

Company Registration Number: 05358533 (England & Wales)

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 2021



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)
(A company limited by guarantee)

**REFERENCE AND ADMINISTRATION DETAILS
FOR THE YEAR ENDED 31 AUGUST 2021**

| | |
|--|---|
| Members | Sir Martyn Arbib Mrs Annabel Nicoll Mr Patrick Nicoll Mrs Linda Sanderson The Annabel Arbib Foundation Mrs Sarah Faure |
| Trustees | Dr Oona Stannard, Chair of Trustees Mrs Emma Jane Avery (Resigned 25 Mar 2021) Mr Martin Burford, Vice Chair Mr John Hedger Mr William Lazarus Mr David Mallen (Resigned 31 Dec 2020) Mrs Annabel Nicoll Mr O Babarinde (Appointed 1 Jan 2021) Mrs R Kruger (Appointed 1 Jan 2021) Dr D Bouchard (Appointed 24 June 2021) |
| 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 (Resigned 29 Oct 2021) |
| Senior management team | Mr Rhodri Bryant, Executive Principal Ms Coralyn Ann Selman, Finance Director (Resigned 29 October 2021) Mr Roger Melody Interim Finance Director (Appointed 18 October 2021) Mrs Sarah Casemore, Human Resources Director (Appointed 1 September 2020) Mrs Alison Lusuardi The Langley Academy, Headteacher Mrs Tracey Bowen, The Langley Academy Primary, Headteacher Ms Polly Frazer, The Langley Heritage Primary (formerly Parlaunt Park Primary Academy), Ms Hanna Blackmore, The Langley Heritage Primary Academy, Acting Headteacher (Appointed 1 Sept 2021) |
| 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)
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

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 2020 to 31 August 2021. 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 (TLHP) 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 2,335 and had a roll of 2,221 in the school census in October 2020. TLHP has reduced its PAN from 3 form entry to 2 form entry which over time explains the difference in numbers.

The financial statements have been prepared in accordance with the accounting policies set out on pages 27 to 51 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

Constitution

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

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 Annabel Arbib Foundation which is the sponsor of the Trust, and up to five persons appointed by the Trustees of the sponsor. The members may appoint additional members as they see fit. In accordance with the articles of association of the charitable company they have the powers to appoint or remove Trustees.

Members' liability

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

Trustees' Indemnities

Subject to the provisions 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.

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 2021

Structure, governance and management (continued)

Trade union facility time

| | |
|---|----------------------|
| Relevant union officials | |
| Number of employees who were relevant union officials during the year | 1 |
| Full-time equivalent employee number | - |
| Percentage of time spent on facility time | |
| | Employees |
| 0% | - |
| 1%-50% | 1 |
| 51%-99% | - |
| 100% | - |
| Percentage of pay bill spent on facility time | |
| Total cost of facility time | £2,250 |
| Total pay bill | £10,717,466 |
| Percentage of total pay bill spent on facility time | 0.02% |
| Paid trade union activities | |
| Time spent on paid trade union activities as a percentage of total paid facility time hours | 0% (see note) |
| <i>The time spent on TU activities is 0% as none of it occurs in directed time</i> | |

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 and various forms of communication. The Trust also carries out 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.

During the year, the Trust reviewed and implemented a number of detailed policies in relation to all aspects of personnel matters including but not limited to:

- Equality policy
- Health & Safety policy
- Whistleblowing policy
- Staff Code of Conduct policy
- Professional development and appraisal
- Equality, Diversity and Inclusion
- Capability

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Structure, governance and management (continued)

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 Trust ensures that it complies with statutory expectations regarding all protected characteristics.

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.

Each school in the Trust has a wellbeing group which has led on a number of initiatives across the Trust for staff. These groups 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 Christmas Party and summer barbeque

The Trust places great importance on looking after the safety of staff, pupils and anyone else impacted by it's business, and is responsible for making the academies within the Trust safe places to work and visit. Quarterly Trust health and safety meetings take place which provide updates to the Board and the Executive Principal makes termly H&S site visits to each school.

Trustees

The Trust has provision for up to ten Trustees appointed by The Annabel Arbib Foundation, as the sponsor. The Executive Principal is not a Trustee but attends Trust meetings. There is provision for a minimum of two parent Trustees unless there are local governing bodies which include at least two parent members- which is the case within the Trust schools. 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 strategic and 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 five full meetings. Additionally, Trustees and the Executive Principal held weekly or fortnightly informal meetings as necessary during the Covid pandemic.

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 (2020– none).

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Structure, governance and management (continued)

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

In discharging their duties Trustees 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 the best possible 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 that the Trust has built with its catering and IT suppliers and partners became ever more relevant in supporting the Trust through the Covid lockdowns. For example, 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 and some of the wider community during 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 thus protecting the funds available for investment in the curriculum and delivering high standards of education.

Objectives and Activities

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 helps 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. The Trustees have also reviewed and taken into account the DfE's Governance Handbook and competency framework for governance.

The Trustees are carrying out these objectives in line with the vision 'One community. Many ideas. Everyone's future'. We aim to provide an exceptional education for every child in the Trust through an ethos of collaboration and high aspirations and through the principles of quality learning using curiosity, exploration and discovery.

One Community

Each school in the Trust will add value to every child and member of staff. The Trust shall help develop community cohesion. A single community means having a sense of belonging to the Trust and serving our local families. It embodies the 'Arbib Way' and its determination to go the extra mile, finding solutions where needed.

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.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Objectives and Activities (continued)

In line with the aims of the Trust, we work to ensure 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 and facilities when permitted.

Everyone's Future

All children and young people in the Trust's schools will reach their full potential. The gap will be closed between the highest achievers and the more disadvantaged and in doing so we will recognise the importance of academic subjects and technical and vocational skills. We recognise that "exceptional education" includes sport, culture and personal development.

The Trust is very proud of its Museum Learning philosophy and provision. The vision is to further expand this, to include all children in all of its 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 the best possible, personalised education.

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.

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, providing after school and weekend clubs and courses for its students and workshops for its parents. Although the use of our 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 local community.

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 2020/21 of +1.07. A level results have also improved and 2020/21 L3VA score was +.58 although the school recognises the national picture of grade inflation and will therefore continue to guard against this. The improvements have been supported by the new facilities with our £2.1 million Sir Martyn Arbib Centre and the refurbishment of the 6th form centre. Student numbers have increased in academic year 2021/22 and we now are predicting 255 students for academic year 2022/23. There is no doubt that the new buildings, the general level of provision within the curriculum and its delivery, and the excellent results have helped to shape the aspirations and ambitions of young people and are helping the Trust to achieve its vision.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Strategies and activities (continued)

Strategic report (continued)

The Langley Heritage Primary

The Langley Heritage Primary (formerly Parlaunt Park Primary Academy) 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 significant improvement can be seen in every aspect of the School. Almost all outcomes at KS2 are now above national average with some excellent in-year progress made to achieve that. We seek further improvement.

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 in either primary due to the impact of Covid and the absence of National assessments and data but the Trust is confident that children's progress, as shown by internal data, is at least in line with the National picture. We take our confident view from the positive impact of the quality of leadership, the management of the Risk Assessment procedures, the development of the remote learning programme, the innovative use of the catch-up funding and importantly because of the very strong relationships staff have with the children and their families. The staff know the children exceptionally well.

Every child in the Trust attends a school currently described by Ofsted as either Outstanding or Good. The very high-quality leadership from Trustees, Governors, the Executive Principal and leaders in each school is focussed on ensuring this upward trajectory is maintained.

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.

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 to continuous improvement. The positive reputation of the Trust can be seen through the number of admission 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

Financial report for the year

The Covid pandemic has had a significant effect on the financial performance. Extra costs have been incurred in certain areas such as cleaning while some revenues such as canteen sales and lettings income have been depleted.

The Trust's academies are largely funded by the Education and Skills Funding Agency, an executive agency of the Department for Education. In addition some funding is provided by the local authority and the sponsor makes significant donations regularly.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

The statement of financial activities on page 24 shows a deficit for the year before actuarial gains or losses on the Local Government Pension Scheme of £1,188,989 (2020 – £1,408,637). This includes £839,000 of pension costs under FRS102 (28) (2020 – £663,000), £422,071 of donation income from The Annabel Arbib Foundation (2020 – £340,200), £650,971 income from capital grants (2020 – £210,618) and the depreciation and amortisation charge £1,286,957 (2020 – £1,165,096).

The Trust closed the year with operational reserves of £3,256,315 compared to £3,354,573 at the end of the academic year end August 2020.

Unrestricted funds increased by £315,853 to £3,213,859 as at 31 August 2020 (2020 – £2,898,006).

As shown in note 20, restricted general funds, excluding the pension reserve, decreased by £414,111 (2020 – decreased by £2,337,986).

The pension reserve shows an increase in the Local Government Scheme Pension deficit to £10,649,000 (2020 – £8,213,000). Further details are shown in note 23. At present this does not affect day to day operations but the Trust continues to monitor this figure as future cash contributions may increase.

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.

Future events that might affect the Trust's future financial performance include pupil numbers on roll, the cost of maintaining our buildings, upwards pressure on payroll costs and the potential cost of staff retention initiatives.

Investment policy

The Trust has substantial power with regards to investments due to healthy cash balances it holds. The Trust aims to ensure that sufficient funds are available to cover any immediate expenditure, without exposing the Trust to additional risk while 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.

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 2021 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, including continuing Covid-related costs and increases in payroll costs that are not matched by increases in grant funding. Although the Trust, is continuously looking for efficiency savings, these extra costs could 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,

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 2021

Principal risks and uncertainties

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.

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 following table summarises the main risks and the controls to monitor and manage them:

| Risk | | Controls in place |
|--|--|--|
| Operational Risk - Staff Health and Well being | The impact of the Coronavirus on the mental health and well being of the staff and pupils. | Provision of access to mental health counselling. Closely monitor pupils to identify any changes in behaviour. |
| Operational Risk - Recruitment and Retention of Staff | Difficulties in recruiting and retaining quality staff, particularly with support staff eg LSAs | HR director appointed, Personnel Committee developed to focus on R&R strategy. Succession planning for staff near retirement |
| Operational Risk - Teacher shortage | A shortage of teachers would lead to poor results in those subjects, impact on career choices and specialisms. Reputational damage for school. Loss of pupils and associated funding | 'Grow your own' talent. Recruitment and retention strategy, Marketing through social media and website, |
| Financial Risk - Funding | Insufficient funding to meet objectives | Regular budget monitoring, robust financial planning, cost reviews to eliminate unnecessary expenditure |

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. The DfE has acknowledged our stance on this. Subject to this concern, the Trustees are satisfied that appropriate measures are in place to limit and manage those risks.

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 2021

Streamlined energy and carbon reporting

| UK Greenhouse gas emissions and energy use data | 1 Sept 2020 to 31 Aug 2021 | 1 Sept 2019 to 31 Aug 2020 |
|--|----------------------------------|----------------------------------|
| Energy consumption used to calculate emissions (kWh) | 2,373,862 | 2,437,373 |
| Energy consumption break down (kWh) (optional) | | |
| • gas, | 1,184,570 | 1,121,909 |
| • electricity, | 1,186,252 | 1,308,503 |
| • transport fuel | 3,040 | 6,961 |
| <u>Scope 1 emissions in metric tonnes CO2e</u> | | |
| Gas consumption | 21.78 | 20.63 |
| Owned transport – mini-buses | 0.54 | 1.00 |
| <u>Total scope 1</u> | 22.32 | 21.63 |
| <u>Scope 2 emissions in metric tonnes CO2e</u> | | |
| Purchased electricity | 27.66 | 30.51 |
| <u>Scope 3 emissions in metric tonnes CO2e</u> | | |
| Business travel in employee owned vehicles | 0.04 | 0.41 |
| <u>Total gross emissions in metric tonnes CO2e</u> | 50.02 | 52.54 |
| <u>Intensity ratio</u> | | |
| <u>Tonnes CO2e per pupil</u> | 0.02 | 0.02 |

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 is confident that, by maintaining high levels of aspiration and continuing to implement best practice, it will satisfy or exceed Ofsted's expectations.

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.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Auditor

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 24 November 2021 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 5 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 | 5 | 5 |
| Mrs Emma Jane Avery | 3 | 3 |
| Mr Martin Burford, Vice Chair | 5 | 5 |
| Mr John Hedger | 5 | 5 |
| Mr William Lazarus | 5 | 5 |
| Mr David Mallen | 2 | 2 |
| Mrs Annabel Nicoll | 5 | 5 |
| Mr O Babarinde | 3 | 3 |
| Mrs R Kruger | 3 | 3 |
| Dr D Bouchard | 1 | 2 |

In addition, the Executive Principal attended each of the five meetings of the Trustees

Trustees typically also serve on a number of other sub committees:

Business Committee

The Business Committee is 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:

- Budget monitoring
- Review and approval of budget
- Internal scrutiny
- Risk register
- Monitoring projects and capital expenditure
- Reviewing the statutory accounts

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

GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

Attendance during the year at meetings was as follows:

| Trustee | Meetings attended | Out of a possible |
|----------------------------|--------------------------|--------------------------|
| Mr William Lazarus (Chair) | 6 | 6 |
| Mrs Annabel Nicoll | 5 | 6 |
| Dr Oona Stannard | 6 | 6 |
| Mr Martin Burford | 4 | 6 |
| Mr David Mallen | 3 | 3 |

In addition, the Executive Principal attended each meeting

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 John Hedger | 1 | 1 |
| Mrs Annabel Nicoll | 1 | 1 |
| Dr Oona Stannard | 1 | 1 |

The meeting was also attended by; a representative from Landau Baker in their role as the auditor; the Executive Principal; and by senior financial management

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:

- Operating tight budgetary controls
- Re-tendering as significant contracts come to an end
- Looking for efficiency savings when staff leave rather than automatically replacing

A focus for the financial year 2021/22 will be to rebuild our lettings income.

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

GOVERNANCE STATEMENT (CONTINUED)

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 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Board of Trustees, through the responsibility delegated to the Business Committee, 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 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees and the Business and Audit Committees.

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

In order to assist the Business Committee in meeting its internal scrutiny obligations the Board of Trustees has decided to use a bought-in internal audit service as it was felt this would provide expertise and independence. After a tendering process, Hacker Young were appointed.

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:

- Tendering
- Purchasing
- Expenses and Credit cards
- Review for compliance with financial regulations and the Academies Financial Handbook 2020
- Cash control and handling
- Debtors and Creditors reconciliations
- Bank Reconciliations
- Investments
- Financial reporting
- Financial controls and entries
- Payroll

Twice a year, the internal auditor reports to the Board of Trustees through the Business and Audit Committees on the operation of the systems of control and on the discharge of the Board of Trustees financial responsibilities

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

GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework (continued)

and annually prepares a short summary outlining the areas reviewed, key findings, recommendations and conclusions to help the committees 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 work of the external auditors;
- the work of the internal scrutiny provider
- 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 24 November 2021 and signed on their behalf by:



Dr Oona Stannard
Chair of Trustees



Mr Rhodri Bryant
Accounting Officer

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

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 2020.

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 2020.

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



Rhodri Bryant
Accounting Officer
Date: 24 November 2021

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

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2021

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 2020 to 2021;
- 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 24 November 2021 and signed on its behalf by:



Dr Oona Stannard
Chair of Trustees

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)**

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 2021 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 2020 to 2021 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 2021 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 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

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

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

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

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)**

Other information

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the 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.

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.

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)**

Auditors' responsibilities for the audit of the financial statements

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

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

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

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

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included the UK Companies Act and tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the charitable company's ability to operate or to avoid a material penalty.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

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

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

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

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

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)**

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

24 November 2021

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 2020 to 2021, 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 2020 to 31 August 2021 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to 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 2020, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the 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 2020 to 31 August 2021 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Landau Baker Limited

Reporting Accountant

Landau Baker Limited

Chartered Accountants
Statutory Auditors

Mountcliff House
154 Brent Street
London
NW4 2DR

Date: 24 November 2021

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

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2021**

| | Note | Unrestricted funds 2021 £ | Restricted funds 2021 £ | Restricted fixed asset funds 2021 £ | Total funds 2021 £ | Total funds 2020 £ |
|---|------|------------------------------------|----------------------------------|---|-----------------------------|-----------------------------|
| Income from: | | | | | | |
| Donations and capital grants | 3 | 275,345 | 139,777 | 867,971 | 1,283,093 | 698,144 |
| Charitable activities | 4 | - | 13,474,576 | - | 13,474,576 | 12,414,990 |
| Other trading activities | 5 | 25,731 | 21,389 | - | 47,120 | 69,150 |
| Investments | 6 | 14,777 | - | - | 14,777 | 19,688 |
| Total income | | 315,853 | 13,635,742 | 867,971 | 14,819,566 | 13,201,972 |
| Expenditure on: | | | | | | |
| Charitable activities | 8 | - | 14,721,598 | 1,286,957 | 16,008,555 | 14,610,609 |
| Total expenditure | | - | 14,721,598 | 1,286,957 | 16,008,555 | 14,610,609 |
| Net income/(expenditure) | | 315,853 | (1,085,856) | (418,986) | (1,188,989) | (1,408,637) |
| Transfers between funds | 20 | - | (298,255) | 298,255 | - | - |
| Net movement in funds before other recognised gains/(losses) | | 315,853 | (1,384,111) | (120,731) | (1,188,989) | (1,408,637) |
| Other recognised gains/(losses): | | | | | | |
| Actuarial losses on defined benefit pension schemes | 27 | - | (1,466,000) | - | (1,466,000) | (1,836,000) |
| Net movement in funds | | 315,853 | (2,850,111) | (120,731) | (2,654,989) | (3,244,637) |
| Reconciliation of funds: | | | | | | |
| Total funds brought forward | | 2,898,006 | (7,756,433) | 37,329,474 | 32,471,047 | 35,715,684 |
| Net movement in funds | | 315,853 | (2,850,111) | (120,731) | (2,654,989) | (3,244,637) |
| Total funds carried forward | | 3,213,859 | (10,606,544) | 37,208,743 | 29,816,058 | 32,471,047 |

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

The notes on pages 27 to 52 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 2021**

| | Note | 2021 £ | 2020 £ |
|--|------|-------------------|-------------------|
| Fixed assets | | | |
| Intangible assets | 15 | 17,852 | 27,592 |
| Tangible assets | 16 | 37,190,891 | 37,300,596 |
| | | <u>37,208,743</u> | <u>37,328,188</u> |
| Current assets | | | |
| Stocks | 17 | - | 2,000 |
| Debtors | 18 | 553,167 | 509,875 |
| Cash at bank and in hand | | 3,979,511 | 4,210,616 |
| | | <u>4,532,678</u> | <u>4,722,491</u> |
| Creditors: amounts falling due within one year | 19 | (1,276,363) | (1,366,632) |
| Net current assets | | <u>3,256,315</u> | <u>3,355,859</u> |
| Total assets less current liabilities | | <u>40,465,058</u> | <u>40,684,047</u> |
| Net assets excluding pension liability | | <u>40,465,058</u> | <u>40,684,047</u> |
| Defined benefit pension scheme liability | 27 | (10,649,000) | (8,213,000) |
| Total net assets | | <u>29,816,058</u> | <u>32,471,047</u> |
| Funds of the Trust | | | |
| Restricted funds: | | | |
| Fixed asset funds | 20 | 37,208,743 | 37,329,474 |
| Restricted income funds | 20 | 42,456 | 456,567 |
| | | <u>37,251,199</u> | <u>37,786,041</u> |
| Restricted funds excluding pension asset | 20 | 37,251,199 | 37,786,041 |
| Pension reserve | 20 | (10,649,000) | (8,213,000) |
| Total restricted funds | 20 | <u>26,602,199</u> | <u>29,573,041</u> |
| Unrestricted income funds | 20 | <u>3,213,859</u> | <u>2,898,006</u> |
| Total funds | | <u>29,816,058</u> | <u>32,471,047</u> |

The financial statements on pages 24 to 52 were approved by the Trustees, and authorised for issue on 24 November 2021 and are signed on their behalf, by:

Dr Oona Stannard
Chair of Trustees



The notes on pages 27 to 52 form part of these financial statements.

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

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2021

| | Note | 2021 £ | 2020 £ |
|---|--------|------------------|------------------|
| Cash flows from operating activities | | | |
| Net cash provided by/(used in) operating activities | 22 | 53,659 | (34,296) |
| Cash flows from investing activities | 23 | (284,764) | (2,269,429) |
| Change in cash and cash equivalents in the year | | (231,105) | (2,303,725) |
| Cash and cash equivalents at the beginning of the year | | 4,210,616 | 6,514,341 |
| Cash and cash equivalents at the end of the year | 24, 25 | <u>3,979,511</u> | <u>4,210,616</u> |

The notes on pages 27 to 52 form part of these financial statements

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

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 2020 to 2021 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 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.

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1. Accounting policies (continued)

1.3 Income (continued)

- **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.

- **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 |
|-------------------|------------------|

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

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1. Accounting policies (continued)

1.6 Tangible fixed assets (continued)

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.

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

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1. Accounting policies (continued)

1.11 Financial instruments (continued)

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.

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.

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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 27, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2021. 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.

3. Income from donations and capital grants

| | Unrestricted funds 2021 £ | Restricted funds 2021 £ | Restricted fixed asset funds 2021 £ | Total funds 2021 £ | Total funds 2020 £ |
|--|------------------------------------|----------------------------------|---|-----------------------------|-----------------------------|
| Sponsor donations - The Annabel Arbib Foundation | 249,071 | - | 173,000 | 422,071 | 341,400 |
| Capital Grants | - | - | 650,971 | 650,971 | 210,618 |
| Other donations | 26,274 | 139,777 | 44,000 | 210,051 | 146,126 |
| | <u>275,345</u> | <u>139,777</u> | <u>867,971</u> | <u>1,283,093</u> | <u>698,144</u> |
| <i>Total 2020</i> | <u>295,632</u> | <u>191,894</u> | <u>210,618</u> | <u>698,144</u> | |

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**NOTES TO THE FINANCIAL STATEMENTS
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4. Funding for the Trust's educational activities

| | Restricted funds 2021 £ | Total funds 2021 £ | Total funds 2020 £ |
|---|--|---------------------------------------|---------------------------------------|
| DfE/ESFA grants | | | |
| General Annual Grant (GAG) | 10,958,777 | 10,958,777 | 10,346,423 |
| Other DfE/ESFA grants | | | |
| Pupil premium | 503,589 | 503,589 | 472,119 |
| UFSM | 198,951 | 198,951 | 156,027 |
| Others | 610,105 | 610,105 | 575,342 |
| | - | 12,271,422 | 11,549,911 |
| Other government grants | | | |
| Local authority grants | 729,924 | 729,924 | 595,943 |
| Other government grants | 3,941 | 3,941 | - |
| | 733,865 | 733,865 | 595,943 |
| Other income from the Trust's educational activities | 193,626 | 193,626 | 235,232 |
| COVID-19 additional funding (DfE/ESFA) | | | |
| Catch-up premium | 157,000 | 157,000 | - |
| Other DfE/ESFA COVID-19 funding | 118,663 | 118,663 | 2,640 |
| | 275,663 | 275,663 | 2,640 |
| COVID-19 additional funding (non-DfE/ESFA) | | | |
| Coronavirus job retention scheme grant | - | - | 31,264 |
| | - | - | 31,264 |
| | 13,474,576 | 13,474,576 | 12,414,990 |
| Total 2020 | 12,414,990 | 12,414,990 | |

Following the reclassification in the Academies Accounts Direction 2020/21 of some grants received from the Department of Education and ESFA, the trust's funding for Universal Infant Free School Meals and Pupil Premium is no longer reported under the Other DfE Group grants heading, but as separate lines under the Other DfE/ESFA grants heading. The prior year numbers have been reclassified.

The trust received £157,000 of funding for catch-up premium and costs incurred in respect of this funding totalled £64,102 with the remaining balance of £92,898 in 2021/22.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

5. Income from other trading activities

| | Unrestricted funds 2021 £ | Restricted funds 2021 £ | Total funds 2021 £ | Total funds 2020 £ |
|--------------------|------------------------------------|----------------------------------|-----------------------------|-----------------------------|
| Hire of facilities | 25,731 | - | 25,731 | 44,428 |
| Catering income | - | 10,260 | 10,260 | 10,911 |
| Other income | - | 11,129 | 11,129 | 13,811 |
| | <u>25,731</u> | <u>21,389</u> | <u>47,120</u> | <u>69,150</u> |
| <i>Total 2020</i> | <u>46,928</u> | <u>22,222</u> | <u>69,150</u> | |

6. Investment income

| | Unrestricted funds 2021 £ | Total funds 2021 £ | Total funds 2020 £ |
|-------------------|------------------------------------|-----------------------------|-----------------------------|
| Bank interest | 14,777 | 14,777 | 19,688 |
| | <u>14,777</u> | <u>14,777</u> | <u>19,688</u> |
| <i>Total 2020</i> | <u>19,688</u> | <u>19,688</u> | |

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

7. Expenditure

| | Staff Costs 2021 £ | Premises 2021 £ | Other 2021 £ | Total 2021 £ | <i>Total 2020 £</i> |
|-------------------------|-----------------------------------|--------------------------------|-----------------------------|-----------------------------|-----------------------------|
| Educational activities: | | | | | |
| Direct costs | 8,637,990 | - | 890,644 | 9,528,634 | 9,710,309 |
| Allocated support costs | 2,485,151 | 1,706,475 | 2,288,295 | 6,479,921 | 4,900,300 |
| | <u>11,123,141</u> | <u>1,706,475</u> | <u>3,178,939</u> | <u>16,008,555</u> | <u>14,610,609</u> |
| <i>Total 2020</i> | <u>10,281,204</u> | <u>1,705,610</u> | <u>2,623,795</u> | <u>14,610,609</u> | |

8. Analysis of expenditure on charitable activities

Summary by fund type

| | Restricted funds 2021 £ | Total funds 2021 £ | <i>Total funds 2020 £</i> |
|------------------------|--|---------------------------------------|---------------------------------------|
| Educational activities | <u>16,008,555</u> | <u>16,008,555</u> | <u>14,610,609</u> |
| <i>Total 2020</i> | <u>14,610,609</u> | <u>14,610,609</u> | |

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**NOTES TO THE FINANCIAL STATEMENTS
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9. Analysis of expenditure by activities

| | Activities undertaken directly 2021 £ | Support costs 2021 £ | Total funds 2021 £ | Total funds 2020 £ |
|------------------------|---|-------------------------------|-----------------------------|-----------------------------|
| Educational activities | 9,528,634 | 6,479,921 | 16,008,555 | 14,610,609 |
| <i>Total 2020</i> | <u>9,710,309</u> | <u>4,900,300</u> | <u>14,610,609</u> | |

Analysis of direct costs

| | Educational activities 2021 £ | Total funds 2021 £ | Total funds 2020 £ |
|-------------------------|--|-----------------------------|-----------------------------|
| Staff costs | 8,402,960 | 8,402,960 | 8,306,849 |
| Educational supplies | 221,832 | 221,832 | 478,272 |
| Examination fees | 90,118 | 90,118 | 105,087 |
| Staff development | 68,645 | 68,645 | 55,788 |
| Educational consultancy | 278,867 | 278,867 | 287,912 |
| Technology costs | 187,834 | 187,834 | 96,403 |
| Other direct costs | 43,348 | 43,348 | 65,927 |
| Teaching supply costs | 235,030 | 235,030 | 314,071 |
| | <u>9,528,634</u> | <u>9,528,634</u> | <u>9,710,309</u> |
| <i>Total 2020</i> | <u>9,710,309</u> | <u>9,710,309</u> | |

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**NOTES TO THE FINANCIAL STATEMENTS
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9. Analysis of expenditure by activities (continued)

Analysis of support costs

| | Educational activities 2021 £ | Total funds 2021 £ | <i>Total funds 2020 £</i> |
|----------------------------|--|---------------------------------------|---------------------------------------|
| Pension finance cost | 131,000 | 131,000 | <i>102,000</i> |
| Staff costs | 2,340,945 | 2,340,945 | <i>1,506,545</i> |
| Depreciation | 1,286,957 | 1,286,957 | <i>1,165,096</i> |
| Technology costs | 78,687 | 78,687 | <i>68,273</i> |
| Support staff supply costs | 144,206 | 144,206 | <i>153,739</i> |
| Catering | 503,866 | 503,866 | <i>305,635</i> |
| Cleaning | 81,483 | 81,483 | <i>68,076</i> |
| Energy | 205,265 | 205,265 | <i>191,425</i> |
| Governance costs | 19,623 | 19,623 | <i>19,562</i> |
| Insurance | 48,975 | 48,975 | <i>51,401</i> |
| Repairs and maintenance | 161,926 | 161,926 | <i>241,639</i> |
| Other occupancy costs | 196,959 | 196,959 | <i>64,486</i> |
| Recruitment and support | 60,787 | 60,787 | <i>6,937</i> |
| Rent and rates | 87,354 | 87,354 | <i>81,664</i> |
| Other support costs | 292,888 | 292,888 | <i>210,822</i> |
| Non cash pension costs | 839,000 | 839,000 | <i>663,000</i> |
| | <u>6,479,921</u> | <u>6,479,921</u> | <u><i>4,900,300</i></u> |
| <i>Total 2020</i> | <u><i>4,900,300</i></u> | <u><i>4,900,300</i></u> | |

In the current year, the non-cash pension costs have been re-allocated to a separate line within the support costs note 9. This cost used to be included within the staff costs line within this note. In turn, the expenditure note 7 has been updated to reflect this change and the staff costs note 11a no longer includes these non-cash pension costs. The prior year figures have also been updated for comparison. This is a better reflection of the actual staff costs incurred by the Academy Trust and enhances the user's understanding of the financial statements.

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10. Net income/(expenditure)

Net income/(expenditure) for the year includes:

| | 2021 £ | 2020 £ |
|---------------------------------------|---------------|---------------|
| Depreciation of tangible fixed assets | 1,277,217 | 1,162,230 |
| Amortisation of intangible assets | 9,740 | 2,866 |
| Fees paid to auditors for: | | |
| - audit | 12,300 | 12,300 |
| - other services | 5,100 | - |
| | <u>12,300</u> | <u>12,300</u> |

11. Staff

a. Staff costs

Staff costs during the year were as follows:

| | 2021 £ | 2020 £ |
|-----------------------|-------------------|-------------------|
| Wages and salaries | 8,227,760 | 7,554,703 |
| Social security costs | 803,846 | 738,049 |
| Pension costs | 1,712,299 | 1,520,642 |
| | <u>10,743,905</u> | <u>9,813,394</u> |
| Agency staff costs | 379,236 | 467,810 |
| | <u>11,123,141</u> | <u>10,281,204</u> |

In the current year, the non-cash pension costs have been re-allocated to a separate line within the support costs note 9. This cost used to be included within the staff costs line within this note. In turn, the expenditure note 7 has been updated to reflect this change and the staff costs note 11a no longer includes these non-cash pension costs. The prior year figures have also been updated for comparison. This is a better reflection of the actual staff costs incurred by the Academy Trust and enhances the user's understanding of the financial statements.

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11. Staff (continued)

b. Staff numbers

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

| | 2021 | 2020 |
|----------------------------|-------------|-------------|
| | No. | No. |
| Teachers | 125 | 102 |
| Administration and support | 158 | 150 |
| Management | 48 | 52 |
| | 331 | 304 |

The average headcount expressed as full-time equivalents was:

| | 2021 | 2020 |
|----------------------------|-------------|-------------|
| | No. | No. |
| Teachers | 108 | 103 |
| Administration and support | 99 | 86 |
| Management | 40 | 43 |
| | 247 | 232 |

c. Higher paid staff

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

| | 2021 | 2020 |
|---------------------------------|-------------|-------------|
| | No. | No. |
| In the band £60,001 - £70,000 | 3 | 3 |
| In the band £70,001 - £80,000 | 3 | 1 |
| In the band £80,001 - £90,000 | 1 | 1 |
| In the band £90,001 - £100,000 | 2 | 2 |
| In the band £140,001 - £150,000 | - | 1 |
| In the band £150,001 - £160,000 | 1 | - |

d. Key management personnel

The key management personnel of the Trust comprise the Trustees and the senior management team as listed on page . 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 £765,794 (2020 £664,688).

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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

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:

| | 2021 £ | 2020 £ |
|--|----------------|----------------|
| The Langley Academy | 402,285 | 385,896 |
| The Langley Heritage Primary (Parlaunt Park Primary Academy) | 142,195 | 143,052 |
| The Langley Academy Primary | 137,502 | 114,804 |
| Total | 681,982 | 643,752 |

13. Trustees' remuneration and expenses

One or more Trustees has been paid remuneration or has received other benefits from an employment with the Trust. The executive principal only received remuneration in respect of services he provides undertaking the role of executive principal. The value of Trustees' remuneration and other benefits was as follows:

| | | 2021 £ | 2020 £ |
|---|----------------------------|-----------|----------------------|
| Mr Rhodri Bryant (Resigned as Trustee in November 2019) | Remuneration | NIL | 145,000 - 150,000 |
| | Pension contributions paid | NIL | 35,000 - 40,000 |

During the year ended 31 August 2021, travel and subsistence expenses totalling £184 (2020: £2,499) were reimbursed to 1 Trustee (2020: 1 Trustee). In addition, The Arbib Education Trust spent £868 (2020: £853) 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 academy 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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15. Intangible assets

| | Computer software £ |
|-----------------------|------------------------------------|
| Cost | |
| At 1 September 2020 | 66,185 |
| At 31 August 2021 | 66,185 |
| Amortisation | |
| At 1 September 2020 | 38,593 |
| Charge for the year | 9,740 |
| At 31 August 2021 | 48,333 |
| Net book value | |
| At 31 August 2021 | 17,852 |
| At 31 August 2020 | 27,592 |

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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 2020 | 45,771,394 | 76,668 | 2,033,937 | 2,316,849 | 66,291 | 50,265,139 |
| Additions | 635,233 | - | 121,105 | 411,174 | - | 1,167,512 |
| Transfers between classes | 73,628 | (73,628) | - | - | - | - |
| At 31 August 2021 | <u>46,480,255</u> | <u>3,040</u> | <u>2,155,042</u> | <u>2,728,023</u> | <u>66,291</u> | <u>51,432,651</u> |
| Depreciation | | | | | | |
| At 1 September 2020 | 9,105,159 | - | 1,807,231 | 1,992,178 | 59,975 | 12,964,543 |
| Charge for the year | 924,513 | - | 107,624 | 239,662 | 5,418 | 1,277,217 |
| At 31 August 2021 | <u>10,029,672</u> | <u>-</u> | <u>1,914,855</u> | <u>2,231,840</u> | <u>65,393</u> | <u>14,241,760</u> |
| Net book value | | | | | | |
| At 31 August 2021 | <u>36,450,583</u> | <u>3,040</u> | <u>240,187</u> | <u>496,183</u> | <u>898</u> | <u>37,190,891</u> |
| At 31 August 2020 | <u>36,666,235</u> | <u>76,668</u> | <u>226,706</u> | <u>324,671</u> | <u>6,316</u> | <u>37,300,596</u> |

17. Stocks

| | 2021 £ | 2020 £ |
|----------|-----------|-----------|
| Uniforms | - | 2,000 |

18. Debtors

| | 2021 £ | 2020 £ |
|--------------------------------|----------------|----------------|
| Due within one year | | |
| Trade debtors | 141,968 | 28,266 |
| Other debtors | 133,584 | 175,457 |
| Prepayments and accrued income | 277,615 | 306,152 |
| | <u>553,167</u> | <u>509,875</u> |

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19. Creditors: Amounts falling due within one year

| | 2021 | 2020 |
|--|------------------|-------------|
| | £ | £ |
| Trade creditors | 404,608 | 383,389 |
| Other taxation and social security | 190,233 | 174,268 |
| Other creditors | 206,953 | 345,756 |
| Accruals and deferred income | 474,569 | 463,219 |
| | 1,276,363 | 1,366,632 |
| | 2021 | 2020 |
| | £ | £ |
| Deferred income at 1 September 2020 | 243,791 | 505,744 |
| Resources deferred during the year | 367,140 | 243,791 |
| Amounts released from previous periods | (243,791) | (505,744) |
| | 367,140 | 243,791 |

At the balance sheet date the Trust was holding funds received in advance for the year 2021/22.

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**NOTES TO THE FINANCIAL STATEMENTS
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20. Statement of funds

| | Balance at 1 September 2020 £ | Income £ | Expenditure £ | Transfers in/out £ | Gains/ (Losses) £ | Balance at 31 August 2021 £ |
|--|--|--------------------------|----------------------------|--------------------------|---------------------------|--------------------------------------|
| Unrestricted funds | | | | | | |
| General Funds - all funds | <u>2,898,006</u> | <u>315,853</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>3,213,859</u> |
| Restricted general funds | | | | | | |
| General Annual Grant (GAG) | 456,567 | 10,958,777 | (11,167,531) | (298,255) | - | (50,442) |
| Pupil premium | - | 503,589 | (503,589) | - | - | - |
| UIFSM | - | 198,951 | (198,951) | - | - | - |
| Other DfE/ESFA funding | - | 610,105 | (610,105) | - | - | - |
| Local authority grants | - | 729,924 | (729,924) | - | - | - |
| Other government grants | - | 3,941 | (3,941) | - | - | - |
| Catch-up premium | - | 157,000 | (64,102) | - | - | 92,898 |
| Other DfE/ESFA COVID-19 funding | - | 118,663 | (118,663) | - | - | - |
| General funds | - | 354,792 | (354,792) | - | - | - |
| Pension reserve | (8,213,000) | - | (970,000) | - | (1,466,000) | (10,649,000) |
| | <u>(7,756,433)</u> | <u>13,635,742</u> | <u>(14,721,598)</u> | <u>(298,255)</u> | <u>(1,466,000)</u> | <u>(10,606,544)</u> |
| Restricted fixed asset funds | | | | | | |
| Restricted Fixed Asset funds - all funds | <u>37,329,474</u> | <u>867,971</u> | <u>(1,286,957)</u> | <u>298,255</u> | <u>-</u> | <u>37,208,743</u> |
| Total Restricted funds | <u>29,573,041</u> | <u>14,503,713</u> | <u>(16,008,555)</u> | <u>-</u> | <u>(1,466,000)</u> | <u>26,602,199</u> |
| Total funds | <u><u>32,471,047</u></u> | <u><u>14,819,566</u></u> | <u><u>(16,008,555)</u></u> | <u><u>-</u></u> | <u><u>(1,466,000)</u></u> | <u><u>29,816,058</u></u> |

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

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20. Statement of funds (continued)

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 2021.

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

| | Balance at 1 September 2019 £ | Income £ | Expenditure £ | Transfers in/out £ | Gains/ (Losses) £ | Balance at 31 August 2020 £ |
|---------------------------------|--|-------------------|---------------------|--------------------------|-------------------------|--------------------------------------|
| Unrestricted funds | | | | | | |
| General Funds - all funds | 2,535,758 | 362,248 | - | - | - | 2,898,006 |
| Restricted general funds | | | | | | |
| General Annual Grant (GAG) | 2,786,320 | 10,346,423 | (10,389,597) | (2,286,579) | - | 456,567 |
| Pupil premium | - | 472,119 | (472,119) | - | - | - |
| UIFSM | - | 156,027 | (156,027) | - | - | - |
| Other DfE/ESFA funding | 3,703 | 575,342 | (579,045) | - | - | - |
| Local authority grants | 4,530 | 595,543 | (600,073) | - | - | - |
| Other DfE/ESFA COVID-19 funding | - | 2,640 | (2,640) | - | - | - |
| General funds | - | 481,012 | (481,012) | - | - | - |
| 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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20. Statement of funds (continued)

| | <i>Balance at 1 September 2019 £</i> | <i>Income £</i> | <i>Expenditure £</i> | <i>Transfers in/out £</i> | <i>Gains/ (Losses) £</i> | <i>Balance at 31 August 2020 £</i> |
|--|--|--------------------------|----------------------------|-----------------------------------|----------------------------------|--|
| 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><u>35,715,684</u></u> | <u><u>13,201,972</u></u> | <u><u>(14,610,609)</u></u> | <u><u>-</u></u> | <u><u>(1,836,000)</u></u> | <u><u>32,471,047</u></u> |

Total funds analysis by academy

Fund balances at 31 August 2021 were allocated as follows:

| | 2021 £ | 2020 £ |
|--|--------------------------|--------------------------|
| Central Trust | (112,041) | (44,973) |
| The Langley Heritage Primary (Parlaunt Park Primary Academy) | 984,696 | 1,218,921 |
| The Langley Academy | 1,670,103 | 1,693,531 |
| The Langley Academy Primary | 713,557 | 487,094 |
| | <u>3,256,315</u> | <u>3,354,573</u> |
| Total before fixed asset funds and pension reserve | 3,256,315 | 3,354,573 |
| Restricted fixed asset fund | 37,208,743 | 37,329,474 |
| Pension reserve | (10,649,000) | (8,213,000) |
| Academy Total | <u><u>29,816,058</u></u> | <u><u>32,471,047</u></u> |

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20. Statement of funds (continued)

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 2021 £ | Total 2020 £ |
|--|---|--------------------------------------|------------------------------|---|--------------------|--------------------|
| Central Trust | 326,122 | 441,303 | - | 1,135,124 | 1,902,549 | 1,615,003 |
| The Langley Heritage Primary (Parlaunt Park Primary Academy) | 1,815,197 | 368,720 | 214,601 | 630,544 | 3,029,062 | 2,957,627 |
| The Langley Academy | 4,554,197 | 1,357,801 | 256,567 | 1,421,086 | 7,589,651 | 7,151,157 |
| The Langley Academy Primary | 1,942,474 | 317,327 | 119,649 | 502,868 | 2,882,318 | 2,365,478 |
| Consolidation Adjustment | - | - | - | (681,982) | (681,982) | (643,752) |
| | <u>8,637,990</u> | <u>2,485,151</u> | <u>590,817</u> | <u>3,007,640</u> | <u>14,721,598</u> | <u>13,445,513</u> |

21. Analysis of net assets between funds

Analysis of net assets between funds - current year

| | Unrestricted funds 2021 £ | Restricted funds 2021 £ | Restricted fixed asset funds 2021 £ | Total funds 2021 £ |
|--|------------------------------------|----------------------------------|---|-----------------------------|
| Tangible fixed assets | - | - | 37,190,891 | 37,190,891 |
| Intangible fixed assets | - | - | 17,852 | 17,852 |
| Current assets | 3,213,859 | 1,318,819 | - | 4,532,678 |
| Creditors due within one year | - | (1,276,363) | - | (1,276,363) |
| Provisions for liabilities and charges | - | (10,649,000) | - | (10,649,000) |
| Total | <u>3,213,859</u> | <u>(10,606,544)</u> | <u>37,208,743</u> | <u>29,816,058</u> |

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21. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

| | <i>Unrestricted funds 2020 £</i> | <i>Restricted funds 2020 £</i> | <i>Restricted fixed asset funds 2020 £</i> | <i>Total funds 2020 £</i> |
|--|--|--|--|---------------------------------------|
| 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 |

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

| | 2021 £ | 2020 £ |
|---|--------------------|--------------------|
| Net expenditure for the year (as per statement of financial activities) | (1,188,989) | (1,408,637) |
| Adjustments for: | | |
| Amortisation | 9,740 | 2,866 |
| Depreciation | 1,277,217 | 1,162,230 |
| Capital grants from DfE and other capital income | (867,971) | (210,618) |
| Interest receivable | (14,777) | (19,688) |
| Defined benefit pension scheme cost less contributions payable | 839,000 | 663,000 |
| Defined benefit pension scheme finance cost | 131,000 | 102,000 |
| Decrease in stocks | 2,000 | 448 |
| (Increase)/decrease in debtors | (43,292) | 145,360 |
| Decrease in creditors | (90,269) | (471,257) |
| Net cash provided by/(used in) operating activities | 53,659 | (34,296) |

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23. Cash flows from investing activities

| | 2021 £ | 2020 £ |
|--|------------------|--------------------|
| Interest received | 14,777 | 19,688 |
| Purchase of tangible fixed assets | (1,167,512) | (2,499,735) |
| Capital grants from DfE/ESFA and Local Authority | 867,971 | 210,618 |
| Net cash used in investing activities | (284,764) | (2,269,429) |

24. Analysis of cash and cash equivalents

| | 2021 £ | 2020 £ |
|--|------------------|------------------|
| Cash in hand and at bank | 1,923,971 | 1,582,433 |
| Short term deposits | 2,055,540 | 2,628,183 |
| Total cash and cash equivalents | 3,979,511 | 4,210,616 |

25. Analysis of changes in net debt

| | At 1 September 2020 £ | Cash flows £ | At 31 August 2021 £ |
|--------------------------|--------------------------------|------------------|---------------------------|
| Cash at bank and in hand | 4,210,616 | (231,105) | 3,979,511 |
| | 4,210,616 | (231,105) | 3,979,511 |

26. Capital commitments

| | 2021 £ | 2020 £ |
|--|----------------|----------------|
| Contracted for but not provided in these financial statements | | |
| New roofing works | - | 632,009 |
| New CIF works | 159,358 | - |
| | 159,358 | 632,009 |

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27. 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; 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 2021.

Contributions amounting to £190,987 were payable to the schemes at 31 August 2021 (2020 - £180,193) and are included within creditors.

Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for 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.

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 £1,166,423 (2020 - £1,050,159).

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.

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27. Pension commitments (continued)

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate Trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £737,000 (2020 - £622,000), of which employer's contributions totalled £565,000 (2020 - £465,000) and employees' contributions totalled £ 172,000 (2020 - £157,000). The agreed contribution rates for future years are between 19.6% and 21.6% per cent for employers and between 5.5% and 12.5% per cent for employees.

As described in note 1.12 the LGPS obligation relates to the employees of the Trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Trust at the balance sheet date.

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

Principal actuarial assumptions

Royal County of Berkshire Pension Fund

| | 2021 | <i>2020</i> |
|--|-------------|-------------|
| | % | <i>%</i> |
| Rate of increase in salaries | 3.85 | <i>3.25</i> |
| Rate of increase for pensions in payment/inflation | 2.85 | <i>2.25</i> |
| Discount rate for scheme liabilities | 1.65 | <i>1.65</i> |
| Inflation assumption (CPI) | 2.85 | <i>2.25</i> |

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

| | 2021 | <i>2020</i> |
|-----------------------------|--------------|--------------|
| | Years | <i>Years</i> |
| <i>Retiring today</i> | | |
| Males | 21.3 | <i>21.5</i> |
| Females | 24.0 | <i>24.1</i> |
| <i>Retiring in 20 years</i> | | |
| Males | 22.6 | <i>22.9</i> |
| Females | 25.4 | <i>25.5</i> |

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27. Pension commitments (continued)

Share of scheme assets

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

| | 2021 £ | 2020 £ |
|-------------------------------------|------------------|------------------|
| Equities | 4,130,000 | 3,267,000 |
| Corporate bonds | 1,205,000 | 733,000 |
| Property | 797,000 | 794,000 |
| Cash and other liquid assets | 140,000 | 531,000 |
| Other | 494,000 | 271,000 |
| Total market value of assets | 6,766,000 | 5,596,000 |

The actual return on scheme assets was £701,000 (2020 - £221,000).

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

| | 2021 £ | 2020 £ |
|---|--------------------|--------------------|
| Current service cost | (1,399,000) | (1,123,000) |
| Interest income | 96,000 | 99,000 |
| Interest cost | (227,000) | (201,000) |
| Administrative expenses | (5,000) | (5,000) |
| Total amount recognised in the Statement of financial activities | (1,535,000) | (1,230,000) |

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

| | 2021 £ | 2020 £ |
|------------------------|-------------------|-------------------|
| At 1 September | 13,809,000 | 10,586,000 |
| Current service cost | 1,399,000 | 1,123,000 |
| Interest cost | 227,000 | 201,000 |
| Employee contributions | 172,000 | 157,000 |
| Actuarial losses | 2,071,000 | 1,909,000 |
| Benefits paid | (263,000) | (167,000) |
| At 31 August | 17,415,000 | 13,809,000 |

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27. Pension commitments (continued)

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

| | 2021 £ | 2020 £ |
|-------------------------|------------------|------------------|
| At 1 September | 5,596,000 | 4,974,000 |
| Interest income | 96,000 | 99,000 |
| Actuarial gains | 605,000 | 73,000 |
| Employer contributions | 565,000 | 465,000 |
| Employee contributions | 172,000 | 157,000 |
| Benefits paid | (263,000) | (167,000) |
| Administration expenses | (5,000) | (5,000) |
| At 31 August | 6,766,000 | 5,596,000 |

28. Members' liability

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

29. 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.

30. Agency arrangements

The Trust distributes 16-19 bursary funds to students as an agent for the ESFA. The Trust brought forward £14,845 of unspent funds from last year and during the year ended 31 August 2021 the Trust received £14,952 (2020: £19,937) and disbursed £19,049 (2020: £17,515) from the fund. An amount of £10,748 (2020: £NIL) is included in other creditors relating to undistributed funds that will be spent in the following year in accordance with ESFA guidance.