do so.

The number of Parent Governors required shall be made up by Parent Governors appointed by the Governing Body if the number of parents standing for election is less than the number of vacancies.

In appointing a Parent Governor, the Governing Body shall appoint a person who is the parent of a registered pupil at the Academy; or where it is not reasonably practical to do so, a person who is the parent of a child of compulsory school age.

Bishop Luffa School

Trustees' Report

Method of Recruitment and Appointment or Election of Trustees (continued)

Governors, with the consent of the Diocese of Chichester Education Trust, may appoint up to two Co-opted Governors for such term (not exceeding four years) and otherwise upon such conditions as they shall think fit provided that if any such Governors are appointed the number of Foundation Governors permitted shall increase proportionately to ensure that a majority plus two of Governors are Foundation Governors. A 'Co-opted Governor' means a person who is appointed to be a Governor by being Co-opted by Governors who have not themselves been so appointed. The Governors may not co-opt an employee of the Academy Trust as a Co-opted Governor if thereby the number of Governors who are employees of the Academy Trust would exceed one third of the total number of Governors (including the Principal).

Policies and Procedures Adopted for the Induction and Training of Trustees

All new Governors are provided with a copy of the school prospectus, the list of Governors and committee membership document, an up to date Governor Training booklet and a copy of the School Development Plan. All new Governors meet individually with the Headteacher and are given a tour of the school (unless it is a staff governor). Governors can attend any training session that they feel is appropriate to them and they are encouraged to attend the designated training for new Governors.

Opportunities to join a committee are offered and Governors can become a Link Governor for a Department or for Safeguarding, Data or Pupil Premium when there is a vacancy.

Organisational Structure

The Board of Directors of Bishop Luffa School devolves the responsibility of the day to day running of the school to the Headteacher and the Leadership Team. Their activities and decisions are monitored through a number of Directors' committees. The main committees are:

Resources Committee	I Creswick, Chair
Curriculum and Progress Committee	J Wilson, Chair
Admissions Committee	S Holland, Chair
Teaching & Support Committee	N Hoggarth, Chair

The Admissions, Resources and Curriculum & Progress committees meet at least once every half term and the Teaching & Support Committee meets at least once every term. All meetings are attended by at least one member of the Leadership Team and the Headteacher attends all meetings.

Resources Committee

The School Business Manager prepares the financial data and meets with the Headteacher prior to the Resources Committee meetings. The Business Manager reports on the actual income and expenditure figures for the year to date and the forecast to the end of the financial year. The School Architect provides a report every meeting with regard to buildings and the Health and Safety representative provides a termly report. The Chairman reports to the full Board of Directors.

Bishop Luffa School

Trustees' Report

Organisational Structure (continued)

Curriculum and Progress Committee

The Headteacher reports to the committee on any curriculum changes and on targets and achievement. The Chairman reports to the full Board of Directors.

Admissions Committee

The committee reviews the Admissions Policy, having regard to the School Admissions Code and the Academy Funding Agreement Annex B. The Committee also considers applications and allocates places in accordance with the Admissions Policy. Changes to the Admissions Policy are referred to the Board of Directors for approval. The Chairman reports to the full Board of Directors.

Teaching & Support Committee

The Teaching & Support Committee monitors and reviews appraisal and professional development, recruitment, the Pay Policy and other policies which deal with staffing issues. Changes to policies and recommendations for sabbatical leave are referred to the Board of Directors for approval. The Chairman reports to the full Board of Directors.

Faith & Worship Committee

This committee monitors and reviews the spiritual health of the school. It evaluates the school's quality and effectiveness in meeting its holistic vision for the education of our young people. The Chairman reports to the full Board of Directors.

Drugs Policy Review Group

This committee meets annually and reviews the school's Drugs Policy. The Chairman reports to the full Board of Directors.

Arrangements for setting pay and remuneration of key management personnel

When the school converted to academy status on 1 December 2013 all staff retained the same terms and conditions of employment.

The Leadership Team's pay is reviewed annually by a Directors' Pay Review Committee. Teaching staff of the Leadership Team have their salary set within an individual salary range in line with the School Teachers Pay and Conditions Document. The School Business Manager is paid on the Hay Grade Scale and is reviewed by the same group.

The Headteacher's pay is reviewed annually by a Directors' Pay Review Committee in line with the Standard Teachers Pay and Conditions Document.

Bishop Luffa School

Trustees' Report

Trade union facility time

The school has a Union representative for the teaching body and one for the Support Staff.

Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
2	1.4
Teaching union representative	1
Support Staff union representative	0.4

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	
1%-50%	2
51%-99%	
100%	

Percentage of pay bill spent on facility time

Total cost of facility time	£1,779
Total pay bill	£6,562,009
Percentage of the total pay bill spent on facility time.	0.03

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	100
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Related Parties and other Connected Charities and Organisations

As a Church of England Academy, the school has a close working relationship with Chichester Diocese. This is illustrated in the makeup of the Academy Trust's members and the objects of the school as set out in the Articles of Association which refers to developing the school with a designated Church of England religious character offering a broad and balanced curriculum conducted in accordance with the principles, practices and tenets of the Church of England.

Bishop Luffa School

Trustees' Report

Objectives and Activities

Objectives, Strategies and Activities

We strive to give students an experience of school that reflects John 10:10 'I have come in order that you may have life – life in all its fullness'. We are focussed on giving students the opportunity to explore different subjects, different sports and different hobbies and forge an identity that is their own. Guiding all of this is a belief that a full life flows from a relationship with God.

Our expectation for staff and students' conduct in school is based on Mark 12:31 'Love your neighbour as you love yourself'. This has been turned into our school motto: 'always our best because everyone matters.' Increasingly we find that the hardest part is helping students to love themselves and believe that they matter to other people and to God.

Bishop Luffa School is a Church of England academy serving the Diocese of Chichester. We currently have 1516 students across years 7 to 13. The school is presently oversubscribed at 11-16, where students are organised into 8 House groups per year. The Sixth Form has a target of 160 students per year and presently has 177 in Year 12, after a record year for external recruitment and 144 in Year 13. Our strategy for the college is that we take an academic focus to compliment the strong vocational offer at Chichester College. We have a minimum entry requirement of 5 GCSEs at grade 5 or above, with 6s expected in the subjects being taken at A Level (except Maths, which requires a grade 7). To maintain this profile, we have been targeting external students and have seen this number more than double, with 37 students from other schools starting at Bishop Luffa in September 2020.

We have a historic gender imbalance, with more girls than boys in nearly every year group. We have low numbers of students that meet the government's definition of disadvantaged students compared to national averages; low number of students with EHCPs; low numbers of CLA students. However, each of these categories is rising within the school, reflecting wider issues locally and nationally.

At Bishop Luffa we aim to be a confident outward looking community where;

- Children and staff see a bright future, develop spiritually and express their own views of faith and worship
- Students are creative and adventurous, taking risks to expand their understanding
- We are accepting and inclusive appreciating each other's God given character and gifts.
- As a community we encourage a desire to learn giving support and personalisation where needed
- We are safe and where we are given the space to flourish
- Where all are happy, feel loved and part of the family, enjoy fun, celebrate and are thankful
- We work as a team and community to contribute and expand God's work.

Bishop Luffa School

Trustees' Report

Objectives, Strategies and Activities (continued)

Bishop Luffa School offers a broad curriculum, with pathways that suit a range of interests and abilities. In KS3 pupils have the opportunity to specialise in a language and refine their Design Technology choice. In KS4 we believe it is right that all pupils who have the ability should continue to study languages and this is accompanied by the requirement for all pupils to study RE. We believe RE is a Humanities Subject and as such a significant proportion of our students complete the EBACC with RE. All pupils also have the opportunity to study the DFE defined EBACC. Alongside this we offer options allowing pupils to follow both academic and vocational pathways. We are continuing to extend the range of vocational pathways to meet the needs of our changing cohort.

At Post 16 we are fortunate to be located next to an outstanding sixth form college that specialises in vocational pathways. BLS has a growing reputation as a centre of excellence for Level 3 A level courses and we offer 28 different subjects, including music and languages, which are not available anywhere else locally. Approximately 30% of our intake at post 16 are external students.

Beyond the taught curriculum, Bishop Luffa School offers thought provoking tutor worship sessions and assemblies to help pupils reflect on the wider aspects of life and their spiritual journey. Pupils are encouraged to take part in the diverse range of extra-curricular activities and trips. The curriculum is also underpinned by a widely valued and well-structured PSHE programme.

Our curriculum and pastoral arrangements are not an end in themselves. They are the means to develop our pupils into whole, happy and well-educated people. This is a joint enterprise between pupil, school, home, church and the wider community. Each plays a vital role in realising our vision: "Always our best because everyone matters"

Covid 19

The national lockdown from the 27 March 2020 caused by the Covid 19 virus required the Trust to look at its Governance and take some key actions:

- An immediate review of the Director's Scheme of Delegation
- Risk register review and update
- Review of Director's meeting structures
- Prioritising of Committee agenda items during lockdown
- Review of access arrangements for remote governance
- Review of all internal controls and integrity of financial processes and systems
- Risk assessment for finance and HR function working remotely

The school was able to reassure Directors that all of its core financial processes and procedures could continue without interruption. The school quickly established a transparent and robust system for authorising BACS payments etc. remotely utilising secure on-line storage of invoices to enable the normal checks to be conducted by the Accounting Officer and the Business Manager.

Bishop Luffa School

Trustees' Report

Objectives, Strategies and Activities (continued)

Using remote access to the school's IT network the HR Manager was able to continue to ensure payroll and any staff contract variations were processed in a timely and efficient manner.

The national lockdown was a challenge for the school, its students, families and staff. The school worked incredibly hard to quickly establish a 'virtual school' for students working from home as well as running the physical school for key-worker family students and vulnerable children.

Teaching staff had to quickly adapt to a new way of teaching from home, utilising remote IT systems to conduct live lessons on-line, set work, provide feedback and maintain vital pastoral support. The physical school ran on a rota of Teaching and Support staff who provided a full day of teaching and activities for students and vital care that allowed NHS and other key worker parents to continue working.

After the announcement that public examinations would be cancelled school had months of uncertainty concerning how students GCSE and A Level exam results would be calculated. Eventually after the scrapping of the Government's algorithm, Centre Assessed Grades were used to award exam results, with an element of Government moderation.

The whole exams situation led to many students feeling that their results were not really theirs and that their hard work and dedication had not been individually recognised. Some students needed emotional support during the results process and the school were ready to reassure and support.

During July and August, the school started to prepare for the potential return of all students to school in September. This involved adhering to the extensive yet changeable guidance from the DfE and this involved a huge amount of work including: completing a 'full return to school' Risk Assessment, creating timetables for seven individual year group bubbles, segregating the school into discrete areas for lunches and break, staggering start and finish times for year groups to ensure large groups of students arriving and leaving school were limited, signing students all around the school to keep bubbles intact and marking all corridors, classroom and office floors with social distancing guidance.

Safe timetabling has meant year group students are taught in specific classrooms in specific areas in school with teachers moving from class to class outside of the student bubbles.

The school have employed extra cleaners to work during the school day to maintain clean bubble classrooms and cleaning regimes and timings have been refined to meet the Covid 19 guidance requirements. The school have invested in outdoor sinks and temporary toilet blocks to ensure year groups can stay in bubbles and have every opportunity to wash their hands all through the day.

The mental health of our students and the effect of being away from school and their friends for such a long time was at the forefront of the school's thinking in September. Work continues at a pace to establish the extra emotional and pastoral needs of individual students and any learning gaps caused by lockdown. The initial work and findings are encouraging.

Bishop Luffa School

Trustees' Report

Objectives, Strategies and Activities (continued)

Establishing a Multi Academy Trust

Bishop Luffa School has plans to grow a small MAT in the Chichester area. Directors are clear that they want students to benefit directly from a MAT and that schools need to be close enough, geographically, to facilitate meaningful working relationships.

Directors feel we can provide leadership and management expertise to primary colleagues, particularly financial support, which will leave Heads of School free to concentrate on providing a high-quality curriculum, in line with our vision that our students experience 'life in all its fullness'.

As the only Church Secondary school in Chichester, Bishop Luffa School is in the unique position to be able to offer children an education with a consistent nurturing ethos from Reception to Sixth Form. This unique opportunity comes with the added responsibility of being respectful to and working with other church schools in the city.

One such other church school is Rumboldswyke, which over the last eighteen months has been subject to a consultation to close following poor Ofsted inspections and a falling roll. As the only Church Infant school in Chichester it provides a distinctive education to children from many different backgrounds. Staff and Directors at Bishop Luffa feel that the closure of Rumboldswyke Church of England Infant School would have a detrimental effect on the community in Whyke that we also serve.

Rumboldswyke School currently attracts children from its local residential area of Whyke in the south east of Chichester. Bishop Luffa School sits 2.3 miles due west on the western edge of the City. Many Rumboldswyke children already join Bishop Luffa in year 7 and this is a unique opportunity to establish a Trust serving parents and carers who want the option of an all-through education from 4-18 within one family of church schools.

This new all-through Primary would be the only Church Primary school in the city, with The March Church of England Primary (part of the Diocese of Chichester Academy Trust) sitting outside Chichester to the east.

Bishop Luffa School proceeded with an Expression of Interest application alongside an application to establish itself as a Sponsor Trust in May. The applications were successful and due diligence commenced in earnest in July. Having worked closely with the Local Authority, Chichester Diocese and the DfE all formalities were completed and Rumboldswyke School will convert to Academy status from 1 October 2020 and join the new Bishop Luffa Learning Partnership.

Public Benefit

The Directors confirm that they have referred to the guidance contained in the Charity Commission's general guidance on Public Benefit when reviewing the charity's aim and objectives and in planning future activities. In particular, Directors consider how planned activities will contribute to the academy's aims and objectives.

Bishop Luffa School

Trustees' Report

Strategic Report

Achievements and Performance and Key Performance Indicators

Year 11 Results 2020

Whole school data analysis

This cohort appears to be the most able in the school based on prior attainment and pushing for 70% Eng and Ma 5+ is possible. The analysis below is based upon projected grades submitted during the reporting process in the autumn term, spring term and summer predictions and GCSE results (BTEC results have not been included). The projections were grades that reflected the final grade pupils would achieve if they maintained current levels of progress and effort. The predictions are the grades that have been entered as Centre Assessment grades and the 'results' are the grades published by the exam boards. **Green** result higher than CAG, **Red** result lower than CAG.

	All	Male	Female	Target
Measure	Points new scale	Points new scale	Points new scale	points
Attainment 8	5.23 (autumn) 5.10 (spring) 5.55 (prediction1) 5.48 (p2) 5.50 (result)	5.01 (autumn) 4.86 (spring) 5.26 (prediction) 5.19 (p2) 5.2 (result)	5.47 (autumn) 5.35 (spring) 5.88 (prediction) 5.81 (p2) 5.83 (result)	5.57
Progress 8*	0.43 (autumn) 0.29 (spring) 0.74 (prediction) 0.67 (p2) 0.69 (result)	0.12 (autumn) -0.03 (spring) 0.37 (prediction) 0.3 (p2) 0.31 (result)	0.77 (autumn) 0.66 (spring) 1.17 (prediction) 1.10 (p2) 1.13 (result)	0.79
Measure	All	Male	Female	Target
	Percentage(entered)	Percentage(entered)	Percentage(entered)	%
Eng and Ma 9-5	59.3 (autumn) 51.7 (spring) 65.3 (prediction) 64.9 (p2) 64.9% (result)	59.1 (autumn) 48.7 (spring) 59.1 (summer) 58.3 (p2) 58.3(result)	59.6 (autumn) 54.3 (spring) 72.2 (prediction) 72.2 (p2) 72.2 (result)	68.0
EBacc strong pass	20.7(32.8) (autumn) 19.8 (spring) 24.4 (prediction) 24.4 (p2) 24.8 (result)	15.0(22.8) (autumn) 16.5 (spring) 18.1 (prediction) 18.1 (p2) 18.1(result)	27.2(43.9) (autumn) 23.5 (spring) 31.3 (prediction) 31.3 (p2) 32.2 (result)	30.4

* P8 values published have been calculated using the 2019 unvalidated results.

Bishop Luffa School

Trustees' Report

Achievements and Performance and Key Performance Indicators (continued)

Our P8 result is greater than our prediction but only just. It is also lower than our initial prediction suggesting that we were right to lower some grades during the standardisation process, but in a few cases this lowering was moderated upwards by the OFQUAL model. 106/1861 GCSE results were raised. The table at the end of this document details where these changes were made, Double award science had the most grades moved up- all of these were single grade changes i.e. CAG 44 was changed to 54. Maths had the second most grades changed 21, this reduced the gender gap for Maths.

These results represent the highest results the school has ever achieved, this is not a surprise. There is however still a significant gender gap which remains similar to last year (p8 gap 2019 girls/boys 0.85, 2020 p8 gap 0.8).

Group	Attainment 8	Target A8	Progress 8	Number of pupils	Targets Cumulative P8
Non disadvantaged (autumn)	5.41	5.7	0.52	219	0.81
Non disadvantaged (spring)	5.33		0.38	218	
Non disadvantaged (prediction 2)	5.72		0.78	218	
Non-Disadvantaged (result)	5.74		0.8	218	
Disadvantaged All (autumn)	3.35	4.34	-0.50	22	0.51
Disadvantaged All (spring)	3.15		-0.64	22	
Disadvantaged All (prediction 2)	3.44		-0.37	22	
Disadvantaged All (result)	3.45		-0.36	22	
Disadvantaged Male (autumn)	2.4	3.74	-1.39	13	0.11
Disadvantaged Male (spring)	2.16		-1.34		
Disadvantaged Male (prediction)	2.55		-0.99		
Disadvantaged Male (result)	2.51		-1.03		
Disadvantaged Female (autumn)	4.0	4.75	-0.03	9	0.73
Disadvantaged Female (spring)	3.83		-0.21		
Disadvantaged Female (prediction)	4.05		0.01		
Disadvantaged Female (result)	4.1		0.06		

Bishop Luffa School

Trustees' Report

Achievements and Performance and Key Performance Indicators (continued)

The disadvantage gap remains large. The overall numbers are affected by a significant minority that were entered for very few qualifications.

Year 13 results analysis Projections compared to predictions and results.

This report compares predicted grades to projected grades submitted in the Spring term 2019/20 and results from summer exams using A level points: A*=60, A=50, B=40, C=30, D=20, E=10. Predictions are compared to projections and results are compared to predictions. Red lower than comparison grade, Green higher than comparison grade.

	Projected (grade)	Target Cumulative
A*-B grades (spring)	65.3	77.3
A*-B grades (summer)	72.6	78.0
A*-B grades (results)	60.4	
A*-E grades (spring)	98.8	100
A*-E grades (summer)	100	100
A*-E grades (results)	98.5	
Progress (VA) (spring)	0.02	0.31
Progress (VA) (summer)	0.34	0.31
Progress (VA) (results)	-0.13	
Average points per A2 entry (spring)	39.1 (B)	42.0 (B+)
Average points per A2 entry (summer)	42.7 (B+)	
Average points per A2 entry (results)	37.91 (B-)	

Overall results

The VA score for the results is lower than the school has achieved before and is lower than spring projections as well as predictions.

Going Concern

After making appropriate enquiries, the board of trustees has a reasonable expectation that the academy trust has adequate resources to continue in operational existence for the foreseeable future. For this reason 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.

Bishop Luffa School

Trustees' Report

Financial Review

The majority of Bishop Luffa School's income is obtained from the Education Funding Agency in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the EFA during the period 1 September 2019 to 31 August 2020 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

Other income is derived from school lettings, payments for school trips, donations and by staff at Bishop Luffa School undertaking outreach work supporting other schools, pupils and students.

The expenditure was used to support the key priorities of Bishop Luffa School, as detailed in the School Development Plan, in providing education for pupils and students aged 11 to 19 and enhancing their opportunities. In all financial transactions best value was considered when making decisions

The school's main financial key performance indicator is the ability to publish a balanced budget in the light of significantly increased and unfunded Teacher's pay and Teachers' Pension Scheme costs. The in-year surplus for 2019-20 is £13,480. During 2019-20 the school has benefited from GAG and in-year Non-GAG Pupil Premium funding and has operated an exceptionally lean staffing allocation.

The school continues to work closely with directors to plan its on-going financial security.

The school holds £351,698 in un-restricted reserves and £101,081 in restricted funds at 31 August 2020 and will be used in line with the school's Reserves Policy.

Total funds held at 31 August 2020 are £13,556,187 made up of Restricted Fixed Asset Funds of £15,143,408, Restricted Funds of £101,081, an LGPS pension Reserve of -£2,040,000 and Unrestricted Funds of £351,698

The £2,040,000 deficit in respect of the Local Government Pension Scheme (FRS 102 report 31 August 2020) has increased by £451,000 from 2019. Following the triannual Fund review the Employers' pension contributions were increased from 19.7% to 21.6% on the 1 April 2020 but with the annual lump sum payment, which was £27,000, being removed for at least the next three years. This has a net effect of reducing the school's overall deficit repayment amount and is a direct result of the Academy electing to have its own bespoke employer rate rather than pooling with other schools.

In terms of measuring the school's financial performance against other schools, the Business Manager undertakes benchmarking by using the Department for Education Benchmarking website and West Sussex Business Manager Network. In addition, the school has recently completed the DfE Schools Resource Management Self-Assessment with the school scoring very favourably when benchmarked against similar context schools nationally. These results are due to be discussed with Resources Committee shortly.

Bishop Luffa School

Trustees' Report

Reserves Policy

Our aim is to effectively utilise its allocated funding each year for the full benefit of current pupils and students. However, we also consider it necessary to carry forward some reserves to:

- Try to cover increases in unfunded staff related fixed costs, reduction in grant income due to funding changes and fluctuating Sixth Form student numbers;
- Provide sufficient working capital to cover delays between spending and receipt of grants;
- Cover expenditure required for unforeseen circumstances, such as urgent maintenance. It is likely that reserves will be needed during 2020-21 to meet extraordinary cost associated with Covid 19.

The unrestricted funds stand at £351,698 at the 31 August 2020 with £101,081 restricted general funds available having excluded the pension reserve; therefore, the net surplus is £452,779. Restricted Fixed Asset Funds of £15,143,408 can only be realised by disposing of tangible fixed assets.

Investment Policy

Our objective is to maximise investment on any long term accrued balances in order to protect those balances against inflation. All investments will be made ensuring there is no tangible risk to the loss of those funds. Principles:

- Regularly monitor cash flow and current account balances to ensure immediate financial commitments can be met
- Identify funds surplus to the immediate cash requirements and transfer these to an account bearing a higher interest rate
- Only invest in risk free and easily accessible accounts
- Periodically (at least annually) review interest rates and compare with other investment opportunities

Bishop Luffa School

Trustees' Report

Principal Risks and Uncertainties

The School maintains a Risk Management Policy and associated Risk Register which are reviewed annually and termly respectively.

Bishop Luffa School is at financial risk if it is unable to meet rising fixed staff associated costs and sustain Sixth Form student numbers. This is reflected in the Reserves policy and carefully monitored throughout the year and amendments made to the budget in order to compensate for anticipated changes.

There is a financial risk to the school if fixed costs cannot be met and real term funding cuts continue.

There was particular uncertainty during 2019-20 with the financial impact of Covid 19 on school finances. The school followed DfE guidance and continued to meet its budgeted contractual commitments but also had to meet extra cleaning, hygiene consumables and other Covid costs. When the school made its application to reclaim Covid related costs from the Government the school was forecasting a significant deficit for the year. However, the school also made some associated savings with general resource expenditure reducing along with reduced extra hours being worked by Teachers and Support staff after the lockdown period.

Fundraising

As part of its work within the community, the academy trust undertakes fundraising activities, for example through cake sales, non-uniform days etc. The academy trust raises funds in order to support its House charities, Sixth Form local and national charities and has organised whole school sponsored walks where funds raised have supported major school developments. The academy trust undertakes all such activities itself, with the help of its students and their families. We confirm that when fundraising:

- No unsolicited approaches are made to members of the public.
- No commercial participators are used.
- No regularity schemes or standards are applicable
- No complaints were made to the academy trust during the year

The school's Parents and Friends Association have been unable to undertake their normal programme of fundraising events due to the lockdown and restrictions, although new regular mandated donations have remained strong this year. These contributions to the PFA's fundraising have meant that vital support for the School's Counsellor and Mini-buses have been able to continue. However, PFA contributions to the school to help pay for additional teaching resources have been limited this year. This situation is likely to continue into 2021 and the PFA continue to look for creative ways to raise monies for the Trust.

Bishop Luffa School

Trustees' Report

Plans for Future Periods

School Development Plan Overarching Priorities 2016-2020

Always our best because everyone matters

- First and foremost a distinctively Christian and inclusive school
- Recognised as one of the top schools locally and nationally
- Considered the best school and Sixth Form locally for developing the whole person to be resourceful, resilient, reflective, confident, independent and caring
- Fully subscribed and considered the first choice for children with church connexions and those in the local community
- Rated outstanding by Ofsted and SIAMS
- Financially secure and working effectively within the financial constraints
- Continually developing best practice in the curriculum, assessment and pastoral systems
- Fully staffed with top quality staff who enjoy working at the school
- Our buildings and environment supporting teaching and learning and providing a resource for the community
- Using technology as a tool to encourage deeper learning
- Outward-looking and collaborative in all we do

School Development Plan 2020-2021

'Every student at Bishop Luffa should experience what "life in all its fullness" means.'

We will:

- Maximise aspirations and progress for all
- Encourage and develop leadership for all staff and students
- Develop Partnerships within, and beyond, the school
- Foster engagement in personal and spiritual development
- Nurture a sense of belonging to a safe school and the wider world

Funds Held as Custodian Trustee on Behalf of Others

There were no funds held as custodian trustee on behalf of others.

Bishop Luffa School

Trustees' Report

Auditor

Insofar as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware
- the trustees 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 Trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 15 December 2020 and signed on the board's behalf by:

N P Hoggarth

N P Hoggarth (Dec 16, 2020 18:41 GMT)

N Hoggarth
Chair of the Board of Directors

Bishop Luffa School

Governance Statement

Scope of Responsibility

As trustees, we acknowledge we have overall responsibility for ensuring that Bishop Luffa School 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 or loss.

The board of trustees has delegated the day-to-day responsibility to the Headteacher, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Bishop Luffa School and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The board of trustees has formally met 6 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

<u>Trustee</u>	<u>Meetings attended</u>	<u>Out of a possible</u>
N Hoggarth, Chair – Foundation director	5	6
J Wilson, Vice-chair – Foundation director	5	6
I Creswick – Foundation director	6	6
G Ewins – Foundation director	5	6
S Holland – Ex-officio Foundation director	5	6
D Jarratt – Foundation director	5	6
M Lumley – Foundation director	6	6
B Dempster – Foundation director	6	6
A Taylor-Bennett – Foundation director	4	6
A Doye – Foundation director	6	6
A Hindman – Headteacher	6	6
L Eames – Staff director	0	0
C Parrott – Staff director	5	6
K Allman – Staff director	6	6
C Bacon – Parent director	2	6
B Ghinelli – Parent director	4	6
N Shaw – Co-opted director	3	3

Bishop Luffa School

Governance Statement

Governance (continued)

The Resources committee is a sub-committee of the main board of trustees. Its purpose is to exercise stewardship of:

All funds entrusted to the school. This is carried out by:

- a. deciding how the delegated school budget share is to be spent, ensuring that it reflects as far as possible the priorities established in the School Development Plan
- b. ensuring that accurate records are kept
- c. ensuring that a sound financial management system is in place
- d. ensuring that regular monitoring is maintained
- e. maintaining a strategic overview of long-term financial planning and asset management
- f. working with the Responsible Officer and the Auditor, ensuring they are accorded full co-operation and receiving and considering their reports
- g. reporting on its deliberations to the Board of Directors at least 6 times per year
- h. seeking to promote a climate of financial discipline and control to help ensure the highest standards of probity and efficiency
- i. investigating any activity that it deems relevant to its inquiries and seeking any information from staff that it requires.

The school buildings and grounds. This is carried out by:

- a. an Annual Review ensuring that the premises are maintained in a good and safe state of repair and decoration so as to comply with current Health and Safety Regulations, and School Security
- b. initiating projects to enhance or adapt the premises so as to provide the best possible conditions for the academic needs of the school, in line with the School Development Plan, and the needs of those using the premises
- c. ensuring that the school buildings and the contents are adequately insured
- d. maintaining an overview of Health and Safety and School Security issues, ensuring that any concerns are addressed, and reviewing the Health and Safety Policy at yearly intervals

General Data Protection Regulations. This is carried out by:

- a. maintaining a strategic overview of data protection in the school
- b. receiving updates from the Data Protection Officer concerning any significant developments in the GDPR regulations and details of any breaches.

Bishop Luffa School

Governance Statement

Governance (continued)

Attendance at meetings in the year was as follows:

<u>Trustee</u>	<u>Meetings attended</u>	<u>Out of a possible</u>
I Creswick, Chair – Foundation director	6	6
G Ewins – Foundation director	5	6
N Hoggarth – Foundation director	6	6
A Hindman - Headteacher	6	6
B Dempster – Foundation director	5	6
C Bacon – Parent director	1	6
C Parrott – Staff director	4	5

Review of Value for Money

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

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

- Challenge – why, how and by whom is an activity carried out. Is the service delivered effectively – could it be done differently?
- Compare – through the use of locally and national produced performance statistics, how our school's financial and pupil performance compares with that of others
- Consult – seeking the views of parents, pupils, staff and Directors on services provided, through surveys, questionnaires and feedback meetings
- Compete – how does the school ensure efficient, effective and quality services? Making good use of advice and support from existing providers and seeking new and imaginative alternatives.

These principles are applied by the Directors, Headteacher and Leadership Team when allocating resources to promote the aims and values of the school, when targeting resources to improve standards and the quality of the provision and to best support the educational needs of the pupils.

Bishop Luffa School

Governance Statement

Review of Value for Money (continued)

Bishop Luffa School is committed to:

1. Raising Student attainment and improving educational outcomes

Bishop Luffa School is high performing and consistently achieves significantly above national expectations. This applies across the curriculum, including English and Mathematics which is a key national indicator.

2. Pupil Premium

All pupils at Bishop Luffa School are set aspirational academic targets in each of their subjects. Every pupil's performance is tracked and analysed against these targets throughout the academic year.

Focused interventions are introduced to support pupils who are not on track to meet their targets. Whilst these interventions are targeted to support pupils eligible for Pupil Premium (some of whom may also have a special educational need and/or disability) it is recognised and celebrated that many interventions have significant benefits for non-Pupil Premium pupils also.

Subject teachers, through their Heads of Faculty, can request targeted support for pupils who are not on track, and funding for Pupil Premium pupils is agreed by Mrs Collins-Ballands. Heads of House take the overview of a pupil's progress across the curriculum and use Pupil Premium funding for more generic intervention. They meet in September with the Head of KS4 and the Deputy Head to review previous intervention strategies and plan new strategies for the coming year. These are then reviewed regularly and modified accordingly. Heads of House also speak to pupils and their parents about their needs and possible intervention strategies. Funding is used during the year to ensure that students are helped to achieve their full potential.

As a Church School, we are committed to the intellectual, social, creative, physical, moral and spiritual development of all our pupils. We aspire to be a confident outward-looking Christian community.

3. Income generation

The School explores all opportunities to generate income to further support the school. Prior to the national lockdown the school has still managed to:

- hire out staff from RE and PE, generating £2,950
- receive lettings income of £18,878

4. During 2019-20, the school has continued to work with the school's land trustees and all interested parties in connection with the development of the Minerva Heights housing development on the land to the west of Centurion Way to ensure the school's potential opportunities that the Phase 2 of the development may offer.

Bishop Luffa School

Governance Statement

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Bishop Luffa School for the period 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The board of trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

The Risk and Control Framework

The academy trust's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. In particular, it includes:

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees
- regular reviews by the finance and general purposes 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 board of trustees has considered the need for a specific internal audit function and has decided to appoint Mr B Dempster (Director) as the Responsible Officer, responsible direct to the board.

The Responsible Officer's role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems. The Responsible Officer reports to the board of trustees through the Resources committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities. The Responsible Officer has completed two checks during the period and will also complete their Scrutiny Report by the end of the year.

The board delegates to the Resources committee the authority to receive the Responsible Officer's report, and to take appropriate action, and to report to the board accordingly.

Bishop Luffa School

Governance Statement

Review of Effectiveness

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

- the work of the Responsible Officer
- the work of the external auditor
- 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 by the Resources committee of the implications of the result of their review of the system of internal control. No weaknesses were identified.

Approved by order of the members of the board of trustees on 15 December 2020 and signed on its behalf by:


N P Hoggarth (Dec 16, 2020 18:41 GMT)

N Hoggarth
Chair of the Board of Directors


Austen Hindman (Dec 22, 2020 15:24 GMT)

A Hindman
Accounting Officer

Bishop Luffa School

Statement of Regularity, Propriety and Compliance

As accounting officer of Bishop Luffa School I have considered my responsibility to notify the academy trust board of trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2019.

I confirm that I and the academy trust board of trustees are able to identify any material irregular or improper use of all funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2019.

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


Austen Hindman (Dec 22, 2020 15:24 GMT)

A Hindman
Accounting Officer
15 December 2020

Bishop Luffa School

Statement of Trustees' Responsibilities

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

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

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020
- make judgments and accounting estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business

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

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

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

Approved by order of the members of the board of trustees on 15 December 2020 and signed on its behalf by:


N P Hoggarth (Dec 16, 2020 18:41 GMT)

N Hoggarth
Chair of the Board of Directors

Bishop Luffa School

Independent Auditor's Report on the Financial Statements to the Members of Bishop Luffa School

Opinion

We have audited the financial statements of Bishop Luffa School ('the charitable company') for the year ended 31 August 2020 which comprise the Statement of Financial Activities (including the Income and Expenditure Account), the Balance Sheet, the Statement of Cash Flows, 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), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020 issued by the Education & Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2020 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 properly prepared in accordance with the Charities SORP 2019 and Academies Accounts Direction 2019 to 2020.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Bishop Luffa School

Independent Auditor's Report on the Financial Statements to the Members of Bishop Luffa School

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. It includes the Reference and Administrative Details, the Trustees' Report (including the Strategic Report), and the Governance Statement. 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 there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report 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 Trustees' Report.

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

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

Bishop Luffa School

Independent Auditor's Report on the Financial Statements to the Members of Bishop Luffa School

Responsibilities of the trustees

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

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

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.

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 Independent Auditors.

Use of our report

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

RA Hurst

RA Hurst (Dec 22, 2020 15:54 GMT)

R Hurst FCA (Senior statutory auditor)

For and on behalf of Hopper Williams & Bell Limited

Statutory Auditor

Highland House, Mayflower Close, Chandlers Ford, Eastleigh SO53 4AR

Date 22/12/2020

Bishop Luffa School

Independent Reporting Accountant's Assurance Report on Regularity to Bishop Luffa School and the Education & Skills Funding Agency

In accordance with the terms of our engagement letter dated 1 September 2019 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Bishop Luffa School during the period 1 September 2019 to 31 August 2020 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 the Board of Trustees and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Bishop Luffa School 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 the Bishop Luffa School and the ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Bishop Luffa School's accounting officer and the reporting accountant
The accounting officer is responsible, under the requirements of Bishop Luffa School's funding agreement with the Secretary of State for Education dated 1 December 2013 and the Academies Financial Handbook, extant from 1 September 2019, 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 2019 to 2020. 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 2019 to 31 August 2020 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Bishop Luffa School

Independent Reporting Accountant's Assurance Report on Regularity to Bishop Luffa School and the Education & Skills Funding Agency

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2019 to 2020 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 academy trust's income and expenditure.

The work undertaken to draw to our conclusion includes:

- Consideration as to whether prior approval was sought from the Secretary of State where it is required by the Academies Financial Handbook (AFH).
- Review of any special payments to staff, including compromise agreements, to consider whether prior approval was sought where required by the AFH and that any payments are in line with the severance guidance published by ESFA.
- Consideration as to whether any borrowings have been made in accordance with the AFH.
- Review of any 'minded to' letters or Financial Notices to Improve have been issued to the academy trust.
- Review of any transactions with related parties to ensure that they have been carried out in accordance with the AFH.
- Review of governance arrangements to determine whether the requirements of the AFH have been met.
- Review of the academy trust's internal controls, including whether the general control environment has regard to the regularity of underlying transactions, including fraud management.
- Review of the academy trust's procurement policies to determine effectiveness and testing a sample of purchases to confirm that the policies have been correctly implemented.
- Identifying any conditions associated with specialist grant income and determining whether it has been spent as the purposes intended.

Bishop Luffa School

Independent Reporting Accountant’s Assurance Report on Regularity to Bishop Luffa School and the Education & Skills Funding Agency

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 2019 to 31 August 2020 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

RA Hurst
RA Hurst (Dec 22, 2020 15:54 GMT)

R Hurst FCA
Reporting Accountant
Hopper Williams & Bell Limited
Chartered Accountants
Highland House, Mayflower Close, Chandlers Ford, Eastleigh SO53 4AR

Date 22/12/2020

Bishop Luffa School

Statement of Financial Activities for the year ended 31 August 2020 (including Income and Expenditure Account)

	Note	Un- restricted funds £	Restricted General Funds £	Restricted Pension Funds £	Restricted Fixed Asset Funds £	2019/20 Total £	2018/19 Total £
Income and endowments from:							
Donations and capital grants	2	-	11,301	-	30,314	41,615	131,915
Charitable activities:							
Funding for the academy trust's educational operations							
	3	-	7,654,404	-	-	7,654,404	7,215,056
Teaching schools	25	-	-	-	-	-	9,126
Other trading activities	4	18,879	-	-	-	18,879	33,622
Investments	5	487	-	-	-	487	627
Total		19,366	7,665,705	-	30,314	7,715,385	7,390,346
Expenditure on:							
Charitable activities:							
Academy trust educational operations							
	7	-	7,625,508	282,000	344,557	8,252,065	7,880,157
Teaching school	25	-	4	-	-	4	56,943
Total		-	7,625,512	282,000	344,557	8,252,069	7,937,100
Net income / (expenditure)		19,366	40,193	(282,000)	(314,243)	(536,684)	(546,754)
Transfers between funds	14	-	(46,079)	-	46,079	-	-
Other recognised gains / (losses):							
Actuarial losses on defined benefit pension schemes							
	22	-	-	(169,000)	-	(169,000)	(458,000)
Net movement in funds		19,366	(5,886)	(451,000)	(268,164)	(705,684)	(1,004,754)
Reconciliation of funds							
Total funds brought forward		332,332	106,967	(1,589,000)	15,411,572	14,261,871	15,266,625
Total funds carried forward		351,698	101,081	(2,040,000)	15,143,408	13,556,187	14,261,871

The notes on pages 38 to 60 form part of these financial statements.

Bishop Luffa School

Balance Sheet as at 31 August 2020

Company Number 08749379

	Note	2020 £	2020 £	2019 £	2019 £
Fixed assets					
Tangible assets	11		15,143,408		15,411,572
Current assets					
Debtors	12	249,843		257,247	
Cash at bank and in hand		665,281		621,728	
		<u>915,124</u>		<u>878,975</u>	
Liabilities					
Creditors: Amounts falling due within one year	13	<u>(462,345)</u>		<u>(439,676)</u>	
Net current assets			<u>452,779</u>		<u>439,299</u>
Total assets less current liabilities			15,596,187		15,850,871
Defined benefit pension scheme liability	22		(2,040,000)		(1,589,000)
Total net assets			<u>13,556,187</u>		<u>14,261,871</u>
Funds of the academy trust:					
Restricted funds					
Fixed asset fund	14	15,143,408		15,411,572	
Restricted income fund	14	101,081		106,967	
Pension reserve	14	<u>(2,040,000)</u>		<u>(1,589,000)</u>	
Total restricted funds			13,204,489		13,929,539
Unrestricted income funds	14		351,698		332,332
Total funds			<u>13,556,187</u>		<u>14,261,871</u>

The financial statements on pages 35 to 60 were approved by the trustees and authorised for issue on 15 December 2020 and are signed on their behalf by:

N P Hoggarth

N P Hoggarth | Dec 16, 2020 18:41 GMT

N Hoggarth

Chair of the Board

The notes on pages 38 to 60 form part of these financial statements.

Bishop Luffa School

Statement of Cash Flows for the year ended 31 August 2020

	Note	2020 £	2019 £
Cash flows from operating activities			
Net cash provided by (used in) operating activities	17	119,946	11,073
Cash flows from investing activities	18	(76,393)	(54,711)
Change in cash and cash equivalents in the reporting period		<u>43,553</u>	<u>(43,638)</u>
Cash and cash equivalents at 1 September 2019		621,728	665,366
Cash and cash equivalents at 31 August 2020	19	<u>665,281</u>	<u>621,728</u>

Bishop Luffa School

Notes to the Financial Statements for the Year Ended 31 August 2020

1 Accounting policies

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

Basis of Preparation

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

Going Concern

The trustees 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 trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

Income

All incoming resources are recognised when the academy trust has entitlement to the funds, the receipt is probable and the amount can be measured reliably.

- Grants

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

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

Capital grants are recognised in full when there is an unconditional entitlement to the grant. Unspent amounts of capital grants are reflected in the balance sheet in the restricted fixed asset fund. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended.

- Donations

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

Bishop Luffa School

Notes to the Financial Statements for the Year Ended 31 August 2020

Income (continued)

- Other Income

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

- 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

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

- Charitable Activities

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

All resources expended are inclusive of irrecoverable VAT.

Bishop Luffa School

Notes to the Financial Statements for the Year Ended 31 August 2020

Tangible Fixed Assets

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

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.

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

Leasehold Land and Buildings	2% straight line on buildings; not provided on land
Furniture and Equipment	15% straight line
Computer Equipment	33% straight line

Long leasehold land has not been depreciated as it is similar to freehold land, which does not require depreciation.

Where the academy trust can identify the value of major components of freehold or leasehold buildings based upon additions following conversion to academy status, the academy trust reviews whether one or more such components have significantly different patterns of consumption of economic benefits. In such cases, the academy trust allocates the cost of the asset to its major components and depreciates each component separately over its useful life.

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

Liabilities

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

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.

Bishop Luffa School

Notes to the Financial Statements for the Year Ended 31 August 2020

Leased Assets

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

Financial Instruments

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

Financial assets

Trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 12. Prepayments are not financial instruments.

Cash at bank

Cash at bank is classified as a basic financial instrument and is measured at face value. An investment is treated as a cash equivalent when it has a short maturity of three months or less from the date of acquisition.

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.

Accordingly, the academy trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by part 11, chapter 3 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Bishop Luffa School

Notes to the Financial Statements for the Year Ended 31 August 2020

Pensions Benefits

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

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

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

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

Fund Accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the academy trust at the discretion of the trustees.

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

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

Bishop Luffa School

Notes to the Financial Statements for the Year Ended 31 August 2020

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.

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 will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2020. 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.

The assumptions used are disclosed in note 22.

Critical areas of judgement

There are no other critical areas of judgement.

Agency arrangements

The academy trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the academy trust does not have control over the charitable application of the funds. The funds received and paid and any balances held are disclosed in the notes to the financial statements.

2 Donations and capital grants

	Unrestricted funds £	Restricted funds £	2019/20 Total £	2018/19 Total £
Capital grants	-	30,314	30,314	120,146
Other donations	-	11,301	11,301	11,769
	-	41,615	41,615	131,915
Total 2019	-	131,915	131,915	

Bishop Luffa School

Notes to the Financial Statements for the Year Ended 31 August 2020

3 Funding for the Academy Trust's educational operations

	Unrestricted funds £	Restricted funds £	2019/20 Total £	2018/19 Total £
DfE / ESFA grants				
General Annual Grant (GAG)	-	6,804,784	6,804,784	6,405,382
Pupil Premium	-	147,455	147,455	143,649
Other DfE Group grants	-	404,665	404,665	77,990
Teaching School Grants	-	-	-	9,126
	-	7,356,904	7,356,904	6,636,147
Other government grants				
Local authority grants	-	34,146	34,146	121,879
Other income from the academy trust's educational operations				
Other income	-	263,354	263,354	466,156
	-	7,654,404	7,654,404	7,224,182
Total 2019	-	7,224,182	7,224,182	

4 Other trading activities

	Unrestricted funds £	Restricted funds £	2019/20 Total £	2018/19 Total £
Hire of facilities	18,879	-	18,879	33,622
Total 2019	33,622	-	33,622	

5 Investment income

	Unrestricted funds £	Restricted funds £	2019/20 Total £	2018/19 Total £
Short term deposits	487	-	487	627
Total 2019	627	-	627	

Bishop Luffa School

Notes to the Financial Statements for the Year Ended 31 August 2020

6 Expenditure

	Staff costs £	Non Pay Expenditure		Total 2019/20 £	Total 2018/19 £
		Premises £	Other £		
Academy's educational operations:					
Direct costs	5,407,965	-	701,090	6,109,055	5,800,750
Allocated support costs	1,154,044	379,261	609,705	2,143,010	2,079,407
Teaching School	-	-	4	4	56,943
	<u>6,562,009</u>	<u>379,261</u>	<u>1,310,799</u>	<u>8,252,069</u>	<u>7,937,100</u>
Total 2019	<u>5,958,583</u>	<u>420,186</u>	<u>1,558,331</u>	<u>7,937,100</u>	

Net income/(expenditure) for the period includes:

	2019/20 £	2018/19 £
Operating lease rentals	37,819	75,418
Depreciation	344,557	359,102
Fees payable to auditor for:		
Audit	7,260	7,190
Other services	<u>5,432</u>	<u>4,089</u>

Bishop Luffa School

Notes to the Financial Statements for the Year Ended 31 August 2020

7 Charitable activities

	2019/20	2018/19
	Total	Total
	£	£
Direct costs	6,109,055	5,800,750
Support costs	2,143,010	2,079,407
	<u>8,252,065</u>	<u>7,880,157</u>

Analysis of support costs:

	Educational operations	2019/20	2018/19
		Total	Total
	£	£	£
Support staff costs	1,154,044	1,154,044	1,028,745
Depreciation	344,557	344,557	359,102
Technology costs	24,254	24,254	19,829
Premises costs	379,261	379,261	420,186
Other support costs	228,202	228,202	240,266
Governance costs	12,692	12,692	11,279
Total support costs	<u>2,143,010</u>	<u>2,143,010</u>	<u>2,079,407</u>

Total 2019 2,079,407 2,079,407

Premises costs includes £0 (2019: £78,076) in respect of expenditure on capital projects, which were funded by capital grants from the ESFA.

Bishop Luffa School

Notes to the Financial Statements for the Year Ended 31 August 2020

8 Staff

a) Staff costs

Staff costs during the period were:

	2019/20	2018/19
	£	£
Wages and salaries	4,718,789	4,543,808
Social security costs	420,440	403,302
Pension costs	1,301,866	958,067
	<u>6,441,095</u>	<u>5,905,177</u>
Agency staff costs	120,914	53,406
	<u>6,562,009</u>	<u>5,958,583</u>

b) Staff numbers

The average number of persons employed by the academy trust during the year was as follows:

	2019/20	2018/19
	No.	No.
Teachers	89	87
Administration and support	78	74
Management	11	9
	<u>178</u>	<u>170</u>

c) Higher paid staff

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

	2019/20	2018/19
	No.	No.
£60,001 - £70,000	4	2
£90,001 - £100,000	1	1

d) Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £925,942 (2019: £703,450).

Bishop Luffa School

Notes to the Financial Statements for the Year Ended 31 August 2020

9 Related Party Transactions – Trustees' remuneration and expenses

One or more trustees has been paid remuneration or has received other benefits from 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:

		2019/20	2018/19
		£000	£000
K Allman (Staff trustee from 16 September 2019)	Remuneration	40-45	-
	Employer's pension contributions paid	10-15	-
E Arnold (Staff trustee to 31 August 2019)	Remuneration	-	35-40
	Employer's pension contributions paid	-	5-10
L Eames (Staff trustee to 13 October 2019)	Remuneration	0-5	15-20
	Employer's pension contributions paid	0-5	0-5
A Hindman (Staff trustee)	Remuneration	95-100	90-95
	Employer's pension contributions paid	20-25	15-20
C Parrott (Staff trustee from 15 October 2019)	Remuneration	25-30	-
	Employer's pension contributions paid	5-10	-
R Topley (Staff trustee to 9 November 2018)	Remuneration	-	0-5
	Employer's pension contributions paid	-	0-5

During the period ended 31 August 2020, no trustees received any reimbursement of expenses (2019: none).

10 Trustees and officers insurance

The academy trust has opted into the Department for Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business, and provides cover up to £10m. It is not possible to quantify the Trustees and officers indemnity element from the overall cost of the RPA scheme.

Bishop Luffa School

Notes to the Financial Statements for the Year Ended 31 August 2020

11 Tangible fixed assets

	Leasehold Land and Buildings £	Furniture and Equipment £	Computer Equipment £	Total £
Cost				
At 1 September 2019	16,511,647	219,201	396,872	17,127,720
Acquisitions	-	-	76,393	76,393
At 31 August 2020	<u>16,511,647</u>	<u>219,201</u>	<u>473,265</u>	<u>17,204,113</u>
Depreciation				
At 1 September 2019	1,284,702	104,454	326,992	1,716,148
Charged in year	250,573	30,199	63,785	344,557
At 31 August 2020	<u>1,535,275</u>	<u>134,653</u>	<u>390,777</u>	<u>2,060,705</u>
Net book values				
At 31 August 2019	15,226,945	114,747	69,880	15,411,572
At 31 August 2020	<u>14,976,372</u>	<u>84,548</u>	<u>82,488</u>	<u>15,143,408</u>

12 Debtors

	2019/20 £	2018/19 £
Trade debtors	3,548	5,443
VAT recoverable	8,843	22,262
Other debtors	82,131	41,143
Prepayments and accrued income	155,321	188,399
	<u>249,843</u>	<u>257,247</u>

Bishop Luffa School

Notes to the Financial Statements for the Year Ended 31 August 2020

13 Creditors: amounts falling due within one year

	2019/20	2018/19
	£	£
Trade creditors	33,430	60,482
Other taxation and social security	108,271	103,114
Other creditors falling due within one year	166,453	112,671
Accruals and deferred income	154,191	163,409
	<u>462,345</u>	<u>439,676</u>

	2019/20	2018/19
	£	£
Deferred income at 1 September 2019	131,678	163,184
Released from previous years	(131,678)	(163,184)
Resources deferred in the year	64,706	131,678
Deferred income at 31 August 2020	<u>64,706</u>	<u>131,678</u>

At the balance sheet date the academy trust was holding funds received in advance for trips and other similar income which relate to the forthcoming financial year.

Bishop Luffa School

Notes to the Financial Statements for the Year Ended 31 August 2020

14 Funds

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers £	Gains and losses £	Balance at 31 August 2020 £
Restricted general funds						
General Annual Grant (GAG)	-	6,804,784	(6,804,784)	-	-	-
Pupil Premium	-	147,455	(147,455)	-	-	-
Other DfE/ESFA grants	-	404,665	(404,665)	-	-	-
Teaching School	24,857	-	(4)	(24,853)	-	-
Other government grants	-	34,146	(34,146)	-	-	-
Other educational activities	82,110	274,655	(234,458)	(21,226)	-	101,081
	<u>106,967</u>	<u>7,665,705</u>	<u>(7,625,512)</u>	<u>(46,079)</u>	<u>-</u>	<u>101,081</u>
Pension reserve	(1,589,000)	-	(282,000)	-	(169,000)	(2,040,000)
	<u>(1,482,033)</u>	<u>7,665,705</u>	<u>(7,907,512)</u>	<u>(46,079)</u>	<u>(169,000)</u>	<u>(1,938,919)</u>
Restricted fixed asset funds						
Fixed asset fund	15,411,572	-	(344,557)	76,393	-	15,143,408
ESFA capital grants (DFC)	-	30,314	-	(30,314)	-	-
	<u>15,411,572</u>	<u>30,314</u>	<u>(344,557)</u>	<u>46,079</u>	<u>-</u>	<u>15,143,408</u>
Total restricted funds	<u>13,929,539</u>	<u>7,696,019</u>	<u>(8,252,069)</u>	<u>-</u>	<u>(169,000)</u>	<u>13,204,489</u>
Total unrestricted funds	<u>332,332</u>	<u>19,366</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>351,698</u>
Total funds	<u>14,261,871</u>	<u>7,715,385</u>	<u>(8,252,069)</u>	<u>-</u>	<u>(169,000)</u>	<u>13,556,187</u>

Bishop Luffa School

Notes to the Financial Statements for the Year Ended 31 August 2020

14 Funds (continued)

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

General annual grant

This includes all funding received from the ESFA to carry out the objectives of the academy. It includes the school budget share; minimum funding guarantee; education services grant; insurance; rates; and pre-16 high needs funding streams.

Other DfE/ESFA grants

This is funding received from the ESFA for specific purposes, for example pupil premium funding.

Teaching School

Teaching schools are outstanding schools that work with others to provide high quality training and development to new and experienced school staff. This is funding received from the DfE/ESFA for this purpose.

Local authority grants

This is funding received from the local authority for specific purposes, for example Special Educational Needs funding.

Other educational activities

This includes all other educational income/expenditure.

Pension reserve

This represents the negative reserve in respect of the liability on the LGPS pension scheme which was transferred to the academy trust on conversion.

Fixed asset fund

The fund includes the value of the tangible fixed assets of the academy on conversion, and amounts transferred from GAG or other restricted funds specifically for expenditure on tangible fixed assets, and the annual charges for depreciation of these assets.

DfE/ESFA capital grants

This is funding received from the DfE/ESFA specifically for expenditure on tangible fixed assets.

Transfers between funds

Transfers to the restricted fixed asset fund represent the cost of fixed asset additions which have been funded from restricted or unrestricted general funds.

Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2020.

Bishop Luffa School

Notes to the Financial Statements for the Year Ended 31 August 2020

14 Funds (continued)

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

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers £	Gains and losses £	Balance at 31 August 2019 £
Restricted general funds						
General Annual Grant (GAG)	-	6,405,382	(6,405,382)	-	-	-
Pupil Premium	-	143,649	(143,649)	-	-	-
Other DfE/ESFA grants	-	77,990	(77,990)	-	-	-
Teaching School	72,674	9,126	(56,943)	-	-	24,857
Other government grants	-	43,909	(43,909)	-	-	-
Growth fund	-	77,970	(77,970)	-	-	-
Other educational activities	85,700	477,925	(468,874)	(12,641)	-	82,110
	158,374	7,235,951	(7,274,717)	(12,641)	-	106,967
Pension reserve	(906,000)	-	(225,000)	-	(458,000)	(1,589,000)
	(747,626)	7,235,951	(7,499,717)	(12,641)	(458,000)	(1,482,033)
Restricted fixed asset funds						
Fixed asset fund	15,715,963	-	(359,102)	54,711	-	15,411,572
ESFA capital grants (DFC)	-	107,718	(78,076)	(29,642)	-	-
PFA income	-	12,428	-	(12,428)	-	-
	15,715,963	120,146	(437,178)	12,641	-	15,411,572
Total restricted funds	14,968,337	7,356,097	(7,936,895)	-	(458,000)	13,929,539
Total unrestricted funds	298,288	34,249	(205)	-	-	332,332
Total funds	15,266,625	7,390,346	(7,937,100)	-	(458,000)	14,261,871

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Notes to the Financial Statements for the Year Ended 31 August 2020

15 Analysis of net assets between funds

	Un-restricted funds	Restricted general funds	Restricted pension funds	Restricted fixed asset funds	Total funds
	£	£	£	£	£
Tangible fixed assets	-	-	-	15,143,408	15,143,408
Current assets	351,698	563,426	-	-	915,124
Current liabilities	-	(462,345)	-	-	(462,345)
Pension scheme liability	-	-	(2,040,000)	-	(2,040,000)
Total net assets	<u>351,698</u>	<u>101,081</u>	<u>(2,040,000)</u>	<u>15,143,408</u>	<u>13,556,187</u>

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

	Un-restricted funds	Restricted general funds	Restricted pension funds	Restricted fixed asset funds	Total funds
	£	£	£	£	£
Tangible fixed assets	-	-	-	15,411,572	15,411,572
Current assets	332,332	546,643	-	-	878,975
Current liabilities	-	(439,676)	-	-	(439,676)
Pension scheme liability	-	-	(1,589,000)	-	(1,589,000)
Total net assets	<u>332,332</u>	<u>106,967</u>	<u>(1,589,000)</u>	<u>15,411,572</u>	<u>14,261,871</u>

16 Commitments under operating leases

At 31 August 2020 the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:

	2019/20	2018/19
	£	£
Amounts due within one year	33,374	36,573
Amounts due between one and five years	38,846	72,437
	<u>72,220</u>	<u>109,010</u>

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Notes to the Financial Statements for the Year Ended 31 August 2020

17 Reconciliation of net income/(expenditure) to net cash flow from operating activities

	2019/20	2018/19
	£	£
Net expenditure for the reporting period	(536,684)	(546,754)
Adjusted for:		
Depreciation	344,557	359,102
Defined benefit pension scheme cost less contributions payable	250,000	198,000
Defined benefit pension scheme finance cost	32,000	27,000
Decrease / (increase) in debtors	7,404	(10,139)
Increase / (decrease) in creditors	22,669	(16,136)
Net cash provided by Operating Activities	<u>119,946</u>	<u>11,073</u>

18 Cash flows from investing activities

	2019/20	2018/19
	£	£
Purchase of tangible fixed assets	(76,393)	(54,711)
Net cash used in investing activities	<u>(76,393)</u>	<u>(54,711)</u>

19 Analysis of cash and cash equivalents

	2019/20	2018/19
	£	£
Cash at bank and in hand	<u>665,281</u>	<u>621,728</u>

20 Analysis of changes in net debt

	At 1 September 2019	Cash flows	Acquisition/ disposal of subsidiaries	New finance leases	Other non-cash changes	At 31 August 2020
	£	£	£	£	£	£
Cash	621,728	43,553	-	-	-	665,281
Total	<u>621,728</u>	<u>43,553</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>665,281</u>

21 Members liability

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

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Notes to the Financial Statements for the Year Ended 31 August 2020

22 Pension and similar obligations

The academy trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by West Sussex 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 31 March 2019.

Contributions amounting to £121,805 were payable to the schemes at 31 August 2020 (2019: £94,745) 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.

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the period amounted to £833,199 (2019: £546,016).

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

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Notes to the Financial Statements for the Year Ended 31 August 2020

22 Pension and similar obligations (continued)

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2020 was as follows:

	2020	2019
	£	£
Employer's contributions	227,000	215,000
Employees' contributions	59,000	57,000
	<u>286,000</u>	<u>272,000</u>

The agreed contribution rates for future years are 18.9% for employers and 5.5% to 12.5% for employees.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of 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.

Principal actuarial assumptions

	2020	2019
Rate of increase in salaries	2.7%	3.0%
Rate of increase for pensions in payment/inflation	2.2%	2.3%
Discount rate for scheme liabilities	1.7%	1.9%
Inflation assumption (CPI)	2.2%	2.3%

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

	2020	2019
Retiring today		
Males	22.2	21.8
Females	<u>24.2</u>	<u>23.6</u>
Retiring in 20 years		
Males	23.3	23.0
Females	<u>25.9</u>	<u>25.5</u>

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Notes to the Financial Statements for the Year Ended 31 August 2020

22 Pension and similar obligations (continued)

Sensitivity analysis	Increase/(reduction) in defined benefit obligation	
	2020	2019
	£	£
Discount rate -0.1%	166,000	141,000
CPI rate +0.1%	140,000	108,000

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

	2020	2019
	£	£
Equities	2,344,000	1,909,000
Property	304,000	305,000
Government bonds	1,476,000	1,413,000
Cash	217,000	191,000
Other	(1,000)	-
Total market value of assets	4,340,000	3,818,000

The actual return on scheme assets was £301,000 (2019: £288,000).

Amount recognised in the Statement of Financial Activities

	2019/20	2018/19
	£	£
Current service cost	477,000	365,000
Past service cost	-	48,000
Interest income	(75,000)	(96,000)
Interest cost	107,000	123,000
Total amount recognised in the SOFA	509,000	440,000

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Notes to the Financial Statements for the Year Ended 31 August 2020

22 Pension and similar obligations (continued)

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

	2019/20	2018/19
	£	£
At 1 September	5,407,000	4,213,000
Current service cost	477,000	365,000
Interest cost	107,000	123,000
Employee contributions	59,000	57,000
Actuarial loss	395,000	650,000
Benefits paid	(65,000)	(49,000)
Past service cost	-	48,000
At 31 August	<u>6,380,000</u>	<u>5,407,000</u>

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

	2019/20	2018/19
	£	£
At 1 September	3,818,000	3,307,000
Interest income	75,000	96,000
Actuarial gain	226,000	192,000
Employer contributions	227,000	215,000
Employee contributions	59,000	57,000
Benefits paid	(65,000)	(49,000)
At 31 August	<u>4,340,000</u>	<u>3,818,000</u>

23 Related party transactions

Owing to the nature of the academy trust and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the AFH, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the academy trust's financial regulations and normal procurement procedures relating to connected and related party transactions. The following related party transactions took place in the financial period.

Expenditure Related Party Transactions:

University of Chichester - Canon Dr D Inman (member) is a governor

- The academy trust purchased services from the University of Chichester totalling £1,000 (2019: £nil) during the period. There were no amounts outstanding at 31 August 2020 (2019: £nil).
- The academy trust made the purchase at arms' length following a competitive tendering exercise in accordance with its financial regulations, which Canon Dr D Inman neither participated in, nor influenced.
- In entering into the transaction the academy trust has complied with the requirements of the Academies Financial Handbook 2019.

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Notes to the Financial Statements for the Year Ended 31 August 2020

24 Agency arrangements

The academy trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ended 31 August 2020 the academy trust received £9,467 and disbursed £8,419 from the fund. An amount of £3,214 is included in other creditors relating to undistributed funds that are repayable to ESFA. Comparatives for the accounting period ending 31 August 2019 are £9,502 received, £8,800 disbursed and £2,166 included in other creditors.

25 Teaching school trading account

	2019/20	2019/20	2018/19	2018/19
	£	£	£	£
Income				
Direct Income	-		9,126	
Total Income	<u>-</u>	-	<u>9,126</u>	9,126
Expenditure				
Direct staff costs	-		39,939	
Other direct costs	4		17,004	
Total direct costs	<u>4</u>	4	<u>56,943</u>	56,943
Total Expenditure		4		56,943
Transfers between funds excluding depreciation		<u>(24,853)</u>		<u>-</u>
Surplus/(Deficit) from all sources		(24,857)		(47,817)
Teaching school balances at 1 September 2019		<u>24,857</u>		<u>72,674</u>
Teaching school balances at 31 August 2020		<u>-</u>		<u>24,857</u>

26 Events after the end of the reporting period

Rumboldswyke Church of England Infants' School joined the trust on 1 October 2020.