
LANGLEY GRAMMAR SCHOOL
(A company limited by guarantee)

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

LANGLEY GRAMMAR SCHOOL
(A company limited by guarantee)

CONTENTS

| | Page |
|---|----------------|
| Reference and administrative details | 1 |
| Trustees' report | 2 - 8 |
| Governance statement | 9 - 13 |
| Statement on regularity, propriety and compliance | 14 |
| Statement of trustees' responsibilities | 15 |
| Independent auditors' report on the financial statements | 16 - 19 |
| Independent reporting accountant's report on regularity | 20 - 21 |
| Statement of financial activities incorporating income and expenditure account | 22 |
| Balance sheet | 23 |
| Statement of cash flows | 24 |
| Notes to the financial statements | 25 - 47 |

LANGLEY GRAMMAR SCHOOL
(A company limited by guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2023**

| | |
|-------------------------------------|---|
| Members: | Dr J Kirk, Chair Ms C Brackenbury Ms C Fitzgerald Mrs S Branquinho Mrs R Garret Mrs C Fitzgerald |
| Trustees: | Mr V Boothnath Ms C Brackenbury Mrs S Branquinho Mr J Constable (Headteacher and Accounting Officer) Mr S Daddar (appointed 01 September 2022) Miss V Jain (Stood down 01 September 2022) Mrs G Kelly (appointed 01 September 2022) Dr J Kirk (Chair of Governors until 31 August 2022, Vice Chair from 01 September 2022) Mr A Nanda Mr I Neta Ms Z Power (appointed 30 October 2022) Mr D Sekhon Mr R Sidhu (Stood down 30 April 2023) Mr N Singh Mr S Wilkinson Mr C Young (appointed 01 September 2022) |
| Company Secretary: | Mr G Botha |
| Senior Leadership Team: | Headteacher: Mr J Constable Deputy Headteacher: Mr D Harding Deputy Headteacher: Mr A Johnson Assistant Headteacher: Mrs N Dobbs Assistant Headteacher: Mr D Mace Director of Sixth Form: Ms H Makowski Business Manager Mr G Botha |
| Company Name: | Langley Grammar School |
| Registered Office: | Reddington Drive, Slough, Berkshire, SL3 7QS |
| Company Registration Number: | 07536795 (England and Wales) |
| Independent Auditor: | BKL Audit LLP 35 Ballards Lane London N3 1XW |
| Bankers: | Lloyds Bank plc PO Box 1000 BX1 1LT |
| Solicitors: | Winckworth Sherwood Minerva House 5 Montague Close London SE1 5BB |

LANGLEY GRAMMAR SCHOOL
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2023

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the period 01 September 2022 to 31 August 2023. The annual report serves the purposes of both a Trustees' report, and a directors' report under company law.

The trust operates an academy for children aged 11 to 18 serving Langley and the surrounding areas; students are selected on merit which is assessed through a competitive 11+ entrance examination. The Academy Trust had a roll of 1245 in the spring 2022 census. The School is oversubscribed and increased from five to six forms of entry in Year 7 from September 2017, an increase of approximately 30 students each year until September 2023.

Structure, Governance and Management

Constitution

The Academy 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. The Trustees of Langley Grammar School are also the directors of the charitable company for the purposes of company law. The charitable company is known Langley Grammar 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 the preceding pages of this document.

Members' Liability

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

Trustees' Indemnities

Subject to the provisions of the Companies Act, every Trustee or other officer of the academy shall be indemnified out of the assets of the academy against any liability incurred by them in that capacity in defending any proceedings, whether civil or criminal, in which judgment is given in favour or in which they are acquitted or in connection with any application in which relief is granted to them by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the academy.

Method of Recruitment and Appointment or Election of Trustees

The management of the academy is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association and funding agreement as follows:

- The headteacher
- Up to 7 parent Trustees, appointed by the members
- Up to 12 community Trustees, appointed by the members
- Up to 3 staff Trustees appointed by the members, provided that the maximum number of staff Trustees does not exceed one third of the total number of Trustees
- Any Trustees appointed by the Secretary of State for Education

The term of office for any Trustee is 4 years. The Headteacher's term of office runs parallel with their term of appointment. Subject to remaining eligible to be a particular type of Trustee, any Trustee may be reappointed or re-elected.

Policies and Procedures Adopted for the Induction and Training of Trustees

The training and induction provided for new Trustees will depend on their individual experience and expertise. Where necessary an induction will provide training on charity and educational, legal and financial matters. All new Trustees are given a tour of the academy and the chance to meet with staff and students. All governors are provided with copies of policies, procedures, minutes, budgets, plans and other documents that they will need to understand their role as Trustees and directors of the academy.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Structure, Governance and Management (continued)

Organisational Structure

The structure of the organisation has three levels; the Governors, the Headteacher and the Senior Leadership Team, and the Middle Leaders (Subject Leaders and Phase Leaders). The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels.

The Governors are responsible for supporting the strategic direction of the Academy, adopting an annual development plan and budget, monitoring the Academy's use of budgets and making major decisions about the direction of the Academy, capital expenditure and senior staff appointments.

The Leadership Team comprises the Headteacher, two Deputy Headteachers, two Assistant Headteachers, the Director of Sixth Form and the Business Manager. These leaders control the School at an executive level implementing the policies laid down by the Governors and reporting back to them. As a group, the Senior Leadership Team is responsible for authorising spending within the agreed budgets and the appointment of staff. The Governors devolve responsibility for staff appointments, other than those of the Headteacher, Deputy Headteachers and the Business Manager.

Senior and Middle Leaders are responsible for the day to day operation of the School departments, in particular organising staff, facilities and students.

The Headteacher assumes the Accounting Officer role.

Arrangements for setting Pay and Remuneration of Key Management Personnel

Since conversion to academy status the Governors have been committed to mirroring the national pay and conditions for teaching and support staff.

The Academy Trust operates a leadership pay spine which retains reference points as recommended by national teacher and Headteacher unions. Senior leaders have individual salary ranges (ISRs) comprising five points on the leadership scale. These ISRs were set in place at the last staff structure review and periodic benchmarking against similar roles in other local schools shows that they remain comparable and appropriate. Governors do have the authority to review and change the ISRs following significant changes in responsibilities.

Pay progression through the ISRs is on the basis of performance in the role against the job description and against agreed objectives. Recommendations on pay progression for the senior leadership team are made by the Headteacher and approved or otherwise by the Governors' Pay Committee at the end of the performance management cycle. Pay progression recommendation decisions for the Headteacher are made by the Headteacher's performance review group of governors working with an independent external advisor.

Related Parties and other Connected Charities and Organisations

The Academy Trust is a member of an Umbrella Trust. The Kedermister Education Trust is intended as a strategic body helping to promote and assist education to those schools that are part of its membership. The Kedermister Education Trust does not have any control over the operation of the Academy Trust. There are no connected organisations or related party relationships other than those which may be noted in the Financial Statements.

Objectives and Activities

Objects and Aims

The principal object of the Academy Trust is specifically restricted to the following: to advance for the public benefit education in the United Kingdom, in particular, but without prejudice to the generality of the foregoing, by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum.

In accordance with the articles of association, the Academy has adopted a scheme of governance approved by the Secretary of State for Education.

The scheme of governance specifies, amongst other things, that the Academy will be at the heart of the community promoting community cohesion and sharing facilities; the basis for admitting students to the Academy, that the curriculum should be broad and balanced; that there will be an emphasis on the needs of individual pupils including pupils with SEND; the basis for charging pupils.

LANGLEY GRAMMAR SCHOOL
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Objectives and Activities (continued)

Objectives, Strategies and Activities

To advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum.

Public Benefit

The Academy Trust is committed to creating an outstanding academic environment that inspires and challenges students and allows them to fulfil their potential and achieve high standards in a welcoming and caring stimulating environment.

The improvement priorities for the year ending 31 August 2023 are set out in the School Development Plan 2019-23 which lists five key themes:

- Teaching and learning development;
- Curriculum design and wider student development;
- Community impact and system leadership;
- Long term financial security;
- Site, environment and use of technology.

Each of these themes has a number of success criteria and key indicators associated with them, and how and by whom they are evaluated.

The principal object and activity of the Academy Trust is to provide education for students between the ages of 11 and 18, who are selected on ability which is assessed through a competitive entrance examination.

In accordance with the Articles of Association the Academy Trust has adopted a funding agreement approved by the Secretary of State for Education. The funding agreement specifies amongst other things, the basis for admitting pupils to the Academy Trust and requires that the Academy Trust will provide a broad and balanced curriculum.

The Academy Trust seeks to develop young people who, in addition to gaining an excellent set of academic examination outcomes, are:

- **Confident and well-rounded**, demonstrating a positive mindset; secure in their own identity and aware of their own strengths; effective and persuasive communicators; believing in their own self-worth, with a broad and balanced outlook; striving for excellence in all they do; resilient and willing to persevere;
- **Independent and creative**, able to think critically and make wise decisions; curious and inquisitive; eager to explore and discover; willing to make mistakes and embrace challenges that may at first appear daunting; adaptable and flexible; innovative and enterprising;
- **Responsible and caring**, grounded in sound ethical and moral values; socially and culturally aware; recognising and appreciating diversity; having the courage to stand up for what is right; acting with kindness and compassion to bring out the best in themselves and others; engaged in communities with a local, national and global outlook.

In setting our objectives and planning our activities the trustees have carefully considered the Charity Commission's general guidance on public benefit.

As an academy we make the best use of our skills, expertise and experience with regards to the community. Some examples of this are:

- Raising money for local, national and international charities.
- Providing events for the local community.
- Sports Leader programmes that provide sporting activities to local primary schools.
- Providing teaching and learning support through our designation as the Teaching School Hub for Berkshire.

LANGLEY GRAMMAR SCHOOL
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Strategic Report - Achievements and Performance

Langley Grammar School was founded in 1956 and converted to an academy on 1 April 2011. The total student numbers in the year ended 31 August 2023 was 1,265, (2022: 1,245).

Students achieved excellent GCSE and A Level outcomes in 2022. These were the first set of public examinations following the COVID-19 pandemic. At 'A' level, 85.2% of the grades awarded were A*-B (2021: 79.4% under the Teacher Assessed Grades system). GCSE results were also impressive, with 99.8% of outcomes at grades 4-9 including English and Mathematics (2021: 99.4% under the Teacher Assessed Grades system).

A comprehensive rolling three-year development plan has guided the development of the Academy during the period under review. A new strategic development plan has been drawn up for implementation from 1st September 2022, covering the three year period to 2025.

Key Performance Indicators

The Academy Trust set a budget on a 'non-accruals' basis for the year of £92,362 (2022: £188,000), and produced a year end outturn of -£358 (2022: £369,000). There are adequate reserves in place to fund any deficit; the primary negative results against budget were as a result of additional expenditure to furnish our new facilities. This was offset by the unexpected receipt of teachers' pay and pension grants as well as other additional grant income. Various savings were achieved throughout the year without compromising on the quality of our offering.

The Academy Trust will continue to trade with sufficient balances so as to continue to improve the infrastructure of the School and to ensure the continuity of education of students.

Non-financial performance indicators include a e-award of an outstanding judgement from OFSTED following a November 2021 Inspection, an oversubscription in terms of student numbers, high levels of attendance, excellent exam results and the maintenance of our facilities to a high standard. The academy Trust has a full complement of students in all year groups and details of exam results and facilities are explained within this report.

A more detailed finance review of the in year highlights is included later in this report.

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.

Strategic Report - Financial Review

Finance Review

During the period, the ESFA and Local Authority ('LA') grants received totaled to £7,666k. Other income included within restricted funds totaled £933k. Restricted fund expenditure totaled £8,353k.

The main source of unrestricted income is catering income, totaling to £254k. The net surplus for the year was £29k.

Most of the Academy's income is obtained from the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the 12 month period ended 31 August 2023 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

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

Under the Charities SORP, it is necessary to charge projected deficits on the Local Government Pension Scheme, which is provided to support staff, to a restricted fund. This results in reducing reserves shown in the total funds of the Academy. It should be noted that this does not present the Academy with any current liquidity problem. The employer contributions are currently being assessed and it is expected that they will increase to bring a further reduction in this pension deficit in future, although this may not be achieved until stock market investment values start to recover.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Strategic Report - Financial Review (continued)

Finance Review (continued)

Overall, the Academy has a healthy balance sheet and cash flow and will be using the reserves to maintain the current assets and also to invest back into the school in the form of additional resources and facilities both in the long term and short term in conjunction with the school development plan and school aims.

The Governors through the Resources (and Audit) Committee and the Senior Leadership Team receive financial progress reports throughout the year and compare against budgets submitted to the ESFA. The Resources (and Audit) Committee also review longer term financial models (up to 3 years) to plan and organise resources most effectively to fulfil the aims of the Academy.

Reserves Policy

The definition of reserves in the SORP is 'that part of a charity's income funds that is freely available for its general purposes'. This definition of reserves therefore normally excludes:

- permanent endowment funds
- expendable endowment funds
- restricted income funds
- any part of unrestricted funds not readily available for spending, specifically income funds which could only be realised by disposing of fixed assets held for charitable use

Reserves are therefore the resources the Academy has or can make available to spend for any or all of the Academy's purposes once it has met its commitments and covered its other planned expenditure. More specifically 'reserves' are income which becomes available to the Academy and is to be spent at the Trustees' discretion in furtherance of any of the Academy's objects (sometimes referred to as 'general purpose' income) but which is not yet spent, committed or designated.

The level of reserves held takes into account the nature of income and expenditure streams, the need to match them with commitments, including future capital projects, and the nature of reserves. The Trustees will keep this level of reserves under review at each board meeting and aim to build and maintain the reserves level by entering into cost effective agreements whilst in keeping with the principal object of the Academy.

Total reserves at the end of the period amounted to £29,192k. This balance includes unrestricted funds (free reserves) of £487k, which are considered appropriate for the Academy Trust, and restricted funds of £29,420k and a pension deficit of £715k.

Within the reserves policy users should note that, because of accounting for the Local Government Pension Scheme (LGPS), the Trust recognises a significant pension fund deficit totalling to £715k (2022: £1,237k). This deficit is included within restricted funds. This does not lead to an immediate liability for this amount. Similarly, if there were a pension surplus included in the restricted fund this would not create an immediately realisable asset that can be released straight away and expended for the specific purposes of that fund.

Users should also note that a surplus or deficit position of the pension scheme would generally result in a cash flow effect for the Trust in the form of an increase or decrease in employers' pension contributions over a period of years. The Trust thus takes this fact into account when reviewing current business plans and budgets, ascertaining how the pension costs might affect budgets in the future. On the basis that increased pension contributions should generally be met from the Trust's budgeted annual income, whilst the deficit might not be eliminated, there should be no actual cash flow deficit on the fund or direct impact on the unrestricted reserves of the Trust due to the recognition of the deficit.

Investment Policy

Investment policies are determined by the Trust Board. This ensures the level of funds the Trust holds can cover any immediate expenditure, without exposing the Trust to additional risk. Should any potential investment opportunity arise this would be escalated to the Trust Board for consideration.

As at 31 August 2023, no investments were held.

LANGLEY GRAMMAR SCHOOL
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Principal Risks and Uncertainties

The Companies Act 2006 s417(3b) requires disclosure of the principal risks and uncertainties facing a company. The Trust is exposed to a number of financial risks including credit, cash flow and liquidity risks. Given the Trust's exposure to financial instruments being limited, the exposure principally relates to bank balances, cash and trade creditors, with limited trade (and other) debtors. The trust's system of internal controls ensures risk is minimal in these areas.

A risk register has been established and is updated regularly. Where appropriate, systems or procedures have been established to mitigate the risks the Trust faces. Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects.

The Trustees have assessed the major risks to which the Trust is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the Trust, and its finances. The Trustees have implemented a number of systems to assess risks that the Academies face, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and school trips) and in relation to the control of finance. They have introduced systems, including operational procedures (e.g. vetting of new staff and visitors, supervision of school grounds) and internal financial controls (see below) in order to minimise risk. Where significant financial risk still remains they have ensured they have adequate insurance cover.

The Trust has an effective system of internal financial controls and this is explained in more detail in the Governance Statement.

It should also be noted that procedures are in place to ensure compliance with the health and safety regulations, pertaining to both staff and pupils.

Please refer to the Reserves Policy above for a description of the defined benefit pension scheme, in which there was a deficit at 31 August 2023. Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.

Fundraising

The Academy engages in limited fundraising throughout the academic year, both for specific projects and to augment the annual education budget. The primary fundraising income is the School Development Fund, a gift aid scheme whereby parents of students donate one-off or regular amounts to the school. The majority of this fund has been set aside to enhance the school's new facilities above and beyond what has been funded by the DfE.

Plans for Future Periods

The country has emerged from the worst effects of the COVID-19 pandemic, but now faces political uncertainty both locally and abroad, as well as potentially the worst 'cost of living crisis' in living memory. This will undoubtedly have a material effect on our financial plans, as well as affecting our staff and the families that we serve. In the 2022-23 academic year, we will continue to work to secure our students' future prospects for higher education and employment, and take advantage of the improved capacity and facilities as a result of the rebuilding project.

We will continue to ensure that there is a comprehensive plan for closing the 'COVID gap' in students' academic knowledge and understanding and in their social and personal development. Prioritisation of staffing and the additional funding provided by the Government's 'Catch-up Premium' will support personalised intervention where appropriate.

The expansion of the academy will continue beyond 2021-22 with the growth extending into the Sixth Form in 2022-23 and 2023-24. This will require further additional staffing resource to ensure an appropriate breadth of subject options can be maintained. Now that we have taken ownership of our new buildings, an ongoing site improvement plan will guide the strategic development of additional facilities and resources across the site, in addition to a plan to upgrade our legacy buildings. This will be funded from the revenue budget, bids to the Condition Improvement Fund and the proceeds from the sale to a development company of the caretaker's house and additional plot.

Funds Held as Custodian Trustee on Behalf of Others

The Academy Trust and its Trustees did not act as custodian trustee during the current or previous period.

LANGLEY GRAMMAR SCHOOL
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

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 6 December 2023 and signed on the board's behalf by:



Craig Young
Chair of the Resources and Audit Committee

LANGLEY GRAMMAR SCHOOL
(A company limited by guarantee)

GOVERNANCE STATEMENT

Scope of responsibility

As Trustees we acknowledge we have overall responsibility for ensuring that Langley Grammar 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.

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

The Board of Trustees (normally referred to as the Governing Board) 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 Langley Grammar School and the Secretary of State for Education. They are also responsible for reporting to the Governing Board 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 5 times during the year.

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

| Trustee | Meetings Attended / Possible Meetings |
|-------------------------------|--|
| V Boothnath | 2/5 |
| C Brackenbury | 5/5 |
| S Branquinho | 4/5 |
| J Constable (Headteacher) | 4/5 |
| C Fitzgerald | 4/5 |
| V Jain (stood down 01/09/22) | 4/5 |
| J Kirk (CoG) | 5/5 |
| K Nagra (stood down 30/06/22) | 2/4 |
| A Nanda | 2/5 |
| I Neta | 2/5 |
| D Sekhon | 5/5 |
| C Shine (stood down 8/7/22) | 4/5 |
| S Sidhu | 3/5 |
| N Singh | 4/5 |
| S Wilkinson | 5/5 |

The Resources (and Audit) Committee is a sub-committee of the main Governing Board. Its purpose is to make sure that the Academy is following the ESFA's financial regulations.

LANGLEY GRAMMAR SCHOOL
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

Attendance at meetings in the year was as follows:

| Trustee | Meetings Attended / All Meetings |
|---------------------------|---|
| J Constable (Headteacher) | 3/4 |
| K Nagra | 4/4 |
| V Boothanth | 2/4 |
| J Kirk (CoG) | 4/4 |
| A Nanda | 4/4 |
| D Sekhon | 2/4 |
| N Singh | 3/4 |
| G Botha (advisor) | 4/4 |

The audit committee function is carried out within the Resources (and Audit Committee). The purpose of the Audit Committee is to maintain an oversight of the Academy Trust's financial, governance, risk management and internal control systems and report its findings periodically as appropriate but not less than annually to the Board of Trustees, Governing Body and the Accounting Officer as a critical element of the Academy Trust's annual reporting requirements. The Resources Committee will:

- Take delegated responsibility on behalf of the Governing Board for examining and reviewing all systems and methods of control, both financial and otherwise, including risk analysis and risk management; and for ensuring the Academy Trust is complying with the overall requirements for internal scrutiny, as specified in the Academies Trust Handbook.
- Agree an annual programme of work to deliver internal scrutiny that provides coverage across the year, and who will perform the work.
- Review the risk register to inform the programme of work, ensuring checks are modified as appropriate each year.
- Ensure that the programme of internal scrutiny delivers objective and independent assurance.
- Consider reports at each meeting from those carrying out the programme of work and consider progress in addressing recommendations.
- Advise the Governing Board on the adequacy and effectiveness of the Academy Trust's systems of internal control and governance processes, securing economy, efficiency and effectiveness (value for money).
- Consider the appropriateness of executive action following internal scrutiny reviews and to advise senior management, the Governing Board on any additional or alternative steps to be taken.
- Advise the Governing Board on the appointment, reappointment, dismissal and remuneration of auditors (both external auditors and internal scrutiny).
- Review the findings of the external auditors and agree any action plan arising from them. Monitor the effectiveness of auditors.
- Ensure that additional services undertaken by the auditors are compatible with the audit independence and objectivity.
- Encourage a culture within the Academy Trust whereby each individual feels that s/he has a part to play in guarding the probity of the Academy Trust, and is able to take any concerns or worries to an appropriate member of the management team or in exceptional circumstances directly to the Governing Board.

No significant issues to note were dealt with during the year.

GOVERNANCE STATEMENT (CONTINUED)

Review of value for money

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

The Accounting Officer considers how the Trust's use of its resources has provided good value for money during each academic year, and reports to the Governing Board where value for money can be improved, including the use of benchmarking data where available. The Accounting Officer for the Academy Trust has delivered improved value for money during the year by:

Cost effective purchasing

- The use of tendering procedures when required for major expenditure items
- Using an outside agency to oversee tendering for gas and electricity to ensure best value
- Considering different suppliers for all purchases
- Sharing knowledge with other local schools
- Challenging the need for all purchases
- Changing insurance provider for all insurance from the open market to the RPA (where the RPA offers relevant cover).

Effective use of staff and technology

- Optimising the timetable to control staffing costs and consider overall timetable requirements when filling vacancies
- For support staff vacancies, consideration given to the most cost effective solution which may involve not replacing or minor restructuring
- Utilising expertise within the Academy Trust for professional development of other staff
- The use of cashless catering to streamline administrative processes

Income generation

- Operating a Gift Aid scheme
- Optimising use of Sports Centre to generate additional revenue

Reviewing controls and managing risk

- Regular reports are prepared for Resources (and Audit) Committee and budget holders to ensure spending is within budget
- Insurance cover reviewed to ascertain appropriate level of cover is maintained
- Risks concerning overspending are included in the Risk Register which is regularly reviewed.

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 Langley Grammar School for the year to 31 August 2023 and up to the date of approval of the annual report and financial statements.

GOVERNANCE STATEMENT (CONTINUED)

Capacity to handle risk

The Governing Board has reviewed the key risks to which the Academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Governing Board is of the view that there is a formal on-going process for identifying, evaluating and managing the Academy's significant risks that has been in place for the year to 31 August 2023 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Governing Board.

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
- identification and management of risks.

The Governing Board has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However the Trustees have appointed Sudhi Pathak, Director of Finance and Operations of The Eden Academy Trust, to perform peer reviews.

The reviewer's role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. In particular the checks carried out in the current period included:

- governance arrangements
- risk management
- testing of control account/ bank reconciliations
- testing of budgetary control
- reviewing any actions from the audit management letter

On a termly basis, the reviewer reports to the Governing Board, through the Resources (and Audit) Committee on the operation of the systems of control and on the discharge of the Governing Board's financial responsibilities.

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 peer reviewer;
- the work of the external auditors;
- the financial management and governance self-assessment process; and
- the work of the executive leaders and staff within the Academy who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Resources (and Audit) Committee and a plan to address any weaknesses and ensure continuous improvement of the system is in place.

LANGLEY GRAMMAR SCHOOL
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Approved by order of the members of the Board of Trustees on 6 December 2023 and signed on their behalf by:



Craig Young
Chair of the Resources and Audit Committee



John Constable
Accounting Officer

LANGLEY GRAMMAR SCHOOL
(A company limited by guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Langley Grammar School I have considered my responsibility to notify the academy trust board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding, including for estates safety and management, under the funding agreement between the academy trust and the Secretary of State for Education. As part of my consideration, I have had due regard to the requirements of the Academy Trust Handbook 2022, including responsibilities for estates safety and management.

I confirm that I and the Academy Board of Trustees are able to identify any material irregular or improper use of all funds by the Academy, or material non-compliance with the terms and conditions of funding under the Academy's funding agreement and the Academy Trust Handbook 2022.

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



John Constable
Accounting Officer
Date: 6 December 2023

LANGLEY GRAMMAR SCHOOL
(A company limited by guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2023

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 and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023;
- 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 6 December 2023 and signed on its behalf by:



Craig Young
Chair of the Resources and Audit Committee

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
LANGLEY GRAMMAR SCHOOL**

Opinion

We have audited the financial statements of Langley Grammar School (the 'academy') for the year ended 31 August 2023 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy's affairs as at 31 August 2023 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023 issued by the Education and Skills Funding Agency.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

LANGLEY GRAMMAR SCHOOL
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
LANGLEY GRAMMAR SCHOOL (CONTINUED)**

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The Trustees are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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 including the Strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report and the Strategic report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the Academy and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report including the Strategic report.

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

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

Responsibilities of trustees

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

In preparing the financial statements, the Trustees are responsible for assessing the Academy'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 Academy or to cease operations, or have no realistic alternative but to do so.

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
LANGLEY GRAMMAR SCHOOL (CONTINUED)**

Auditors' responsibilities for the audit of the financial statements

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

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

We considered the nature of the industry and its control environment, and reviewed the academy's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory framework that the academy's operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included the UK Companies Act and tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the charitable company's ability to operate or to avoid a material penalty.
- We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management, and external legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

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

LANGLEY GRAMMAR SCHOOL
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
LANGLEY GRAMMAR SCHOOL (CONTINUED)**

Use of our report

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

Carly Pinkus

Carly Pinkus (Senior statutory auditor)

for and on behalf of

BKL Audit LLP

Chartered Accountants
Statutory Auditor

35 Ballards Lane
London
N3 1XW

6 December 2023

LANGLEY GRAMMAR SCHOOL
(A company limited by guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO LANGLEY GRAMMAR SCHOOL AND THE EDUCATION AND SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 8 May 2017 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2022 to 2023, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Langley Grammar School during the year 1 September 2022 to 31 August 2023 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Langley Grammar School's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Langley Grammar School's funding agreement with the Secretary of State for Education dated 24 March 2011 and the Academy Trust Handbook, extant from 1 September 2022, 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 2022 to 2023. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2022 to 31 August 2023 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Framework and Guide for External Auditors and Reporting Accountant of Academy Trusts issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw to our conclusion includes:

- review of management reporting documents.
- review of Trustees/Governors meeting minutes.
- confirming compliance with the Academy Trust's Scheme of Delegation.
- compliance with delegated authorities.
- consideration of whether any personal benefit has been derived from the Academy Trust's transactions by staff or related parties.
- adherence to tendering policies.

LANGLEY GRAMMAR SCHOOL
(A company limited by guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO LANGLEY GRAMMAR SCHOOL AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)

Conclusion

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2022 to 31 August 2023 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

BKL Audit LLP

Reporting Accountant

BKL Audit LLP

Chartered Accountants
Statutory Auditor

35 Ballards Lane
London
N3 1XW

Date: 6 December 2023

LANGLEY GRAMMAR SCHOOL
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2023**

| | Note | Unrestricted funds 2023 £000 | Restricted funds 2023 £000 | Restricted fixed asset funds 2023 £000 | Total funds 2023 £000 | Total funds 2022 £000 |
|--|------|---------------------------------------|-------------------------------------|--|--------------------------------|--------------------------------|
| Income from: | | | | | | |
| Donations and capital grants | 3 | - | - | 391 | 391 | 26 |
| Other trading activities | 5 | 364 | 933 | - | 1,297 | 1,168 |
| Investments | | 5 | - | - | 5 | 1 |
| Charitable activities | 4 | - | 7,666 | - | 7,666 | 7,100 |
| Teaching schools | | - | - | - | - | 68 |
| Total income | | 369 | 8,599 | 391 | 9,359 | 8,363 |
| Expenditure on: | | | | | | |
| Raising funds | | 340 | 366 | - | 706 | 600 |
| Charitable activities | 7 | - | 7,987 | 730 | 8,717 | 8,099 |
| Teaching schools | | - | - | - | - | 163 |
| Total expenditure | | 340 | 8,353 | 730 | 9,423 | 8,862 |
| Net income/(expenditure) | | 29 | 246 | (339) | (64) | (499) |
| Transfers between funds | 15 | - | (364) | 364 | - | - |
| Net movement in funds before other recognised gains | | 29 | (118) | 25 | (64) | (499) |
| Other recognised gains: | | | | | | |
| Actuarial gains on defined benefit pension schemes | 21 | - | 627 | - | 627 | 2,531 |
| Net movement in funds | | 29 | 509 | 25 | 563 | 2,032 |
| Reconciliation of funds: | | | | | | |
| Total funds brought forward | | 458 | (647) | 28,840 | 28,651 | 26,619 |
| Net movement in funds | | 29 | 509 | 25 | 563 | 2,032 |
| Total funds carried forward | | 487 | (138) | 28,865 | 29,214 | 28,651 |

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 25 to 47 form part of these financial statements.

LANGLEY GRAMMAR SCHOOL
(A company limited by guarantee)
REGISTERED NUMBER: 07536795

BALANCE SHEET
AS AT 31 AUGUST 2023

| | Note | 2023 £000 | 2022 £000 |
|--|------|----------------------|----------------------|
| Fixed assets | | | |
| Tangible assets | 12 | 28,865 | 28,840 |
| | | <u>28,865</u> | <u>28,840</u> |
| Current assets | | | |
| Debtors | 13 | 309 | 347 |
| Cash at bank and in hand | | 1,376 | 1,386 |
| | | <u>1,685</u> | <u>1,733</u> |
| Creditors: amounts falling due within one year | 14 | (621) | (685) |
| Net current assets | | <u>1,064</u> | <u>1,048</u> |
| Total assets less current liabilities | | <u>29,929</u> | <u>29,888</u> |
| Net assets excluding pension liability | | <u>29,929</u> | <u>29,888</u> |
| Defined benefit pension scheme liability | 21 | (715) | (1,237) |
| Total net assets | | <u><u>29,214</u></u> | <u><u>28,651</u></u> |
| Funds of the Academy | | | |
| Restricted funds: | | | |
| Fixed asset funds | 15 | 28,865 | 28,840 |
| Restricted income funds | 15 | 577 | 590 |
| | | <u>29,442</u> | <u>29,430</u> |
| Restricted funds excluding pension asset | 15 | 29,442 | 29,430 |
| Pension reserve | 15 | (715) | (1,237) |
| Total restricted funds | 15 | <u>28,727</u> | <u>28,193</u> |
| Unrestricted income funds | 15 | 487 | 458 |
| Total funds | | <u><u>29,214</u></u> | <u><u>28,651</u></u> |

The financial statements on pages 22 to 47 were approved by the Trustees, and authorised for issue on 06 December 2023 and are signed on their behalf, by:



Craig Young
Chair of the Resources and Audit Committee

The notes on pages 25 to 47 form part of these financial statements.

LANGLEY GRAMMAR SCHOOL
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2023

| | Note | 2023 £000 | 2022 £000 |
|---|-------------|----------------------------|--------------|
| Cash flows from operating activities | | | |
| Net cash provided by operating activities | 17 | 376 | 183 |
| Cash flows from investing activities | 18 | (386) | (190) |
| Change in cash and cash equivalents in the year | | (10) | (7) |
| Cash and cash equivalents at the beginning of the year | | 1,386 | 1,393 |
| Cash and cash equivalents at the end of the year | 19, 20 | <u>1,376</u> | <u>1,386</u> |

The notes on pages 25 to 47 form part of these financial statements

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

1. Accounting policies

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

1.1 Basis of preparation of financial statements

The financial statements of the Academy, which is a public benefit entity under FRS 102, have been prepared under the historic 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 2022 to 2023 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

1.2 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 Academy 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 has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Income

All incoming resources are recognised when the Academy 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 year is deducted from income and recognised as a liability.

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

• **Donations**

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

• **Other income**

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

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

1. Accounting policies (continued)

1.4 Expenditure

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

- **Expenditure on raising funds**

This includes all expenditure incurred by the Academy to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Tangible fixed assets

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

Depreciation is provided on all tangible fixed assets other than freehold land 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:

Depreciation is provided on the following bases:

| | |
|------------------------|--------------------|
| Freehold property | - 10 - 45 years |
| Furniture and Fixtures | - 4 years |
| Plant and machinery | - 4% straight line |
| Computer equipment | - 3 years |

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.

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

1. Accounting policies (continued)

1.6 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.7 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.8 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 anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

1.9 Financial instruments

The Academy only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Academy and their measurement bases 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 13. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 14. 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.

1.10 Pensions

Retirement benefits to employees of the Academy 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 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 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

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

1. Accounting policies (continued)

1.10 Pensions (continued)

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.

1.11 Fund accounting

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the 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.

Investment income, gains and losses are allocated to the appropriate fund.

2. Critical accounting estimates and areas of judgment

Estimates and judgments 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 makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 21, 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 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

LANGLEY GRAMMAR SCHOOL
(A company limited by guarantee)

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

3. Income from donations and capital grants

| | Restricted fixed asset funds 2023 £000 | Total funds 2023 £000 |
|----------------|---|--|
| Capital Grants | 391 | 391 |

| | Restricted fixed asset funds 2022 £000 | Total funds 2022 £000 |
|----------------|---|--|
| Capital Grants | 26 | 26 |

4. Funding for the Academy's charitable activities

| | Restricted funds 2023 £000 | Total funds 2023 £000 |
|--------------------------------|---|--|
| DfE/ESFA grants | | |
| General Annual Grant | 7,221 | 7,221 |
| Other DfE/ESFA grants | | |
| Other DfE/ESFA grants | 363 | 363 |
| Pupil Premium | 58 | 58 |
| | <u>7,642</u> | <u>7,642</u> |
| Other Government grants | | |
| Local authority grants | 24 | 24 |
| | <u>24</u> | <u>24</u> |
| | <u>7,666</u> | <u>7,666</u> |
| | <u>7,666</u> | <u>7,666</u> |

LANGLEY GRAMMAR SCHOOL
(A company limited by guarantee)

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

4. Funding for the Academy's charitable activities (continued)

| | Restricted funds 2022 £000 | Total funds 2022 £000 |
|--------------------------------|-------------------------------------|--------------------------------|
| DfE/ESFA grants | | |
| General Annual Grant | 6,656 | 6,656 |
| Other DfE/ESFA grants | | |
| Other DfE/EFA Grants | 207 | 207 |
| Pupil premium | 68 | 68 |
| | <hr/> 6,931 | <hr/> 6,931 |
| Other Government grants | | |
| Local authority grants | 169 | 169 |
| | <hr/> 169 | <hr/> 169 |
| | <hr/> 7,100 | <hr/> 7,100 |
| | <hr/> 7,100 | <hr/> 7,100 |
| | <hr/> <hr/> | <hr/> <hr/> |

5. Income from other trading activities

| | Unrestricted funds 2023 £000 | Restricted funds 2023 £000 | Total funds 2023 £000 |
|-----------------|---------------------------------------|-------------------------------------|--------------------------------|
| Lettings income | 110 | - | 110 |
| Trip income | - | 360 | 360 |
| Catering income | 254 | - | 254 |
| Other income | - | 573 | 573 |
| | <hr/> 364 | <hr/> 933 | <hr/> 1,297 |
| | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> |

LANGLEY GRAMMAR SCHOOL
(A company limited by guarantee)

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

5. Income from other trading activities (continued)

| | Unrestricted funds 2022 £000 | Restricted funds 2022 £000 | Total funds 2022 £000 |
|-----------------|---------------------------------------|-------------------------------------|--------------------------------|
| Lettings income | 101 | - | 101 |
| Trip income | - | 266 | 266 |
| Catering income | 233 | - | 233 |
| Other income | - | 568 | 568 |
| | <u>334</u> | <u>834</u> | <u>1,168</u> |

6. Expenditure

| | Staff Costs 2023 £000 | Premises 2023 £000 | Other 2023 £000 | Total 2023 £000 |
|--|-----------------------------|--------------------------|-----------------------|-----------------------|
| Expenditure on raising voluntary income: | | | | |
| Direct costs | - | - | 706 | 706 |
| Educational activities: | | | | |
| Direct costs | 5,552 | 674 | 701 | 6,927 |
| Allocated support costs | 933 | 699 | 158 | 1,790 |
| Teaching school | - | - | - | - |
| | <u>6,485</u> | <u>1,373</u> | <u>1,565</u> | <u>9,423</u> |

| | Staff Costs 2022 £000 | Premises 2022 £000 | Other 2022 £000 | Total 2022 £000 |
|--|-----------------------------|--------------------------|-----------------------|-----------------------|
| Expenditure on raising voluntary income: | | | | |
| Direct costs | - | - | 600 | 600 |
| Educational activities: | | | | |
| Direct costs | 5,110 | 653 | 617 | 6,380 |
| Allocated support costs | 1,019 | 456 | 244 | 1,719 |
| Teaching school | - | - | 163 | 163 |
| | <u>6,129</u> | <u>1,109</u> | <u>1,624</u> | <u>8,862</u> |

LANGLEY GRAMMAR SCHOOL
(A company limited by guarantee)

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

7. Analysis of expenditure by activities

| | Activities undertaken directly 2023 £000 | Support costs 2023 £000 | Total funds 2023 £000 |
|------------------------|---|--|--|
| Educational activities | 6,927 | 1,790 | 8,717 |

| | Activities undertaken directly 2022 £000 | Support costs 2022 £000 | Total funds 2022 £000 |
|------------------------|---|--|--|
| Educational activities | 6,380 | 1,719 | 8,099 |

Analysis of direct costs

| | Educational activities 2023 £000 | Total funds 2023 £000 |
|-----------------------|---|--|
| Staff costs | 5,509 | 5,509 |
| Depreciation | 730 | 730 |
| Technology costs | 95 | 95 |
| Educational supplies | 289 | 289 |
| Examination fees | 172 | 172 |
| Staff development | 10 | 10 |
| Other direct costs | 79 | 79 |
| Teaching supply costs | 43 | 43 |
| | 6,927 | 6,927 |

LANGLEY GRAMMAR SCHOOL
(A company limited by guarantee)

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

7. Analysis of expenditure by activities (continued)

Analysis of direct costs (continued)

| | Educational activities 2022 £000 | Total funds 2022 £000 |
|-----------------------|---|--------------------------------|
| Staff costs | 5,050 | 5,050 |
| Depreciation | 730 | 730 |
| Technology costs | 55 | 55 |
| Educational supplies | 263 | 263 |
| Examination fees | 119 | 119 |
| Staff development | 10 | 10 |
| Other direct costs | 93 | 93 |
| Teaching supply costs | 60 | 60 |
| | <hr/> 6,380 | <hr/> 6,380 |
| | <hr/> <hr/> | <hr/> <hr/> |

Analysis of support costs

| | Educational activities 2023 £000 | Total funds 2023 £000 |
|---------------------------------------|---|--------------------------------|
| Pension finance costs | 49 | 49 |
| Staff costs | 772 | 772 |
| Recruitment and support | 35 | 35 |
| Maintenance of premises and equipment | 75 | 75 |
| Cleaning | 143 | 143 |
| Rent and rates | 97 | 97 |
| Energy costs | 195 | 195 |
| Insurance | 31 | 31 |
| Security and transport | 11 | 11 |
| Support staff supply costs | 105 | 105 |
| Other support costs | 172 | 172 |
| Governance costs | 49 | 49 |
| Non cash pension costs | 56 | 56 |
| | <hr/> 1,790 | <hr/> 1,790 |
| | <hr/> <hr/> | <hr/> <hr/> |

LANGLEY GRAMMAR SCHOOL
(A company limited by guarantee)

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

7. Analysis of expenditure by activities (continued)

Analysis of support costs (continued)

| | Educational activities 2022 £000 | Total funds 2022 £000 |
|---------------------------------------|---|--------------------------------|
| Pension finance costs | 55 | 55 |
| Staff costs | 607 | 607 |
| Recruitment and support | 38 | 38 |
| Maintenance of premises and equipment | 49 | 49 |
| Cleaning | 147 | 147 |
| Rent and rates | 74 | 74 |
| Energy costs | 145 | 145 |
| Insurance | 29 | 29 |
| Security and transport | 13 | 13 |
| Support staff supply costs | 144 | 144 |
| Other support costs | 125 | 125 |
| Governance costs | 25 | 25 |
| Non cash pension costs | 268 | 268 |
| | <u>1,719</u> | <u>1,719</u> |

8. Net income/(expenditure)

Net income/(expenditure) for the year includes:

| | 2023 £000 | 2022 £000 |
|---------------------------------------|----------------------|--------------|
| Depreciation of tangible fixed assets | 730 | 730 |
| Fees paid to auditors for: | | |
| - audit | 5 | 4 |
| - other services | 4 | 3 |
| | <u>5</u> | <u>3</u> |

LANGLEY GRAMMAR SCHOOL
(A company limited by guarantee)

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

9. Staff

a. Staff costs

Staff costs during the year were as follows:

| | 2023 | 2022 |
|----------------------------|--------------------------|-------------------|
| | £000 | £000 |
| Wages and salaries | 4,739 | 4,284 |
| Social security costs | 505 | 440 |
| Pension costs | 1,037 | 933 |
| | <hr/> 6,281 | <hr/> 5,657 |
| Supply teaching costs | 43 | 60 |
| Support staff supply costs | 105 | 144 |
| Non cash pension costs | 56 | 268 |
| | <hr/> 6,485 <hr/> | <hr/> 6,129 <hr/> |

b. Staff numbers

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

| | 2023 | 2022 |
|----------------------------|------------------------|-----------------|
| | No. | No. |
| Teachers | 80 | 80 |
| Administration and support | 35 | 34 |
| Management | 7 | 7 |
| | <hr/> 122 <hr/> | <hr/> 121 <hr/> |

c. Higher paid staff

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

| | 2023 | 2022 |
|---------------------------------|-----------------------|----------------|
| | No. | No. |
| In the band £60,001 - £70,000 | 4 | 8 |
| In the band £70,001 - £80,000 | 5 | 1 |
| In the band £110,001 - £120,000 | - | 1 |
| In the band £130,001 - £140,000 | 1 | - |
| | <hr/> 10 <hr/> | <hr/> 10 <hr/> |

LANGLEY GRAMMAR SCHOOL
(A company limited by guarantee)

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

9. Staff (continued)

d. Key management personnel

The key management personnel of the Academy comprise the Trustees and the senior management team as listed on page 1. The total amount of key management personnel benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy was £696,903 (2022 - £638,147).

10. Trustees' remuneration and expenses

One or more Trustees has been paid remuneration or has received other benefits from an employment with the Academy. 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:

| | | 2023 | 2022 |
|---|----------------------------|------------------|-----------|
| | | £000 | £000 |
| J Constable, Headteacher and Accounting Officer | Remuneration | 130 - 135 | 115 - 120 |
| | Pension contributions paid | 30 - 35 | 25 - 30 |
| Z Power (appointed October 2022) | Remuneration | 40 - 45 | NIL |
| | Pension contributions paid | 5 - 10 | NIL |
| C Shine (appointed 4 May 2020) | Remuneration | NIL | 20 - 25 |
| | Pension contributions paid | NIL | 0 - 5 |
| S Wilkinson (appointed 4 May 2020) | Remuneration | 60 - 65 | 55 - 60 |
| | Pension contributions paid | 0 - 5 | 0 - 5 |

During the year ended 31 August 2023, no Trustee expenses have been incurred (2022 - £NIL).

11. Trustees' and Officers' insurance

The Academy 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 £5,000,000. It is not possible to quantify the Trustees and officers indemnity element from the overall cost of the RPA scheme membership.

LANGLEY GRAMMAR SCHOOL
(A company limited by guarantee)

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

12. Tangible fixed assets

| | Freehold property £000 | Furniture and equipment £000 | Plant and machinery £000 | Computer equipment £000 | Total £000 |
|--------------------------|------------------------------|---------------------------------------|--------------------------------|-------------------------------|---------------|
| Cost or valuation | | | | | |
| At 1 September 2022 | 30,731 | 474 | 200 | 689 | 32,094 |
| Additions | - | 126 | 596 | 33 | 755 |
| At 31 August 2023 | <u>30,731</u> | <u>600</u> | <u>796</u> | <u>722</u> | <u>32,849</u> |
| Depreciation | | | | | |
| At 1 September 2022 | 2,291 | 287 | 61 | 615 | 3,254 |
| Charge for the year | 555 | 109 | 10 | 56 | 730 |
| At 31 August 2023 | <u>2,846</u> | <u>396</u> | <u>71</u> | <u>671</u> | <u>3,984</u> |
| Net book value | | | | | |
| At 31 August 2023 | <u>27,885</u> | <u>204</u> | <u>725</u> | <u>51</u> | <u>28,865</u> |
| At 31 August 2022 | <u>28,440</u> | <u>187</u> | <u>139</u> | <u>74</u> | <u>28,840</u> |

13. Debtors

| | 2023 £000 | 2022 £000 |
|--------------------------------|--------------|--------------|
| Due within one year | | |
| Trade debtors | 1 | 1 |
| Other debtors | 77 | 169 |
| Prepayments and accrued income | 231 | 177 |
| | <u>309</u> | <u>347</u> |

LANGLEY GRAMMAR SCHOOL
(A company limited by guarantee)

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

14. Creditors: Amounts falling due within one year

| | 2023 | 2022 |
|--|-------------------|------------|
| | £000 | £000 |
| Trade creditors | 44 | 196 |
| Other taxation and social security | 243 | 219 |
| Other creditors | 178 | 164 |
| Accruals and deferred income | 156 | 106 |
| | <u>621</u> | <u>685</u> |
| | <u>621</u> | <u>685</u> |
| | 2023 | 2022 |
| | £000 | £000 |
| Deferred income at beginning of period | 95 | 67 |
| Resources deferred during the year | - | 95 |
| Amounts released from previous periods | (95) | (67) |
| | <u>-</u> | <u>95</u> |
| | <u>-</u> | <u>95</u> |

LANGLEY GRAMMAR SCHOOL
(A company limited by guarantee)

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

15. Statement of funds

| | Balance at 1 September 2022 £000 | Income £000 | Expenditure £000 | Transfers in/out £000 | Gains/ (Losses) £000 | Balance at 31 August 2023 £000 |
|--|---|----------------|---------------------|-----------------------------|----------------------------|---|
| Unrestricted funds | | | | | | |
| General Funds - all funds | 458 | 369 | (340) | - | - | 487 |
| Restricted general funds | | | | | | |
| GAG | 685 | 7,221 | (6,965) | (364) | - | 577 |
| Pupil premium | - | 58 | (58) | - | - | - |
| Other ESFA funding | - | 363 | (363) | - | - | - |
| SEN funding (LA) | - | 24 | (24) | - | - | - |
| Teaching school hub | (95) | - | 95 | - | - | - |
| General funds | - | 933 | (933) | - | - | - |
| Pension reserve | (1,237) | - | (105) | - | 627 | (715) |
| | (647) | 8,599 | (8,353) | (364) | 627 | (138) |
| Restricted fixed asset funds | | | | | | |
| Restricted Fixed Asset Funds - All Funds | 29,882 | 391 | (730) | 364 | - | 29,907 |
| Devolved Formula Capital | 25 | - | - | - | - | 25 |
| Demolishment of buildings | (1,067) | - | - | - | - | (1,067) |
| | 28,840 | 391 | (730) | 364 | - | 28,865 |
| Total Restricted funds | 28,193 | 8,990 | (9,083) | - | 627 | 28,727 |
| Total funds | 28,651 | 9,359 | (9,423) | - | 627 | 29,214 |

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

Restricted funds are resources for educational purposes.

LANGLEY GRAMMAR SCHOOL
(A company limited by guarantee)

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

15. Statement of funds (continued)

Restricted fixed asset funds are resources for particular capital expenditure purposes.

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

Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG it could carry forward at 31 August 2023.

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

| | Balance at 1 September 2021 £000 | Income £000 | Expenditure £000 | Transfers in/out £000 | Gains/ (Losses) £000 | Balance at 31 August 2022 £000 |
|---------------------------------|---|----------------|---------------------|-----------------------------|----------------------------|---|
| Unrestricted funds | | | | | | |
| General Funds - all funds | 467 | 335 | (344) | - | - | 458 |
| Restricted general funds | | | | | | |
| GAG | 243 | 6,656 | (6,024) | (190) | - | 685 |
| Pupil premium | - | 68 | (68) | - | - | - |
| Other ESFA funding | - | 196 | (196) | - | - | - |
| SEN funding | - | 13 | (13) | - | - | - |
| FSM | - | 11 | (11) | - | - | - |
| Growth funding (LA) | - | 156 | (156) | - | - | - |
| Teaching school hub | - | 68 | (163) | - | - | (95) |
| General funds | - | 834 | (834) | - | - | - |
| Pension reserve | (3,445) | - | (323) | - | 2,531 | (1,237) |
| | (3,202) | 8,002 | (7,788) | (190) | 2,531 | (647) |

LANGLEY GRAMMAR SCHOOL
(A company limited by guarantee)

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

15. Statement of funds (continued)

| | Balance at 1 September 2021 £000 | Income £000 | Expenditure £000 | Transfers in/out £000 | Gains/ (Losses) £000 | Balance at 31 August 2022 £000 |
|--|---|---------------------|-----------------------|-----------------------------|----------------------------|---|
| Restricted fixed asset funds | | | | | | |
| Restricted Fixed Asset Funds - All Funds | 30,396 | 27 | (731) | 190 | - | 29,882 |
| Devolved Formula Capital | 25 | - | - | - | - | 25 |
| Demolishment of buildings | (1,067) | - | - | - | - | (1,067) |
| | <u>29,354</u> | <u>27</u> | <u>(731)</u> | <u>190</u> | <u>-</u> | <u>28,840</u> |
| Total Restricted funds | <u>26,152</u> | <u>8,029</u> | <u>(8,519)</u> | <u>-</u> | <u>2,531</u> | <u>28,193</u> |
| Total funds | <u><u>26,619</u></u> | <u><u>8,364</u></u> | <u><u>(8,863)</u></u> | <u><u>-</u></u> | <u><u>2,531</u></u> | <u><u>28,651</u></u> |

16. Analysis of net assets between funds

Analysis of net assets between funds - current year

| | Unrestricted funds 2023 £000 | Restricted funds 2023 £000 | Restricted fixed asset funds 2023 £000 | Total funds 2023 £000 |
|--|---------------------------------------|-------------------------------------|--|--------------------------------|
| Tangible fixed assets | - | - | 28,865 | 28,865 |
| Current assets | 487 | 1,198 | - | 1,685 |
| Creditors due within one year | - | (621) | - | (621) |
| Provisions for liabilities and charges | - | (715) | - | (715) |
| Total | <u><u>487</u></u> | <u><u>(138)</u></u> | <u><u>28,865</u></u> | <u><u>29,214</u></u> |

LANGLEY GRAMMAR SCHOOL
(A company limited by guarantee)

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

16. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

| | Unrestricted funds 2022 £000 | Restricted funds 2022 £000 | Restricted fixed asset funds 2022 £000 | Total funds 2022 £000 |
|--|---------------------------------------|-------------------------------------|--|--------------------------------|
| Tangible fixed assets | - | - | 28,840 | 28,840 |
| Current assets | 553 | 1,180 | - | 1,733 |
| Creditors due within one year | (95) | (590) | - | (685) |
| Provisions for liabilities and charges | - | (1,237) | - | (1,237) |
| Total | 458 | (647) | 28,840 | 28,651 |

17. Reconciliation of net expenditure to net cash flow from operating activities

| | 2023 £000 | 2022 £000 |
|---|----------------------|--------------|
| Net expenditure for the year (as per Statement of financial activities) | (64) | (499) |
| Adjustments for: | | |
| Depreciation | 730 | 730 |
| Capital grants from DfE and other capital income | (369) | (26) |
| Defined benefit pension scheme cost less contributions payable | 56 | 268 |
| Defined benefit pension scheme finance cost | 49 | 55 |
| Decrease in debtors | 38 | 69 |
| Decrease in creditors | (64) | (414) |
| Net cash provided by operating activities | 376 | 183 |

18. Cash flows from investing activities

| | 2023 £000 | 2022 £000 |
|--|----------------------|--------------|
| Purchase of tangible fixed assets | (755) | (216) |
| Capital grants from DfE Group | 369 | 26 |
| Net cash used in investing activities | (386) | (190) |

LANGLEY GRAMMAR SCHOOL
(A company limited by guarantee)

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

19. Analysis of cash and cash equivalents

| | 2023 £000 | 2022 £000 |
|--|--------------|--------------|
| Cash in hand and at bank | 1,376 | 1,386 |
| Total cash and cash equivalents | 1,376 | 1,386 |

20. Analysis of changes in net debt

| | At 1 September 2022 £000 | Cash flows £000 | At 31 August 2023 £000 |
|--------------------------|-----------------------------------|--------------------|------------------------------|
| Cash at bank and in hand | 1,386 | (10) | 1,376 |
| | 1,386 | (10) | 1,376 |

21. Pension commitments

The Academy'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 Royal Borough of Windsor and Maidenhead. Both are multi-employer defined benefit schemes.

The latest valuation of the TPS related to the period ended 31 March 2020 and the latest triennial valuation for LGPS related to the period ended 31 March 2022. The Trust has received an actuarial report relating to the valuation of the LGPS as at 31 August 2023.

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

Teachers' Pension Scheme

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

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

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

21. Pension commitments (continued)

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS impacting these financial statements 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 2024.

The employer's pension costs paid to TPS in the year amounted to £837,000 (2022 - £775,000).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (<https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx>).

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2023 was £258,000 (2022 - £206,000), of which employer's contributions totalled £204,000 (2022 - £150,000) and employees' contributions totalled £54,000 (2022 - £56,000). The agreed contribution rates for future years are 22.60 per cent for employers and between 5.5 - 12.5 per cent for employees.

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

LANGLEY GRAMMAR SCHOOL
(A company limited by guarantee)

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

21. Pension commitments (continued)

Principal actuarial assumptions

Royal County of Berkshire Pension Fund

| | 2023 | 2022 |
|--|-------------|------|
| | % | % |
| Rate of increase in salaries | 3.85 | 4.05 |
| Rate of increase for pensions in payment/inflation | 2.85 | 3.05 |
| Discount rate for scheme liabilities | 5.35 | 4.25 |

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

| | 2023 | 2022 |
|----------------------|-------------|-------|
| | Years | Years |
| Retiring today | | |
| Males | 20.7 | 21.0 |
| Females | 23.6 | 23.8 |
| Retiring in 20 years | | |
| Males | 22.0 | 22.3 |
| Females | 25.0 | 25.3 |

Share of scheme assets

The Academy's share of the assets in the scheme was:

| | At 31 August 2023 | At 31 August 2022 |
|-------------------------------------|------------------------------|----------------------|
| | £000 | £000 |
| Equities | 2,026 | 1,776 |
| Debt | 403 | 423 |
| Property | 381 | 366 |
| Cash and other liquid assets | 23 | 56 |
| Other | 152 | 197 |
| Total market value of assets | 2,985 | 2,818 |

The actual return on scheme assets was £(10,000) (2022 - £169,000).

LANGLEY GRAMMAR SCHOOL
(A company limited by guarantee)

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

21. Pension commitments (continued)

The amounts recognised in the Statement of financial activities are as follows:

| | 2023 £000 | 2022 £000 |
|---|----------------------------|--------------|
| Current service cost | (258) | (415) |
| Interest income | 123 | 43 |
| Interest cost | (172) | (98) |
| Administrative expenses | (2) | (3) |
| Total amount recognised in the Statement of financial activities | (309) | (473) |

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

| | 2023 £000 | 2022 £000 |
|------------------------|----------------------------|--------------|
| At 1 September | 4,055 | 5,962 |
| Current service cost | 258 | 415 |
| Interest cost | 172 | 98 |
| Employee contributions | 54 | 56 |
| Actuarial gains | (747) | (2,405) |
| Benefits paid | (92) | (71) |
| At 31 August | 3,700 | 4,055 |

Changes in the fair value of the Academy's share of scheme assets were as follows:

| | 2023 £000 | 2022 £000 |
|------------------------------|----------------------------|--------------|
| Conversion of academy trusts | 2,818 | 2,517 |
| Interest income | 123 | 43 |
| Actuarial (losses)/gains | (120) | 126 |
| Employer contributions | 204 | 150 |
| Employee contributions | 54 | 56 |
| Benefits paid | (92) | (71) |
| Administrative expenses | (2) | (3) |
| At 31 August | 2,985 | 2,818 |

LANGLEY GRAMMAR SCHOOL
(A company limited by guarantee)

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

22. Operating lease commitments

At 31 August 2023 the Academy had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

| | 2023 £000 | 2022 £000 |
|--|----------------------------|--------------|
| Not later than 1 year | 31 | 60 |
| Later than 1 year and not later than 5 years | 39 | 27 |
| | <u>70</u> | <u>87</u> |

23. 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.

24. Related party transactions

Owing to the nature of the Academy 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 Academy Trust Handbook, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the Academy's financial regulations and normal procurement procedures relating to connected and related party transactions.

No related party transactions took place in the period of account, other than certain Trustees' remuneration and expenses already disclosed in note 10.

25. Post balance sheet event

The supreme court ruling on Harpur vs Brazel (2022) has upheld the ruling impacting holiday pay for part time workers. Employers will now be required to revisit their historical holiday calculations to retrospectively apply this ruling. Whilst this will create a liability for the trust, the government are yet to produce guidance as to the specifics of the calculation required, and hence no accurate provision can currently be made.

Langley Grammar School

Reddington Drive, Langley, Slough, Berkshire, SL3 7QS

08/12/2023

Date:

Your ref: **LAN006**

BKL Audit LLP
35 Ballards Lane
London
N3 1XW

Dear Sirs

Langley Grammar School

The following representations are made on the basis of enquiries of management and staff with relevant knowledge and experience such as we consider necessary in connection with your audit of the academy trust's financial statements and, as relevant, your assurance engagement on regularity for the year ended 31 August 2023. These enquiries have included inspection of supporting documentation where appropriate. All representations are made to the best of our knowledge and belief.

General

1. We have fulfilled our responsibilities as Trustees as set out in the terms of your engagement letter, under the Companies Act 2006 for preparing financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), for being satisfied that they give a true and fair view and for making accurate representations to you.
2. All the transactions undertaken by the academy trust have been properly reflected and recorded in the accounting records.
3. All the accounting records have been made available to you for the purpose of your audit and regularity assurance engagement. We have provided you with unrestricted access to all appropriate persons within the academy trust, and with all other records and related information requested, including minutes of all management and trustee meetings and correspondence with the Education and Skills Funding Agency, Department for Education and the Charity Commission.
4. The financial statements are free of material misstatements, including omissions.
5. We approve all adjustments as set out in Appendix A, and all decisions on issues requiring the exercise of judgement. We believe that those uncorrected misstatements identified during the audit are immaterial

both individually and in aggregate to the financial statements as a whole. A list of these items will also be included in Appendix A, if applicable, together with our reasons for not correcting them.

Internal Control and Fraud

6. We acknowledge our responsibility for the design, implementation and maintenance of internal control systems to prevent and detect fraud and error and which conform to the requirements both of propriety and good financial management. We have disclosed to you the results of our risk assessment that the financial statements may be misstated as a result of fraud.
7. We have disclosed to you all instances of known or suspected fraud affecting the entity involving management, employees who have a significant role in internal control or others that could have a material effect on the financial statements.
8. We have also disclosed to you all information in relation to allegations of fraud or suspected fraud affecting the entity's financial statements communicated by current or former employees, analysts, regulators or others.

Assets and Liabilities

9. The academy trust has satisfactory title to all assets and there are no liens or encumbrances on the academy trust's assets, except for those that are disclosed in the notes to the financial statements.
10. All actual liabilities, contingent liabilities and guarantees given to third parties have been recorded or disclosed as appropriate.
11. We have no plans or intentions that may materially alter the carrying value and where relevant the fair value measurements or classification of assets and liabilities reflected in the financial statements.
12. We consider that the actuarial assumptions made in connection with the valuation of the deficit on the local government defined benefit pension scheme, are appropriate and representative of the scheme members.

Accounting Estimates

13. Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.
14. All accounting policies adopted are appropriate for the academy trust and are adequately disclosed.

Loans and arrangements

15. The academy trust has not granted any advances or credits to, or made guarantees on behalf of directors other than those disclosed in the financial statements.

Legal claims

16. We have disclosed to you all claims in connection with litigation that have been, or are expected to be, received and such matters, as appropriate, have been properly accounted for, and disclosed in, the financial statements.

Laws and regulations

17. We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial statements.
18. All relevant correspondence with the academy trusts regulators, including serious incident reports, has been made available to you.

Related parties

19. Related party relationships and transactions, comply with the academy trust's financial regulations, relevant requirements of the Academy Trust Handbook and have been appropriately accounted for and disclosed in the financial statements. We have disclosed to you all relevant information concerning such relationships and transactions and are not aware of any other matters which require disclosure in order to comply with the requirements and guidance set out in the Companies Act 2006, the Charities SORP and the Academies Accounts Direction issued by the Education and Skills Funding Agency.

Subsequent events

20. All events subsequent to the date of the financial statements which require adjustment or disclosure have been properly accounted for and disclosed.

Going concern

21. We believe that the academy trust's financial statements should be prepared on a going concern basis on the grounds that current and future sources of funding or support will be more than adequate for the academy trusts needs. We have considered a period of twelve months from the date of approval of the financial statements. We believe that no further disclosures relating to the academy trust's ability to continue as a going concern need to be made in the financial statements.

Grants and donations

22. Grants made by the Department of Education and Education and Skills Funding Agency have been applied for the purposes intended and the Accounting Officer has ensured regular and proper use and value for money of monies received from government.
23. All other grants, donations and other income, the receipt of which is subject to specific terms or conditions, have been notified to you. There have been no breaches of terms or conditions in the application of such income.
24. The academy trust has not been in receipt of any income relating to the year ended 31 August 2023 other than that recorded within the books.

We acknowledge our legal responsibilities regarding disclosure of information to you as auditors and confirm that so far as we are aware, there is no relevant audit information needed by you in connection with preparing your audit report of which you are unaware.

We confirm that so far as we are aware, there is no relevant other information needed by you in connection with preparing your reporting accountant's assurance report on regularity of which you are unaware.

Each Trustee has taken all the steps that he/she ought to have taken as a Trustee in order to make themselves aware of any relevant audit other information and to establish that you are aware of that information.

Yours faithfully

A handwritten signature in black ink, appearing to be 'Chy'.

.....
Langley Grammar School

Signed on behalf of the Board of Trustees

Langley Grammar School

Reddington Drive, Langley, Slough, Berkshire, SL3 7QS

11/12/2023

Date:

Your ref: **LAN006**

BKL Audit LLP
35 Ballards Lane
London
N3 1XW

Dear Sirs

Langley Grammar School

The following representations are made on the basis of enquiries of management and staff with relevant knowledge and experience such as I consider necessary in connection with your assurance report on regularity to Langley Grammar School and the Education and Skills Funding Agency (ESFA) for the year ended 31 August 2023. These enquiries have included inspection of supporting documentation where appropriate and are sufficient to satisfy me that I can make each of the following representations. All representations are made to the best of my knowledge and belief.

General

1. I have fulfilled my responsibilities as accounting officer under the requirements of the funding agreement between Langley Grammar School and the Secretary of State for Education the Academy Trust Handbook 2022.
2. I acknowledge my personal responsibility to Parliament for the regularity and propriety of the public finances for which I am answerable; for the keeping of proper accounts; for effective internal controls; for prudent and economical administration; for the avoidance of waste and extravagance; for achieving value for money; and for the efficient and effective use of all the resources in my charge.
3. I acknowledge my responsibility to notify the Trustee Board and the ESFA of any instances of material irregularity or impropriety, or non-compliance with the terms of the academy trust's funding agreement and have had due regard to the requirements of the Academy Trust Handbook 2022 in performing this duty.
4. Any instances of material irregularity, impropriety, or non-compliance discovered to date have been notified to the governing body and the ESFA.

5. Significant matters of which you should be aware have been brought to your attention including any instances of irregularity, impropriety or non-compliance with laws and regulations specific to the academy trust's authorising framework.
6. Full and free access has been granted to all records, correspondence, information and explanations that you have considered necessary to enable you to perform your work.

Yours faithfully



.....
Accounting Officer
Langley Grammar School