

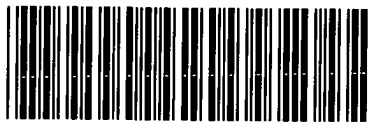
**THE ARBIB EDUCATION TRUST (FORMERLY THE LANGLEY ACADEMY
TRUST)**

(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2020

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THE ARBIB EDUCATION TRUST (FORMERLY THE LANGLEY ACADEMY TRUST)
(A company limited by guarantee)

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THE ARBIB EDUCATION TRUST (FORMERLY THE LANGLEY ACADEMY TRUST)
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REFERENCE AND ADMINISTRATIVE DETAILS

Members	Sir Martyn Arbib Mrs Annabel Nicoll Mr Patrick Nicoll Mrs Linda Sanderson The Annabel Arbib Foundation Mrs Sarah Faure (appointed 11 December 2019)
Trustees	Dr Oona Stannard, Chair of Trustees Mrs Emma Jane Avery (re-elected 20 November 2019) Mr Rhodri Bryant (resigned 20 November 2019) Mr Martin Burford, Vice Chair Mr John Hedger Mr William Lazarus Mr David Mallen Mrs Annabel Nicoll
Company registered number	05358533
Company name	The Arbib Education Trust (formerly The Langley Academy Trust)
Principal and registered office	The Langley Academy Langley Road Langley Slough Berkshire SL3 7EF
Company secretary	Ms Coralyn Ann Selman
Senior management team	Mr Rhodri Bryant, Executive Principal Ms Coralyn Ann Selman, Finance Director Mrs Sarah Casemore, Human Resources Director (Appointed 1 September 2020) Mrs Alison Lusaurdi, The Langley Academy, Headteacher Mrs Tracey Bowen, The Langley Academy Primary, Headteacher Ms Polly Frázer, The Langley Heritage Primary (formerly Parlaunt Park Primary Academy)
Independent auditors	Landau Baker Limited Chartered Accountants Statutory Auditors Mountcliff House 154 Brent Street London NW4 2DR
Bankers	Barclays Bank plc 11 West Way Oxford OX2 0JB

THE ARBIB EDUCATION TRUST (FORMERLY THE LANGLEY ACADEMY TRUST)
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2020

The Trustees of The Arbib Education Trust ('the Trust'), who are also directors of the company for the purposes of the Companies Act, present their annual report together with the financial statements and auditors' report of the charitable company for the year 1 September 2019 to 31 August 2020. The annual report serves the purposes of both a trustees' report and a directors' report under company law.

The Trust, which is a multi-academy trust in Slough, operated two primary academies, The Langley Heritage Primary formerly (Parlaunt Park Primary Academy PPPA) and The Langley Academy Primary (TLAP), and one secondary academy, The Langley Academy (TLA) during the year.

The Trust's academies have a combined pupil capacity of 2,314 and had a roll of 2,126 in the school census on 4 October 2019.

The financial statements have been prepared in accordance with the accounting policies set out on pages 15 to 45 of the attached financial statements and comply with the Trust's memorandum and articles of association, applicable laws and 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 United Kingdom and Republic of Ireland (FRS 102).

Structure, governance and management

a. Constitution

The Trust is a charitable company limited by guarantee and an exempt charity.

On 1 August 2011 the Trust became an exempt charity for the purposes of the Charities Act 2011. At this date, the principal regulator of the Trust changed from the Charity Commission to the Department for Education (DfE). The Education and Skills Funding Agency (ESFA) carries out the role of principal regulator on behalf of the DfE.

The charitable company's memorandum and articles of association deed is the primary governing document of the Trust.

The Trustees of The Arbib Education Trust (formerly The Langley Academy Trust) are also the directors of the charitable company for the purposes of company law.

The charitable company is known as The Arbib Education Trust. Members of the charitable company include representatives of the principle sponsor of the Trust, The Annabel Arbib Foundation, and up to five persons appointed by the Trustees of the Sponsor. In addition, the members may appoint additional members as they see fit. The members of the charitable company are Sir Martyn Arbib, Mrs Annabel Nicoll, Mr Patrick Nicoll, Mrs Linda Sanderson, Mrs Sarah Faure and the Annabel Arbib Foundation. In accordance with the articles of association of the charitable company they have the powers to appoint or remove trustees.

The Trust's academies are state funded directly by the DfE and not via the local authority. The Trust is entirely dependent upon state funding for its operational costs.

Details of the Trustees who served during the year, and to the date these accounts are approved are included in the Reference and administrative details on page 1.

THE ARBIB EDUCATION TRUST (FORMERLY THE LANGLEY ACADEMY TRUST)
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Structure, governance and management (continued)

b. 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.

c. Trustees' Indemnities

Subject to the provisions set out in the Companies Act, every trustee or other officer of the Trust will be indemnified out of the assets of the Trust against any liability incurred by them in that capacity in defending any proceedings, whether civil or criminal, in which judgement 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 Trust.

d. Trustees

The Trust has provision for the following trustees: up to ten trustees appointed by The Annabel Arbib Foundation, as the principle sponsor; the Executive Principal (ex-officio) and a minimum of two parent trustees unless there are local governing bodies which include at least two parent members. In addition, the Trust may appoint up to three co-opted trustees.

Each Trustee has taken responsibility for monitoring the Trust's activities in specific operational areas and constant regard is given to the skills mix of the Trustees to ensure that the Board of Trustees has all the necessary skills required to contribute fully to the Trust's development.

The governance structure of the Trust comprises The Arbib Education Trust Board with separate sub-committees designated to Business, Audit, Pay, Personnel, Health and Safety and Museum Learning. Local governing bodies monitor and develop student achievement, curriculum, and teaching and learning within each academy.

During the year under review the Board of Trustees held four full meetings

The Trustees are directors of the charitable company for the purposes of the Companies Act 2006. Details of the Trustees who served during the year, and to the date these accounts are approved are included in the Reference and administrative details on page 1.

No trustee received any remuneration in respect of their duties as a trustee from the Trust during the year (2019 – none).

Mr Rhodri Bryant is no longer a trustee but attends the meetings and is remunerated in his position as Executive Principal.

e. Method of recruitment and appointment or election of trustees

The management of the Trust is the responsibility of the Trustees who are elected and co-opted under the terms of the trust deed.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Structure, governance and management (continued)

f. Policies 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, who are recruited on their ability to play an active part in the governance of the Trust, are interviewed by experienced trustees, given a tour of the academies and an opportunity to meet with the Executive Principal prior to their first full meeting. In addition, they are provided with copies of policies, procedures, minutes, financial statements, budgets, plans and other documents dependent on their role within the Board of Trustees. They are also referred to the Academies Financial Handbook and the Trust's Funding Agreement.

g. Organisational structure

The Trust has established a management structure to ensure its efficient running. The structure consists of four levels: the Board of Trustees, the Local Governing Bodies, the executive and the senior leadership team including the Headteachers. The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels.

The Board of Trustees has considered its role thoughtfully and decided that its role is to set the strategic direction and objectives of the Trust, adopting an annual plan and budget and monitoring progress towards these objectives, making major decisions about the vision and direction of the Trust, capital expenditure and senior staff appointments.

The Board of Trustees has approved a scheme of delegation which sets out a statement on the system of internal control, responsibilities, standing orders, a scheme of delegation and terms of reference.

The Local Governing Bodies monitor and develop student achievement, teaching and learning, curriculum and museum learning at each academy. The Central Trust management team comprise the Executive Principal, Trust Finance Director, Trust Human Resources Director, Museum Learning Director, IT Manager, H&S Manager, Senior Site Manager and the Initial Teacher Training Co-ordinator. The senior leadership teams comprise Headteachers, Deputy Headteachers and Assistant Headteachers at each academy. These managers are delegated to manage the Trust at an executive level implementing the policies laid down by the Trustees and reporting back to them.

The Headteacher is directly responsible for the day to day running of their academy and is assisted by the senior leadership team along with appointed Raising Standards Leaders, Heads of Faculty, Heads of Phase and other Heads of Year or Department. These managers are responsible for the day to day operation of their academy, in particular organising the teaching staff, facilities and children/students.

The Executive Principal assumes the role of Accounting Officer.

h. Arrangements for setting pay and remuneration of key management personnel

The key management personnel of the Trust comprise the Trustees and the senior management team as listed on page 1. No trustees are remunerated in respect of their duties as a trustee. The pay and remuneration of the key personnel is approved annually by the Pay Committee. Consideration is given to local and national benchmarking as well as the performance of both the individual and the Trust.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Structure, governance and management (continued)

i. Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the year	2
Full-time equivalent employee number	2

Percentage of time spent on facility time

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

Percentage of pay bill spent on facility time £

Total cost of facility time	1,850
Total pay bill	10,300,000
Percentage of total pay bill spent on facility time	- %

Paid trade union activities

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

The Annabel Arbib Foundation (formerly the Arbib Foundation) is the Sponsor to the Trust and linked to Annabel Nicoll, a trustee of the Trust. The Annabel Arbib Foundation donated £2,472,000 towards initially establishing The Langley Academy. During the year it provided donations of £341,300 (2019 – £73,877). The Sponsor has played a significant role in the Trust achieving its objectives over the years and particularly so during the pandemic through the provision of additional resources to support vulnerable children.

k. Risk Management

The Trustees have reviewed the major risks to which the Trust is exposed, in particular those relating to the educational objectives, operations and finances of the Trust. The Trustees have previously expressed concern to the DfE regarding the inadequacy of DfE funding to ensure the long-term sustainability of the initial capital expenditure on tangible assets, whilst ensuring adequate resources remain available for day-to-day operations. This risk has been exacerbated by upward pressure on pay costs including national pay recommendations and increases in employer pension and national insurance contributions, some of which have been unfunded by the DfE. The DfE has acknowledged recognition of this issue. Subject to this concern, the Trustees are satisfied that appropriate measures are in place to limit and manage those risks.

l. Engagement with employees (including disabled persons)

Employees have been consulted on issues of concern to them by means of staff meetings and have been kept informed on specific matters directly by management through weekly staff briefings. The Trust also carries out

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Structure, governance and management (continued)

an annual staff survey and in January 2020, 81% of staff gave positive or very positive responses to four questions specifically relating to staff support and relationships.

The Trust carries out exit interviews for all staff leaving and has adopted a procedure of upward feedback for senior management and the Trustees.

The Trust has implemented a number of detailed policies in relation to all aspects of personnel matters including but not limited to:

- Equality policy
- Health & Safety policy

The Trustees recognise that equal opportunities should be an integral part of good practice within the workplace. The Trust aims to establish equal opportunity in all areas of its activities including creating a working environment in which the contribution and needs of all people are fully valued.

The policy of the Trust is to support recruitment and retention of students and employees with disabilities. The Trust achieves this through adapting the physical environment, by making support resources available and through training and career development. The buildings and sites include lifts, ramps and disabled toilets and door widths that are adequate to enable wheelchair access to all the main areas of the academies. Full details of these policies are available from the Trust's offices and on its website.

The Trust has a wellbeing group which has led on a number of initiatives across the Trust for staff. This group met regularly during the year and provided a forum for staff to raise any wellbeing concerns and co-ordinated the delivery of positive interventions across the Trust.

During the second half of the year, much of the staff engagement activity focused on supporting staff in the context of the COVID-19 pandemic. During lockdown, staff were contacted regularly and offered support when needed. A number of social activities, such as virtual quizzes, were also arranged to maintain social engagement. Information was provided on sources of support both within the Trust and externally.

The Trust offers a number of benefits to staff to enhance engagement. These include

- access to a wide range of discounts and savings through a partnership with Sodexo
- benenden healthcare at a reduced rate with a Trust contribution
- flu vaccinations generally offered onsite to all staff
- an Employee Assistance Programme that offers information, telephone and online counselling.
- a subsidised Christmas Party and summer barbeque

The Trust places great importance on looking after the safety of staff, customers and anyone else impacted by it's business, and is responsible for making the academies within the Trust, a safe place to work and visit. Quarterly health and safety meetings take place which provides updates to the Board.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Structure, governance and management (continued)

m. Engagement with suppliers, customers and others in a business relationship with the Trust

In discharging their duties trustees are required to have regard, among other matters, to:

- the need to foster the Trust's business relationships with suppliers, customers and others;
- the impact of the Trust's operations on the community and environment;
- the desirability of the Trust in maintaining a reputation for high standards of business conduct;

Children and parents are at the heart of what the Trust does. Every decision taken is to ensure the Trust delivers great service and quality teaching for the pupils. Through its local governing bodies with representation from parents and staff the Trust ensures that the views and concerns of parents and employees are considered and addressed.

The relationships the Trust have built with its catering and IT suppliers and partners became ever more relevant in supporting the Trust through the lockdown by facilitating remote teaching and learning and the wider trust operations. Working closely with the catering partners the Trust was able to support the key workers, staff as well as the wider community through the pandemic by providing meals and food for the local food bank.

The Trust works closely with its major suppliers to ensure that the best deals are obtained so that funds are invested in ensuring that the curriculum is met and high standards of education for pupils.

Objectives and activities

a. Objects, aims and objectives

The principal objective and activity of the Arbib Education Trust is the operation of its three Academies by establishing, maintaining, carrying on, managing and developing these academies to provide a broad and balanced education for pupils of all abilities in the Slough area.

The Trust is funded by the DfE and its sponsor, The Annabel Arbib Foundation, to provide education for pupils of all abilities. The Arbib Education Trust teaches the full national curriculum but extra emphasis is placed on museum learning. This supports the development of each child and help them to understand the world around them and the part they can play in making it better.

The Trustees have referred to the guidance issued by the Charity Commission in respect of public benefit when reviewing the aims and objectives of the charitable company and with this in mind aim to promote, for the benefit of the inhabitants of the surrounding areas of the academies, the provision of facilities for recreation or other leisure time occupation.

In accordance with the Articles of Association, the Trust has adopted a "Scheme of Government" approved by the Secretary of State for Education.

The Scheme of Government is part of the wider 'Master Funding Agreement' between the Company and the Secretary of State and 'Supplemental Funding Agreements' for each academy.

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

The Trustees are carrying out these objectives in line with the vision 'One community. Many ideas. Everyone's future'.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Objectives and activities (continued)

One Community

Each school in the Trust will add value to every child and member of staff. The Trust shall help develop community cohesion

Many Ideas

The Trust shall add that value by creating an ethos of collaboration and sharing expertise across the three schools.

The Trust wants to see children and staff moving across and between schools and the community, working with and learning from each other. This should be visible for any member of the Trust.

The Trust will build a 3-19 curriculum and wider experiences that maximise the learning time with the children. The Trust will maintain a seamless transition between the primary and secondary phases so that children feel part of the Arbib Trust family.

The aim of the Trust is that all stakeholders feel part of a single community; staff feel they work for the Trust and not simply for their individual school; children recognise the experiences they have through the work of all the schools and the Trust. The Trust want parents/carers to be proud that their children attend its schools and the community not only to use its facilities, but more importantly, to see the Trust as a hub of the community.

The Trust recognises that with the onset of the pandemic and COVID-19 this has been a challenge but it continues to strive to maintain that community link through the continued use of its open spaces when permitted.

Everyone's Future

All children and young people in the Trust's schools will reach their full potential. We gap be closed between the highest achievers and the more disadvantaged. This achievement will be, not only in 'academic' subjects but recognises the importance to society of technical skills. It is recognised that first class education includes sport, culture and personal development.

The Trust is very proud of its Museum Learning philosophy and the vision is to further expand this, to include all children in all of it's schools and to widen the range of subject areas which the service supports.

It is the Trustees' ambition to become the best multi-academy trust in the country by offering an outstanding curriculum that supports the principles of both depth and breadth, so that each child/student receives a personalised education.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Objectives and activities (continued)

b. Strategies and activities

The Trust believes that through providing a broad and balanced curriculum and a wide range of extracurricular activities students/children will be encouraged to succeed. Each academy sets strategic targets within their Academy Improvement Plan to ensure the aims of the Trust are met. The Trust regularly monitors progress against its detailed operational and strategic plans in order to meet its vision.

With two local primary schools included within the multi-academy trust, the Trust is focused on ensuring the quality of teaching supports a smooth transition for its students from primary to secondary education and to provide a "school for life" for its students.

c. Public benefit

In setting the objectives and planning the activities the Trustees have considered the Charity Commission's general guidance on public benefit. Until the onset of the pandemic, the Trust continued to make its facilities available to the local community, provided after school and weekend clubs and courses for its students and workshops for its parents. Although the use of facilities has been disrupted by COVID-19 the Trust continues to engage with the community to make use of our open spaces as permissible, recognising the greater need for these facilities at this time and the contribution this makes in supporting the mental health of the inhabitants of the local community.

The Trust is committed to providing an outstanding educational experience for every student by offering a holistic, broad and balanced student-centred curriculum.

Admission to the Trust's primary academies is based on pupils residing closest to each academy. The secondary academy has a selection procedure which bands applicants according to ability. In each of these nine bands the 20 applicants residing closest to The Langley Academy are selected in line with the admissions policy. Pupils from primary academies within the Trust receive priority to ensure the Trust can deliver an all through education for its students. The Trust believes this enables it to best serve the educational needs of the local community. There is no restriction on access based on ability to pay.

Strategic report

Achievements and performance

The Langley Academy

The Langley Academy (TLA) was rated as good in its most recent Ofsted inspection in November 2017 and the Trust is determined to build on this. TLA has continued to secure outstanding results at GCSE with year on year improvement including a P8 score in 2019/20 of +.51. A level results have also improved and 2019/20 L3VA score was +.29 although the school recognises the national picture of grade inflation and will therefore continue to focus on this. This has been supported by the new £2.1 million Sir Martyn Arbib Centre and the refurbishment of the 6th form centre. Student numbers have already increased by 31 this year. There is no doubt that both the new buildings and the excellent results have helped to shape the aspirations and ambitions of young people and helped to achieve the Trust's vision.

The Langley Heritage Primary

The Langley Heritage Primary (formerly Parlaunt Park Primary Academy PPPA) had its most recent Ofsted Inspection in November 2019 and the school was judged as Good with Outstanding leadership and management. This demonstrates significant improvement from its previous inspection in June 2017 when it was judged to be 'Requires Improvement', particularly given that Ofsted have raised the bar once again with its new framework. Evidence of that can be seen in the vast improvements in every aspect of the School. Almost all

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Strategic report (continued)

Achievements and performance (continued)

outcomes at KS2 are now above national average with some excellent in-year progress made to achieve that.

The Langley Academy Primary

The Langley Academy Primary achieved an Outstanding Ofsted judgement in July 2018 when each aspect of the School was judged to be Outstanding. The report highlighted the quality of the curriculum and the uniqueness of the museum learning model of which the Trust is most proud as this demonstrates how the Trust's vision and ambition for young people has been realised. The School has continued to go from strength to strength and results at EYFS and Key Stage 1 were in line with the previous year.

It is difficult to report on specific outcomes due to the impact of Covid but the Trust is confident of the positive impact of the quality of leadership, the management of the Risk Assessment procedures, the development of the remote learning programme and the innovative use of the catch-up funding.

Every child in the Trust now attends at least a Good school as described by Ofsted. This demonstrates the very high-quality leadership from Trustees, Governors, Executive Principal and leaders in each school.

a. Going concern

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

b. Promoting the success of the Trust

The Trust is very successful and promotes its success externally through its website and various social media channels. Internally, the Trust operates a transparent approach to celebrating success and working to improve any inefficiencies or inaccuracies. The positive reputation of the Trust can be seen through the number of parent applications received with a high number of appeals at The Langley Academy, long waiting lists for The Langley Academy and The Langley Academy Primary and a full PAN at The Langley Heritage Primary after its very successful Ofsted inspection.

Financial review

a. Financial report for the year

The statement of financial activities on page 15 shows a deficit for the year before actuarial gains or losses on the Local Government Pension Scheme of £1,408,637 (2019 – £1,353,077). This includes £663,000 of pension costs under FRS102 (28) (2019 – £567,000), £340,200 of donation income from The Annabel Arbib Foundation (2019 – £73,877), £210,618 income from capital grants (2019 – £80,674) and the depreciation and amortisation charge of £1,165,096 (2019 – £1,304,434).

The Trust closed the year with operational reserves of £3,354,573 compared to £5,330,310 at the end of the academic year end August 2020.

Unrestricted funds increased by £362,248 to £2,898,006 as at 31 August 2020 (2019 – £2,535,758).

As shown in note 21, restricted general funds, excluding the pension reserve, decreased by £2,337,986 (2019 – increased by £320,417). This is equivalent to the operational deficit for the year.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

The pension reserve shows an increase in the Local Government Scheme Pension deficit to £8,213,000 (2019 – £5,612,000). Further details are shown in note 28. The DfE has previously stated that academies are not expected to fund the deficit as a lump sum, but that it will continue to be addressed through employer contribution rates over future periods, from the General Annual Grant.

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

b. Financial and risk management objectives and policies

The Trust practices, through its Board of Trustees and sub-committees, risk management principles. The Trust has a risk register which identifies all major risks and controls to mitigate these risks. The risk register is reviewed in detail termly at Business Committee meetings and annually by the Audit Committee.

c. Reserves policy

The Trustees have responsibility for managing the assets of the Trust which is a single legal entity. Setting a reserves policy is a central part of managing the Trust's finances and safeguarding the Trust's assets in uncertain times. The Trustees must ensure that the Trust holds reserves at a level sufficient to enable it to implement its future strategy. The level of reserves therefore depends on the value placed on implementing the strategy. All reserves will sit at trust level.

The Business Committee has authority to designate to individual entities within the Trust as appropriate. It is the policy of the Trust that reserves should be maintained at no less than the equivalent of three months payroll unless expressly authorised by the Business Committee. Where a need has been identified for any entity to invest in specific capital projects, they may set aside funds to do so, with the approval of the Business Committee as long as the remaining reserves do not fall below the required level as specified above.

As part of the budgeting process, the Trustees have reviewed the reserves of the Trust and determined the level of reserves to be retained from income received during the year ended 31 August 2020 to allow the Trust to continue operations in future periods. This review encompassed the nature of income and expenditure streams, the need to match them with commitments and the nature of reserves.

The Trust's long-term forecast predicts that there will be significant financial pressure on the Trust going forwards with significant increasing costs, particularly Covid-related costs and increase in pay costs that are not matched by increases in grant funding. While the Trust has made reasonable adjustments to its cost base, these costs will have a significant impact on the Trust's reserves.

The Trustees will keep the level of reserves under review and are satisfied with the way that expenditure during the year has been applied from various restricted reserves, which optimise the future available reserves for the Trust's operations.

There is currently a deficit on the reserve for the Local Government Pension Scheme. The Trust is paying contributions to the Local Government Pension Scheme at the rate recommended by the actuary and payments in respect of the deficit will occur over a number of years.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

d. Investment policy

The Trust has substantial power with regards to investments due to cash balances held. The Trust aims to ensure that sufficient funds are available to cover any immediate expenditure, without exposing the Trust to additional risk and protecting the long-term value of any surplus cash balances against inflation. Investments held by the Trust are in the form of Special Interest Deposit accounts which are immediately available to draw against. At 31 August 2020, £2,628,183 (2019- £3,815,751) investments were held.

e. Principal risks and uncertainties

The Trust is exposed to a number of financial risks including credit, cash flow and liquidity risks. This exposure principally relates to bank balances, cash and trade creditors, with limited trade (and other) debtors. A system of internal controls ensures risk is minimal in these areas.

A risk register has been established, is updated regularly and reviewed termly at Business Committee meetings of the Trust. 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 Trust faces, especially in the operational areas (e.g. in relation to teaching, bullying and school trips, health and safety, and more recently the impact of the pandemic) 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 in order to minimise risk. Where significant financial risk still remains, they have ensured they have adequate insurance cover.

Fundraising

The Arbib Education Trust follows the fundraising practices as per section 13 of the Charities (Protection and Social Investment) Act 2016. The Arbib Education Trust does not currently work with any commercial or professional fundraisers. The Arbib Education Trust's fundraising activities are currently limited to raising funds through appeals to students' parents only. The Trust has received no complaints relating to fundraising during the year. If any complaints were received, these would be dealt with by the Trustees and/or senior management.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Streamlined energy and carbon reporting

UK Greenhouse gas emissions and energy use data for the period 1 September 2019 to 31 August 2020	
Energy consumption used to calculate emissions (kWh)	2,437,373
Energy consumption break down (kWh) (optional)	
• gas,	1,121,909
• electricity,	1,308,503
• transport fuel	6,961
<u>Scope 1 emissions in metric tonnes CO2e</u>	
Gas consumption	20.63
Owned transport – mini-buses	1.00
Total scope 1	21.63
<u>Scope 2 emissions in metric tonnes CO2e</u>	
Purchased electricity	30.51
<u>Scope 3 emissions in metric tonnes CO2e</u>	
Business travel in employee owned vehicles	0.41
Total gross emissions in metric tonnes CO2e	52.54
<u>Intensity ratio</u>	
Tonnes CO2e per pupil	0.02

Quantification and Reporting Methodology: -

The Trust has followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2020 UK Government's Conversion Factors for Company Reporting.

Intensity measurement

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO2e per pupil, the recommended ratio for the sector.

Measures taken to improve energy efficiency

The Trust has the following carbon reducing equipment; Ground source heat pump, Solar PVs at two of the academies, Solar Heating, a Biomass boiler at one of the academies and smart meters across all sites The Trust has more recently, been making use of video conferencing technology for meetings, thereby reducing the need for travel between sites.

THE ARBIB EDUCATION TRUST (FORMERLY THE LANGLEY ACADEMY TRUST)
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Plans for future periods

The key focus for the Trust is to continue to drive academic achievement whilst also ensuring the well-being of staff and pupils in these difficult and uncertain times. It is the Trust's ambition for all three academies within the Trust to be classified as outstanding by Ofsted.

The Trust is mindful of Ofsted's evolving expectations, including those relating to Covid for changes to inspection frameworks and regimes. The Trust adapts to those expectations and works assiduously to ensure that these expectations are reflected throughout the Trust to maintain high levels of aspiration and the implementation of best practice.

The Trust continues to develop and invest in the infrastructure of its academies to ensure an outstanding provision for both its pupils and the local community.

Academies across the country are facing increasing costs not matched by increases in grant funding. The Trust is acting, as required, to ensure its future financial viability.

Disclosure of Information to Auditors

Insofar as the Trustees are aware:

- there is no relevant audit information of which the auditors are unaware, and
- Trustees have taken all steps that they consider they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 26 November 2020 and signed on its behalf by:



Dr Oona Stannard
Chair of Trustees

THE ARBIB EDUCATION TRUST (FORMERLY THE LANGLEY ACADEMY TRUST)
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GOVERNANCE STATEMENT

Scope of responsibility

The Trustees, acknowledge they have overall responsibility for ensuring that The Arbib Education Trust (formerly The Langley Academy Trust) has an effective and appropriate system of control, financial and otherwise. However, such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss.

Trustees have reviewed and taken account of the guidance in DfE's Governance Handbook and competency framework for governance in performing their duties.

The Board of Trustees has delegated the day-to-day responsibility to the Executive Principal, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between The Arbib Education Trust (formerly The Langley Academy Trust) and the Secretary of State for Education. The Executive Principal is also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' report and in the statement of trustees' responsibilities. The Board of Trustees has formally met four times during the year.

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

Trustee	Meetings attended	Out of a possible
Dr Oona Stannard, Chair of Trustees	4	4
Mrs Emma Jane Avery	3	4
Mr Rhodri Bryant	4	4
Mr Martin Burford, Vice Chair	4	4
Mr John Hedger	3	4
Mr William Lazarus	4	4
Mr David Mallen	4	4
Mrs Annabel Nicoll	4	4

Trustees typically also serve on a number of other sub committees, as set out on the Trust website.

Governance Review

A review of governance was conducted again this year and the action plan further developed which will consolidate the skills and knowledge of trustees and ensure that they remain able to effectively govern a multi-academy trust.

The Trust has a dedicated Audit Committee which allows a specific focus on internal control reviews as well as the risks facing the Trust. The Business and Health and Safety Committees work across the Trust. This allows a consistency of approach and financial oversight, whilst also helping to ensure that the Local Governing Bodies can be focused on student attainment.

Landau Baker Limited provide termly reports, on behalf of the Responsible Officer, in conjunction with the annual audit to provide assurance to the Trustees that appropriate controls are in place.

Business Committee

The Business Committee is a sub-committee of the main Board of Trustees. Its purpose is to carry out its responsibilities as laid out in the Terms of Reference for the Committee. This includes:

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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

- to review the Trust's annual Improvement Plan and consider its financial implications;
- to review the Trust's Scheme of Delegation;
- to recommend to the Board of Trustees, not later than 28 June each year, a budget for the following year;
- to oversee the financial management of the Trust;
- to review and discuss reports from the Responsible Officer or internal audit;
- to receive and review the management accounts projections for the year and the current year's financial forecasts for the Trust;
- to review the statutory accounts for approval by the Board of Trustees and submitted to the ESFA before 31 December each year;
- to review the use and maintenance of the premises, wider trust land, and environmental assets;
- to approve any necessary virements at each meeting;
- to review the inspection of the premises and grounds, and approve a statement of priorities for maintenance and development as part of the Strategic Plan;
- to approve the Trust's asset management plan annually and review progress;
- to review the Trust's insurance arrangements annually;
- to review a charging and remissions policy for non-essential curriculum activities;
- to support the Trust in promoting links with the local community, and wider area, including reporting on links with the business community;
- to maintain a regular review of all aspects of the staffing budgets;
- to review the work of the Pay Committee;
- to review all personnel and business-related policies and receive updates as required; and
- to review annually pension liabilities, depreciation policy and the state of reserves.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Mr Rhodri Bryant	4	4
Mr William Lazarus (Chair)	4	4
Mrs Annabel Nicoll	4	4
Dr Oona Stannard	4	4

Mr Martin Burford and Mr David Mallen are not members of the Business Committee but attend meetings in their roles as Chair of The Langley Heritage Primary and The Langley Academy Primary local governing bodies and Chair of The Langley Academy local governing body respectively.

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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

Audit Committee

The Audit Committee is also a sub-committee of the main Board of Trustees. Its purpose is to carry out its responsibility as laid out in the Terms of Reference for the Committee. This includes:

- to review management reports associated with the annual external audit as received from the auditors;
- to receive the approved the statutory accounts so that they can be signed off on behalf of the Board of Trustees before submission to the ESFA on 31 December each year;
- to agree the program of work for reviewing the risks to internal financial controls and to receive and review the reports from the internal control reviews carried out; and
- to review the risk register annually and to review the procedures to make sure this register is kept up to date, reviewed regularly and that relevant action is taken by management when risks appear to be unacceptable.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Mr William Lazarus (Chair)	1	1
Mr Rhodri Bryant	1	1
Mr John Hedger	1	1
Mrs Annabel Nicoll	1	1
Dr Oona Stannard	1	1

The meeting was also attended by a representative from Buzzacott LLP in their role as the auditor

Review of value for money

As Accounting Officer, the Executive Principal has responsibility for ensuring that the 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 the academic year, and reports to the Board of Trustees where value for money can be improved, including the use of benchmarking data where available. The Accounting Officer for the Trust has delivered and improved value for money during the year through:

- cost reduction - setting tight balanced budgets after a programme of streamlining costs and cost reductions in the context of reduced funding
- regular review of income and expenditure by managers. Management accounts are reviewed monthly with the Chair, submitted to the Trustees monthly and discussed quarterly at Business Committee
- cost control – regular review of and tightening of financial regulation ensuring income and costs are controlled. An electronic purchase ordering system used across the Trust help to ensure that commitments are known and included in the management reporting. Procurement is controlled, through an established scheme of delegations. Staff costs are controlled through the use of establishment control with any increases having to be explained, justified and signed off

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GOVERNANCE STATEMENT (CONTINUED)

Review of value for money (continued)

- annual review of the financial manual which explains how the Trust buys goods and services and manage contracts with suppliers
- actively seeking opportunities for partnership working with other trusts in an attempt to achieve further savings through economies of scale

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 trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in The Arbib Education Trust (formerly The Langley Academy Trust) for the year 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Trust's significant risks that has been in place for the year 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees, Business and Audit Committee

The risk and control framework

The 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 Business 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 Board of Trustees has decided to employ Landau Baker as internal auditor for the academic year 2019-20.

The internal auditor's role includes giving advice on financial and other matters and performing a range of checks on the Trust's financial systems. In particular, the checks were carried out in the current period on the following areas:

- payroll
- purchases
- VAT
- Income
- Credit card
- Debtors and Creditors

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GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework (continued)

- Bank Reconciliations
- Control Accounts and
- Financial reports to the Trustees

On a termly basis, the internal auditor reports to the Board of Trustees through the Business Committee on the operation of the systems of control and on the discharge of the Board of Trustees financial responsibilities and annually prepares a short annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

There were no material control issues arising as a result of the work undertaken.

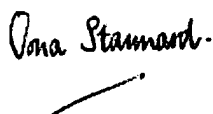
Review of effectiveness

As accounting officer, the Executive Principal has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the Board of Trustees' financial decisions to help the committee consider actions and assess year on year progress
- the work of the internal auditor;
- the work of the external auditors;
- the work of the executive managers within the Trust who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of its review of the system of internal control by the Audit committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on 26 November 2020 and signed on their behalf by:



Dr Oona Stannard
Chair of Trustees



Rhodri Bryant
Accounting Officer

THE ARBIB EDUCATION TRUST (FORMERLY THE LANGLEY ACADEMY TRUST)
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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of The Arbib Education Trust (formerly The Langley Academy Trust), I have considered my responsibility to notify the Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Trust, under the funding agreement in place between the Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2019.

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

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



Rhodri Bryant

Accounting Officer

Date: 26 November 2020

THE ARBIB EDUCATION TRUST (FORMERLY THE LANGLEY ACADEMY TRUST)
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STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2020

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 2019 to 2020;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the Board of Trustees on 26 November 2020 and signed on its behalf by:



Dr Oona Stannard
Chair of Trustees

THE ARBIB EDUCATION TRUST (FORMERLY THE LANGLEY ACADEMY TRUST)
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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE
ARBIB EDUCATION TRUST (FORMERLY THE LANGLEY ACADEMY TRUST)**

Opinion

We have audited the financial statements of The Arbib Education Trust (formerly The Langley Academy Trust) (the 'Trust') for the year ended 31 August 2020 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 2019 to 2020 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 Trust's affairs as at 31 August 2020 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020 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 Trust 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

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

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

THE ARBIB EDUCATION TRUST (FORMERLY THE LANGLEY ACADEMY TRUST)
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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE
ARBIB EDUCATION TRUST (FORMERLY THE LANGLEY ACADEMY TRUST) (CONTINUED)**

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditors' report thereon. Other information includes the Reference and administrative details, the Trustees' report including the Strategic report, and the Governance statement. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report 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 Trust 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.

THE ARBIB EDUCATION TRUST (FORMERLY THE LANGLEY ACADEMY TRUST)
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE
ARBIB EDUCATION TRUST (FORMERLY THE LANGLEY ACADEMY TRUST) (CONTINUED)**

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the Trust 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 Trust'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 Trust or to cease operations, or have no realistic alternative but to do so.

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.

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.

Use of our report

This report is made solely to the Trust'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 Trust'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 Trust and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Carly Pinkus (senior statutory auditor)



FOR LANDAU BAKER LIMITED

for and on behalf of

Landau Baker Limited

Chartered Accountants
Statutory Auditors

Mountcliff House
154 Brent Street
London
NW4 2DR

26 November 2020

THE ARBIB EDUCATION TRUST (FORMERLY THE LANGLEY ACADEMY TRUST)
(A company limited by guarantee)

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

In accordance with the terms of our engagement letter dated 27 March 2020 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Arbib Education Trust (formerly The Langley Academy Trust) during the year 1 September 2019 to 31 August 2020 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to The Arbib Education Trust (formerly The Langley Academy Trust) and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to The Arbib Education Trust (formerly The Langley Academy Trust) 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 The Arbib Education Trust (formerly The Langley Academy Trust) and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of The Arbib Education Trust (formerly The Langley Academy Trust's) accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of The Arbib Education Trust (formerly The Langley Academy Trust's) funding agreement with the Secretary of State for Education dated 10 February 2006 and the Academies Financial Handbook, extant from 1 September 2019, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2019 to 2020. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2019 to 31 August 2020 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

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

THE ARBIB EDUCATION TRUST (FORMERLY THE LANGLEY ACADEMY TRUST)
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE ARBIB
EDUCATION TRUST (FORMERLY THE LANGLEY ACADEMY TRUST) 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 2019 to 31 August 2020 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Landau Baker Limited

Reporting Accountant

Landau Baker Limited

Chartered Accountants
Statutory Auditors

Mountcliff House
154 Brent Street
London
NW4 2DR

Date: 26 November 2020

THE ARBIB EDUCATION TRUST (FORMERLY THE LANGLEY ACADEMY TRUST)
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**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2020**

	Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £	Total funds 2019 £
Income from:						
Donations and capital grants	3	295,632	191,894	210,618	698,144	252,600
Charitable activities		-	12,414,990	-	12,414,990	12,027,590
Other trading activities		46,928	22,222	-	69,150	109,203
Investments	6	19,688	-	-	19,688	28,707
Total income		362,248	12,629,106	210,618	13,201,972	12,418,100
Expenditure on:						
Raising funds		-	-	-	-	25,959
Charitable activities	8	-	13,445,513	1,165,096	14,610,609	13,745,218
Total expenditure		-	13,445,513	1,165,096	14,610,609	13,771,177
Net income/(expenditure)		362,248	(816,407)	(954,478)	(1,408,637)	(1,353,077)
Transfers between funds	21	-	(2,286,579)	2,286,579	-	-
Net movement in funds before other recognised gains/(losses)		362,248	(3,102,986)	1,332,101	(1,408,637)	(1,353,077)
Other recognised gains/(losses):						
Actuarial losses on defined benefit pension schemes	28	-	(1,836,000)	-	(1,836,000)	(892,000)
Net movement in funds		362,248	(4,938,986)	1,332,101	(3,244,637)	(2,245,077)
Reconciliation of funds:						
Total funds brought forward		2,535,758	(2,817,447)	35,997,373	35,715,684	37,960,761
Net movement in funds		362,248	(4,938,986)	1,332,101	(3,244,637)	(2,245,077)
Total funds carried forward		2,898,006	(7,756,433)	37,329,474	32,471,047	35,715,684

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

The notes on pages 31 to 57 form part of these financial statements.

THE ARBIB EDUCATION TRUST (FORMERLY THE LANGLEY ACADEMY TRUST)
(A company limited by guarantee)
REGISTERED NUMBER: 05358533

BALANCE SHEET
AS AT 31 AUGUST 2020

	Note	2020 £	2019 £
Fixed assets			
Intangible assets	15	27,592	1,242
Tangible assets	16	37,300,596	35,992,307
		<u>37,328,188</u>	<u>35,993,549</u>
Current assets			
Stocks	17	2,000	2,448
Debtors	18	509,875	655,235
Cash at bank and in hand		4,210,616	6,514,341
		<u>4,722,491</u>	<u>7,172,024</u>
Creditors: amounts falling due within one year	19	(1,366,632)	(1,837,889)
Net current assets		<u>3,355,859</u>	<u>5,334,135</u>
Total assets less current liabilities		<u>40,684,047</u>	<u>41,327,684</u>
Net assets excluding pension liability		<u>40,684,047</u>	<u>41,327,684</u>
Defined benefit pension scheme liability	28	(8,213,000)	(5,612,000)
Total net assets		<u><u>32,471,047</u></u>	<u><u>35,715,684</u></u>
Funds of the Trust			
Restricted funds:			
Fixed asset funds	21	37,329,474	35,997,373
Restricted income funds	21	456,567	2,794,553
		<u>37,786,041</u>	<u>38,791,926</u>
Restricted funds excluding pension asset	21	37,786,041	38,791,926
Pension reserve	21	(8,213,000)	(5,612,000)
Total restricted funds	21	<u>29,573,041</u>	<u>33,179,926</u>
Unrestricted income funds	21	<u>2,898,006</u>	<u>2,535,758</u>
Total funds		<u><u>32,471,047</u></u>	<u><u>35,715,684</u></u>

THE ARBIB EDUCATION TRUST (FORMERLY THE LANGLEY ACADEMY TRUST)

(A company limited by guarantee)

REGISTERED NUMBER: 05358533

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2020

The financial statements on pages 27 to 57 were approved by the Trustees, and authorised for issue on 26 November 2020 and are signed on their behalf, by:

Oona Stannard

Dr Oona Stannard
Chair of Trustees

The notes on pages 31 to 57 form part of these financial statements.

THE ARBIB EDUCATION TRUST (FORMERLY THE LANGLEY ACADEMY TRUST)
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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2020

	Note	2020 £	2019 £
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	23	(34,296)	964,474
Cash flows from investing activities	24	(2,269,429)	(657,017)
Change in cash and cash equivalents in the year		(2,303,725)	307,457
Cash and cash equivalents at the beginning of the year		6,514,341	6,206,884
Cash and cash equivalents at the end of the year	25, 26	<u>4,210,616</u>	<u>6,514,341</u>

The notes on pages 31 to 57 form part of these financial statements

THE ARBIB EDUCATION TRUST (FORMERLY THE LANGLEY ACADEMY TRUST)
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

1. Accounting policies

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

1.1 Basis of preparation of financial statements

The financial statements of the Trust, 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 2019 to 2020 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 Trust 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 Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Income

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

- **Legacies**

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Trust has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Trust, can be reliably measured.

- **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

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

1. Accounting policies (continued)

1.3 Income (continued)

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.

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 Trust 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 Trust's educational operations, including support costs and costs relating to the governance of the Trust apportioned to charitable activities.

All resources expended are inclusive of irrecoverable VAT.

1.5 Intangible assets

Intangible assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment.

Amortisation is provided on intangible assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

The estimated useful lives are as follows:

Computer software	- 33 % per annum
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

1. Accounting policies (continued)

1.6 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 over its expected useful life, as follows:

Leasehold buildings	-	2% on a straight line basis
Fixtures, fittings & equipment	-	20% on a straight line basis
Computer equipment	-	33% on a straight line basis
Motor vehicles	-	20% on a straight line basis

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use and reclassified to leasehold land and buildings.

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.

1.7 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.8 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.

1.9 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.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

1. Accounting policies (continued)

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

1.11 Financial instruments

The Trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Trust 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 18. 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 19. 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.

1.12 Pensions

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

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

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

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

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

1. Accounting policies (continued)

1.13 Fund accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the Trust 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 Trust makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 28, 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 2016 has been used by the actuary in valuing the pensions liability at 31 August 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

3. Income from donations and capital grants

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £	Total funds 2019 £
Sponsor donations - The Annabel Arbib Foundation	261,400	80,000	-	341,400	74,024
Capital Grants	-	-	210,618	210,618	80,674
Other donations	34,232	111,894	-	146,126	97,902
	<u>295,632</u>	<u>191,894</u>	<u>210,618</u>	<u>698,144</u>	<u>252,600</u>
<i>Total 2019</i>	<u>152,740</u>	<u>19,186</u>	<u>80,674</u>	<u>252,600</u>	

4. Funding for the Trust's educational activities

	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
DfE/ESFA grants			
General Annual Grant (GAG)	10,346,423	10,346,423	10,291,028
Other ESFA grants	1,206,128	1,206,128	874,495
	<u>11,552,551</u>	<u>11,552,551</u>	<u>11,165,523</u>
Other government grants			
Local authority grants	595,943	595,943	559,511
	<u>595,943</u>	<u>595,943</u>	<u>559,511</u>
Other funding			
Other income	235,232	235,232	302,556
	<u>235,232</u>	<u>235,232</u>	<u>302,556</u>
Exceptional government funding			
Coronavirus exceptional support	31,264	31,264	-
	<u>12,414,990</u>	<u>12,414,990</u>	<u>12,027,590</u>
<i>Total 2019</i>	<u>12,027,590</u>	<u>12,027,590</u>	

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

4. Funding for the Trust's educational activities (continued)

The Trust has been eligible to claim additional funding in year from government support schemes in response to the coronavirus outbreak. The funding received is shown above under "exceptional government funding". The funding received for coronavirus exceptional support covers £31k of support costs. These costs are included in notes 7 and 9 below as appropriate.

5. Income from other trading activities

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Hire of facilities	44,428	-	44,428	76,640
Catering income	-	10,911	10,911	15,451
Other income	2,500	11,311	13,811	17,112
	<u>46,928</u>	<u>22,222</u>	<u>69,150</u>	<u>109,203</u>
<i>Total 2019</i>	<u>76,002</u>	<u>33,201</u>	<u>109,203</u>	

6. Investment income

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Bank interest	19,688	19,688	28,707
	<u>19,688</u>	<u>19,688</u>	<u>28,707</u>
<i>Total 2019</i>	<u>28,707</u>	<u>28,707</u>	

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

7. Expenditure

	Staff Costs 2020 £	Premises 2020 £	Other 2020 £	Total 2020 £	Total 2019 £
Expenditure on raising voluntary income:					
Direct costs	-	-	-	-	25,959
Educational activities:					
Direct costs	8,620,920	-	1,089,389	9,710,309	9,032,304
Allocated support costs	2,323,284	1,705,610	871,406	4,900,300	4,712,914
	<u>10,944,204</u>	<u>1,705,610</u>	<u>1,960,795</u>	<u>14,610,609</u>	<u>13,771,177</u>
<i>Total 2019</i>	<u>9,800,438</u>	<u>2,032,976</u>	<u>1,937,763</u>	<u>13,771,177</u>	

8. Analysis of expenditure on charitable activities

Summary by fund type

	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Educational activities	14,610,609	14,610,609	13,745,218
<i>Total 2019</i>	<u>13,745,218</u>	<u>13,745,218</u>	

THE ARBIB EDUCATION TRUST (FORMERLY THE LANGLEY ACADEMY TRUST)
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

9. Analysis of expenditure by activities

	Activities undertaken directly 2020 £	Support costs 2020 £	Total funds 2020 £	Total funds 2019 £
Educational activities	9,710,309	4,900,300	14,610,609	13,745,218
<i>Total 2019</i>	<u>9,032,304</u>	<u>4,712,914</u>	<u>13,745,218</u>	

Analysis of direct costs

	Educational activities 2020 £	Total funds 2020 £	Total funds 2019 £
Staff costs	8,306,849	8,306,849	7,410,815
Educational supplies	478,272	478,272	548,184
Examination fees	105,087	105,087	132,653
Staff development	55,788	55,788	81,732
Educational consultancy	287,912	287,912	269,540
Technology costs	96,403	96,403	138,887
Other direct costs	65,927	65,927	92,450
Teaching supply costs	314,071	314,071	358,043
	<u>9,710,309</u>	<u>9,710,309</u>	<u>9,032,304</u>
<i>Total 2019</i>	<u>9,032,304</u>	<u>9,032,304</u>	

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

9. Analysis of expenditure by activities (continued)

Analysis of support costs

	Educational activities 2020 £	Total funds 2020 £	<i>Total funds 2019 £</i>
Pension finance cost	102,000	102,000	105,000
Staff costs	2,169,545	2,169,545	1,992,927
Depreciation	1,165,096	1,165,096	1,304,434
Technology costs	68,273	68,273	48,235
Support staff supply costs	153,739	153,739	26,645
Catering	305,635	305,635	291,691
Cleaning	68,076	68,076	53,319
Energy	191,425	191,425	208,142
Governance costs	19,562	19,562	45,925
Insurance	51,401	51,401	52,848
Repairs and maintenance	241,639	241,639	262,796
Other occupancy costs	64,486	64,486	67,006
Recruitment and support	6,937	6,937	31,291
Rent and rates	81,664	81,664	84,430
Other support costs	210,822	210,822	138,225
	<u>4,900,300</u>	<u>4,900,300</u>	<u>4,712,914</u>
<i>Total 2019</i>	<u>4,712,914</u>	<u>4,712,914</u>	

10. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2020 £	<i>2019 £</i>
Depreciation of tangible fixed assets	1,162,230	1,301,906
Amortisation of intangible assets	2,866	2,528
Gain on disposal of fixed assets	-	(638)
Fees paid to auditors for:		
- audit	12,300	22,650
- other services	-	11,065
	<u>12,300</u>	<u>33,723</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

11. Staff

a. Staff costs

Staff costs during the year were as follows:

	2020 £	2019 £
Wages and salaries	7,554,703	7,071,487
Social security costs	738,049	688,796
Pension costs	2,183,642	1,643,459
	<u>10,476,394</u>	<u>9,403,742</u>
Agency staff costs	467,810	384,688
Other salary costs	-	12,008
	<u><u>10,944,204</u></u>	<u><u>9,800,438</u></u>

b. Staff numbers

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

	2020 No.	2019 No.
Teachers	102	97
Administration and support	150	159
Management	52	54
	<u>304</u>	<u>310</u>

The average headcount expressed as full-time equivalents was:

	2020 No.	2019 No.
Teachers	103	99
Administration and support	86	90
Management	43	38
	<u>232</u>	<u>227</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

11. Staff (continued)

c. Higher paid staff

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

	2020	2019
	No.	No.
In the band £60,001 - £70,000	3	4
In the band £70,001 - £80,000	1	-
In the band £80,001 - £90,000	1	2
In the band £90,001 - £100,000	2	1
In the band £140,001 - £150,000	1	1

d. Key management personnel

The key management personnel of the Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Trust was £664,688 (2019 £612,097).

12. Central services

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

- Human resources support
- Finance department support
- Legal services
- Educational support services
- Clerking services
- Strategic management support

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

12. Central services (continued)

The Trust charges for these services on the following basis:

A flat percentage of GAG income (6%).

The actual amounts charged during the year were as follows:

	2020 £	2019 £
The Langley Academy	385,896	373,740
The Langley Heritage Primary (Parlaunt Park Primary Academy)	143,052	146,940
The Langley Academy Primary	114,804	89,146
Total	643,752	609,826

13. Trustees' remuneration and expenses

One Trustee, the Executive Principal was paid remuneration or has received other benefits from an employment with the Trust. The Executive Principal only received remuneration in respect of services provided in undertaking the role under a contract of employment. The value of this remuneration and other benefits was as follows:

		2020 £	2019 £
Mr Rhodri Bryant (resigned 20 November 2019)	Remuneration	145,000 -	140,000 -
		150,000	145,000
	Pension contributions paid	35,000 -	15,000 -
		40,000	20,000

During the year ended 31 August 2020, travel and subsistence expenses totalling £2,499 (2019: £284) were reimbursed to 1 trustee (2019: 1 trustee). In addition, The Arbib Education Trust spent £853 (2019: £919) worth of expenses on behalf of the Trustees for training courses attended.

14. Trustees' and officers' insurance

The Trust has opted into the Department for Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on trust business, and provides cover up to £10,000,000. It is not possible to quantify the Trustees and officers' indemnity element from the overall cost of the RPA scheme membership.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

15. Intangible assets

	Computer software £
Cost	
At 1 September 2019	36,969
Additions	29,216
At 31 August 2020	<u>66,185</u>
Amortisation	
At 1 September 2019	35,727
Charge for the year	2,866
At 31 August 2020	<u>38,593</u>
Net book value	
At 31 August 2020	<u><u>27,592</u></u>
At 31 August 2019	<u><u>1,242</u></u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

16. Tangible fixed assets

	Long-term leasehold property £	Assets under construction £	Furniture and equipment £	Computer equipment £	Motor vehicles £	Total £
Cost or valuation						
At 1 September 2019	43,096,465	602,943	1,972,517	2,056,404	66,291	47,794,620
Additions	2,075,025	73,629	61,420	260,445	-	2,470,519
Transfers between classes	599,904	(599,904)	-	-	-	-
At 31 August 2020	45,771,394	76,668	2,033,937	2,316,849	66,291	50,265,139
Depreciation						
At 1 September 2019	8,208,822	-	1,696,649	1,845,243	51,599	11,802,313
Charge for the year	896,337	-	110,582	146,935	8,376	1,162,230
At 31 August 2020	9,105,159	-	1,807,231	1,992,178	59,975	12,964,543
Net book value						
At 31 August 2020	36,666,235	76,668	226,706	324,671	6,316	37,300,596
At 31 August 2019	34,887,643	602,943	275,868	211,161	14,692	35,992,307

17. Stocks

	2020 £	2019 £
Uniforms	2,000	2,448

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18. Debtors

	2020 £	2019 £
Due within one year		
Trade debtors	28,266	11,995
Other debtors	175,457	231,810
Prepayments and accrued income	306,152	411,430
	<u>509,875</u>	<u>655,235</u>

19. Creditors: Amounts falling due within one year

	2020 £	2019 £
Trade creditors	383,389	823,543
Other taxation and social security	174,268	161,789
Other creditors	345,756	189,475
Accruals and deferred income	463,219	663,082
	<u>1,366,632</u>	<u>1,837,889</u>

	2020 £	2019 £
Deferred income at 1 September 2019	505,744	237,177
Resources deferred during the year	243,791	337,221
Amounts released from previous periods	(505,744)	(68,654)
	<u>243,791</u>	<u>505,744</u>

At the balance sheet date the Trust was holding funds received in advance for the year 2020/21.

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20. Financial instruments

	2020 £	2019 £
Financial assets		
Financial assets measured at fair value through income and expenditure	<u>4,210,616</u>	<u>6,514,341</u>

Financial assets measured at fair value through income and expenditure comprise bank and cash balances.

21. Statement of funds

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
Unrestricted funds						
General Funds - all funds	<u>2,535,758</u>	<u>362,248</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,898,006</u>
Restricted general funds						
General Annual Grant (GAG)	2,786,320	10,302,618	(10,345,792)	(2,286,579)	-	456,567
Pupil premium	-	472,119	(472,119)	-	-	-
Other ESFA funding	3,703	734,009	(737,712)	-	-	-
Local Authority grants	4,530	595,943	(600,473)	-	-	-
General funds	-	524,417	(524,417)	-	-	-
Pension reserve	(5,612,000)	-	(765,000)	-	(1,836,000)	(8,213,000)
	<u>(2,817,447)</u>	<u>12,629,106</u>	<u>(13,445,513)</u>	<u>(2,286,579)</u>	<u>(1,836,000)</u>	<u>(7,756,433)</u>

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21. Statement of funds (continued)

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
Restricted fixed asset funds						
Restricted Fixed Asset funds - all funds	35,993,548	-	(950,653)	2,286,579	-	37,329,474
Private sector capital sponsorship	1,317	-	(1,317)	-	-	-
DfE/ESFA capital grants	2,508	43,065	(45,573)	-	-	-
CIF capital income	-	73,629	(73,629)	-	-	-
Other capital funding	-	93,924	(93,924)	-	-	-
	<u>35,997,373</u>	<u>210,618</u>	<u>(1,165,096)</u>	<u>2,286,579</u>	<u>-</u>	<u>37,329,474</u>
Total Restricted funds	<u>33,179,926</u>	<u>12,839,724</u>	<u>(14,610,609)</u>	<u>-</u>	<u>(1,836,000)</u>	<u>29,573,041</u>
Total funds	<u>35,715,684</u>	<u>13,201,972</u>	<u>(14,610,609)</u>	<u>-</u>	<u>(1,836,000)</u>	<u>32,471,047</u>

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

Restricted funds are resources for educational purposes.

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 Trust at the discretion of the Trustees.

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

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21. Statement of funds (continued)

Total funds analysis by academy

Fund balances at 31 August 2020 were allocated as follows:

	2020 £	2019 £
Central Trust	(44,973)	(59,183)
The Langley Heritage Primary (Parlaunt Park Primary Academy)	1,218,921	1,206,822
The Langley Academy	1,693,531	3,866,730
The Langley Academy Primary	487,094	315,942
Total before fixed asset funds and pension reserve	3,354,573	5,330,311
Restricted fixed asset fund	37,329,474	35,997,373
Pension reserve	(8,213,000)	(5,612,000)
Academy Total	32,471,047	35,715,684

Total cost analysis by academy

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2020 £	Total 2019 £
Central Trust	384,598	1,009,701	5,209	215,495	1,615,003	1,381,639
The Langley Heritage Primary (Parlaunt Park Primary Academy)	1,979,151	263,351	218,164	496,961	2,957,627	2,706,258
The Langley Academy	4,679,549	836,008	485,129	1,150,471	7,151,157	6,590,973
The Langley Academy Primary	1,577,622	214,224	162,769	410,863	2,365,478	1,787,873
Consolidation Adjustment	-	-	-	(643,752)	(643,752)	-
Academy Total	8,620,920	2,323,284	871,271	1,630,038	13,445,513	12,466,743

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21. Statement of funds (continued)

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

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
Unrestricted funds						
General Funds - all funds	2,360,250	178,733	(3,225)	-	-	2,535,758
Restricted general funds						
General Annual Grant (GAG)	3,104,154	10,291,028	(9,921,270)	(687,592)	-	2,786,320
Pupil premium	-	492,845	(492,845)	-	-	-
Other ESFA funding	3,702	381,650	(381,649)	-	-	3,703
Local Authority grants	7,114	559,511	(562,095)	-	-	4,530
General funds	-	433,659	(433,659)	-	-	-
Pension reserve	(4,048,000)	-	(672,000)	-	(892,000)	(5,612,000)
	(933,030)	12,158,693	(12,463,518)	(687,592)	(892,000)	(2,817,447)
Restricted fixed asset funds						
Restricted Fixed Asset funds - all funds	36,532,224	37,679	(1,304,434)	728,079	-	35,993,548
Private sector capital sponsorship	1,317	-	-	-	-	1,317
DfE/ESFA capital grants	-	42,995	-	(40,487)	-	2,508
	36,533,541	80,674	(1,304,434)	687,592	-	35,997,373
Total Restricted funds	35,600,511	12,239,367	(13,767,952)	-	(892,000)	33,179,926

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21. Statement of funds (continued)

	<i>Balance at 1 September 2018 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2019 £</i>
Total funds	37,960,761	12,418,100	(13,771,177)	-	(892,000)	35,715,684

22. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £
Tangible fixed assets	-	-	37,300,596	37,300,596
Intangible fixed assets	-	-	27,592	27,592
Current assets	2,898,006	1,823,199	1,286	4,722,491
Creditors due within one year	-	(1,366,632)	-	(1,366,632)
Provisions for liabilities and charges	-	(8,213,000)	-	(8,213,000)
Total	2,898,006	(7,756,433)	37,329,474	32,471,047

Analysis of net assets between funds - prior period

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £
Tangible fixed assets	-	-	35,992,307	35,992,307
Intangible fixed assets	-	-	1,242	1,242
Current assets	2,535,758	4,632,442	3,824	7,172,024
Creditors due within one year	-	(1,837,889)	-	(1,837,889)
Provisions for liabilities and charges	-	(5,612,000)	-	(5,612,000)
Total	2,535,758	(2,817,447)	35,997,373	35,715,684

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

	2020 £	2019 £
Net expenditure for the period (as per statement of financial activities)	(1,408,637)	(1,353,077)
Adjustments for:		
Amortisation	2,866	2,528
Depreciation	1,162,230	1,301,906
Capital grants from DfE and other capital income	(210,618)	(80,674)
Interest receivable	(19,688)	(28,707)
Defined benefit pension scheme cost less contributions payable	663,000	567,000
Defined benefit pension scheme finance cost	102,000	105,000
Decrease in stocks	448	9,310
Decrease/(increase) in debtors	145,360	(29,887)
(Decrease)/increase in creditors	(471,257)	470,437
Loss on sale of tangible fixed assets	-	638
Net cash (used in)/provided by operating activities	(34,296)	964,474

24. Cash flows from investing activities

	2020 £	2019 £
Interest received	19,688	28,707
Purchase of tangible fixed assets	(2,499,735)	(766,698)
Proceeds from the sale of tangible fixed assets	-	300
Capital grants from DfE/ESFA and Local Authority	210,618	80,674
Net cash used in investing activities	(2,269,429)	(657,017)

25. Analysis of cash and cash equivalents

	2020 £	2019 £
Cash in hand	1,582,433	2,698,590
Short term deposits	2,628,183	3,815,751
Total cash and cash equivalents	4,210,616	6,514,341

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26. Analysis of changes in net debt

	At 1 September 2019 £	Cash flows £	At 31 August 2020 £
Cash at bank and in hand	6,514,341	(2,303,725)	4,210,616
	<u>6,514,341</u>	<u>(2,303,725)</u>	<u>4,210,616</u>

27. Capital commitments

	2020 £	2019 £
Contracted for but not provided in these financial statements		
New 6th Form Building	-	2,075,097
New roofing works	632,009	-
	<u>632,009</u>	<u>2,075,097</u>

28. Pension commitments

The Trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff (only staff who teach or were teachers such as the Executive Principal are on the scheme); 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 actuarial valuation of the TPS related to the period ended 31 March 2016 and of the LGPS 31 August 2020.

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.

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28. 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 was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

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

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

The employer's pension costs paid to TPS in the year amounted to £1,050,159 (2019 - £674,620).

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 Trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Trust 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 2020 was £622,000 (2019 - £542,000), of which employer's contributions totalled £465,000 (2019 - £400,000) and employees' contributions totalled £ 157,000 (2019 - £142,000). The agreed contribution rates for future years are between 19.6% and 21.6% for employers and between 5.5% and 12.5% for employees.

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

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28. Pension commitments (continued)

Principal actuarial assumptions

Royal County of Berkshire Pension Fund

	2020 %	2019 %
Rate of increase in salaries	3.25	3.70
Rate of increase for pensions in payment/inflation	2.25	2.20
Discount rate for scheme liabilities	1.65	1.90
Inflation assumption (CPI)	2.25	2.20

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

	2020 Years	2019 Years
<i>Retiring today</i>		
Males	21.5	22.1
Females	24.1	24.0
<i>Retiring in 20 years</i>		
Males	22.9	23.7
Females	25.5	25.8

Share of scheme assets

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

	2020 £	2019 £
Equities	3,267,000	2,768,000
Corporate bonds	733,000	722,000
Property	794,000	628,000
Cash and other liquid assets	531,000	390,000
Other	271,000	466,000
Total market value of assets	5,596,000	4,974,000

The actual return on scheme assets was £221,000 (2019 - £280,000).

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28. Pension commitments (continued)

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

	2020 £	2019 £
Current service cost	(1,123,000)	(860,000)
Past service cost	-	(128,000)
Interest income	99,000	114,000
Interest cost	(201,000)	(219,000)
Administrative expenses	(5,000)	-
Total amount recognised in the Statement of financial activities	(1,230,000)	(1,093,000)

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

	2020 £	2019 £
At 1 September	10,586,000	8,285,000
Current service cost	1,123,000	860,000
Interest cost	201,000	219,000
Employee contributions	157,000	142,000
Actuarial losses	1,909,000	1,054,000
Benefits paid	(167,000)	(52,000)
Liabilities extinguished on settlement	-	(50,000)
Past service costs	-	128,000
At 31 August	13,809,000	10,586,000

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

	2020 £	2019 £
At 1 September	4,974,000	4,237,000
Interest income	99,000	114,000
Actuarial gains	73,000	162,000
Employer contributions	465,000	400,000
Employee contributions	157,000	142,000
Benefits paid	(167,000)	(52,000)
Settlement prices	-	(29,000)
Administration expenses	(5,000)	-
At 31 August	5,596,000	4,974,000

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29. 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 £NIL for the debts and liabilities contracted before he/she ceases to be a member.

30. Related party transactions

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

No other related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 13.

31. Agency arrangements

The Trust distributes 16-19 bursary funds to students as an agent for the ESFA. The Trust brought forward £12,423 of unspent funds from last year and during the year ended 31 August 2020 the Trust received £19,937 (2019: £22,474) and disbursed £17,515 (2019: £10,050) from the fund. An amount of £NIL (2019: £NIL) is included in other creditors relating to undistributed funds that is repayable to the ESFA.