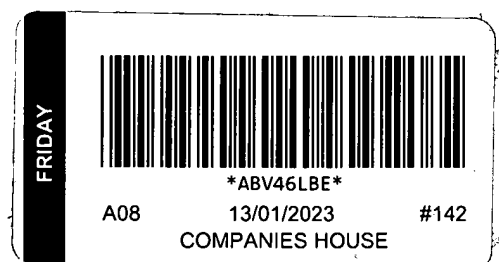


Company Registration Number: 08182235 (England & Wales)

LDBS ACADEMIES TRUST
(A company limited by guarantee)

Annual report and financial statements

For the Year Ended 31 August 2022



LDBS ACADEMIES TRUST
(A company limited by guarantee)

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LDBS ACADEMIES TRUST
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REFERENCE AND ADMINISTRATIVE DETAILS

Members	The London Diocesan Board for Schools The London Diocesan Fund Mr I Woolf
Trustees	Professor D Cumberland, Chair of Trustees ¹ Mrs G Dale-Skey, Vice Chair ¹ Mrs K Hunter Rev G Pope ¹ Ms E Wolverson, O.B.E (resigned 2 May 2022) Mr I Woolf ¹ Mrs J Beal ¹ Mrs V Ndukwe-Abani (appointed 15 August 2022) Mr A Hodgkinson (appointed 15 August 2022) Fr S Clark (appointed 1 February 2022) Mrs C Jamil (appointed 19 April 2022) ¹ Mr A Garwood-Watkins (appointed 15 August 2022) ¹ members of the Audit Committee
Company registered number	08182235
Company name	LDBS Academies Trust
Principal and registered office	London Diocesan House 36 Causton Street London SW1P 4AU
Company secretary	Mr M Khodabaccus (appointed 1 October 2021) Mr A Ahmed (resigned 3 September 2021)
Senior management team	Mrs C Jamil, Chief Executive Officer Mr P Winrow, Chief Finance Officer
Independent auditors	Xeinadin Audit Limited Statutory Auditor Chartered Accountants 12 Conqueror Court Sittingbourne Kent ME10 5BH
Bankers	Lloyds Bank plc 98 Victoria Street London SW1E 5JL
Solicitors	Veale Wasbrough Vizards Narrow Quay House Narrow Quay Bristol BS1 4QA

LDBS ACADEMIES TRUST
(A company limited by guarantee)

Trustees' report
For the Year Ended 31 August 2022

The Trustees present their Annual Report together with the financial statements and auditor's report of the LDBS Academies Trust (the 'Trust') for the year 1 September 2021 to 31 August 2022. The Annual Report serves the purposes of both a Trustees' Report, and a Directors' Report under company law. This report has been prepared in accordance with Part VI of the Charities Act 2006.

The Financial Statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Trust's Memorandum and Articles of Association, the Companies Act 2006, the requirements of the Statement of Recommended Practice "Accounting and Reporting by Charities", and the Annual Accounts Direction 2021/22 issued by the Education and Skills Funding Agency ('ESFA').

The academy trust operates 8 primary academies for pupils aged 4 to 11 serving a catchment area in north London. It has a pupil capacity of 2,020 and had a roll of 1,615 in the school census on 6th October 2022.

Structure, governance and management

a. Constitution

The academy trust is a company limited by guarantee and an exempt charity.

The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The trustees of LDBS Academies Trust are also the directors of the charitable company for the purposes of company law. The charitable company operates as:

The LDBS Academies Trust trades as the:

- (1) Holy Trinity Church of England Primary School;
- (2) Meridian Angel Primary School;
- (3) Millbrook Park Church of England Primary School;
- (4) St Andrew & St Francis Church of England Primary School;
- (5) St Ann's Church of England Primary School;
- (6) St Michael's Church of England Primary School;
- (7) St Paul's & All Hallows' Church of England Juniors School; and
- (8) St Paul's & All Hallows' Church of England Infants School & Nursery.

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.

b. Members' liability

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

c. Trustees' indemnities

In accordance with normal commercial practice the Trust has purchased insurance to protect directors, governors and officers from claims arising from negligent acts, errors or omissions occurring whilst conducting the Trust's business. The Trust has joined the risk protection arrangement for academies.

LDBS ACADEMIES TRUST
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Trustees' report (continued)
For the Year Ended 31 August 2022

Structure, governance and management (continued)

d. Method of recruitment and appointment of directors

New directors are recruited in accordance with the Articles of Association of the Trust. The term in office for all directors will not exceed four years, with the exception of the Chief Executive Officer or any other director who may also be serving in an executive capacity. Directors may be re-appointed or re-elected providing that they remain eligible.

The Trust's approach on recruiting new directors is to ensure that there is an appropriate mixture of skills and experience which is related to the work of schools but also rooted in the world outside the education sector. Directors are expected to share our passion for education and for improving the life chances of the children in the schools in the Trust.

The Trust members appointed a new director during the financial year 2021-22. The Trust followed its recruitment strategy to appoint a director with extensive knowledge of high-quality education and who also shared the Trust's commitment to education in a Christian context. The appointment was completed with approval from the Trust's members who received a completed application form, with references, with the resolution.

e. Policies adopted for the induction and training of directors and school governors

The Trust has created guidance for the induction and training of directors and school governors. The Trust's induction process aims to:

- (a) Build an understanding of the Trust, its schools, and the communities in which it operates;
- (b) Build a link with the Trust's staff;
- (c) Develop an understanding of the role of a company director or the role of a school governor;
- (d) Develop an understanding of the educational framework in which the Trust operates.

The Trust delivers briefings at board meetings on educational developments and other matters affecting the communities in which the Trust operates. The directors of the Trust regularly visit its schools and participate in school-based activities and events to ensure that they can continue to keep abreast of changes pertinent to the Trust's work.

The Trust also procures governor support services from the Grow Education Partners Ltd under a core service level agreement. The Trust continues to provide additional training as required on an individual, or collective, basis.

Since March 2020, all training courses have been convened virtually, the directors have been encouraged to attend training courses provided by the National Governors' Association, the London Diocesan Board for Schools, and other accredited training providers.

LDBS ACADEMIES TRUST
(A company limited by guarantee)

Trustees' report (continued)
For the Year Ended 31 August 2022

Structure, governance and management (continued)

f. Organisational structure

The organisational structure of the Trust is as follows:

- (1) The Board of Directors;
- (2) The Chief Executive Officer;
- (3) The Local Academy Committees;
- (4) The (Executive) Headteachers of the Trust's schools; and
- (5) The senior leadership teams of the Trust's schools.

The Board of Directors (the '**Board**') is responsible for:

- (a) Setting the strategic direction of and the expected and required standards for the Trust;
- (b) Ensuring statutory policies are in place;
- (c) Approving the annual budget for the Trust, as a whole;
- (d) Ensuring that adequate financial systems and controls are in place;
- (e) Entering into contracts with a value greater than £10,000; and
- (f) The performance management of (Executive) Headteachers.

The Chief Executive Officer (the '**CEO**') is also the Accounting Officer for the Trust. The CEO is responsible for:

- (a) Managing the daily operations of the Trust;
- (b) Ensuring the Trust's resources are used in accordance with the policies and procedures set by the Board;
- (c) Liaising with the (Executive) Headteachers and carrying out their performance management; and
- (d) Ensuring that the Board receive accurate information in a timely manner for an effective decision making process.

Decisions are all made in accordance with the Articles of Association, where decisions exceed delegated authorities, they are taken to the relevant decision making authority. The Trust holds monthly Board of Directors meetings to ensure the Trust is robustly managed and the executive leaders are held to account. In the event of an emergency, the Trust uses written resolution procedures available to it under the Trust's Articles and within Company Law. All decisions taken via a written resolution are reported at the subsequent Board of Directors meeting.

In accordance with the Trust's constitution, the Board has created a clear Scheme of Delegation (which is reviewed annually) and outlines the powers delegated to the Local Academy Committees ('**LACs**') and the (Executive) Headteacher. There is a system of earned autonomy, the powers delegated to each LAC can be varied depending on the effectiveness of the LAC and the school's performance.

The LAC is responsible for:

- (a) Holding the (Executive) Headteacher to account;
- (b) Monitoring the implementation of policies set by the Board;
- (c) Appointing Deputy Headteachers, subject to agreement of the Board;
- (d) Appointing other members of staff;
- (e) Working with the (Executive) Headteacher to complete the school evaluation and improvement plan ('**SEIP**');;
- (f) Monitoring the condition of the buildings and planning improvements and maintenance;
- (g) Monitoring and approving the school's annual budget; and
- (h) Monitoring, and entering into, contracts within the amounts agreed by the Scheme of Delegation.

The (Executive) Headteachers are responsible for:

- (a) The daily management of the school;
- (b) Implementing the policies and procedures set by the Board and / or the LAC;
- (c) Supporting the LAC in fulfilling their responsibilities and duties;
- (d) Preparing the SEIP and presenting it to the LAC;
- (e) Appointing staff members; and
- (f) Authorising spending on items included in the annual budget which fall within the delegated powers as per the Scheme of Delegation.

LDBS ACADEMIES TRUST
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Trustees' report (continued)
For the Year Ended 31 August 2022

Structure, governance and management (continued)

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

The CEO and the (Executive) Headteachers form the key management personnel of the Trust. The directors are also part of the senior management, although they do not receive regular remuneration for their services.

The pay of the CEO is set annually by the Board following advice from the Audit Committee and based on the recommendations contained within the current Teachers Pay and Conditions Document. Given the current financial situation, the CEO has declined any increase in pay.

The pay of the (Executive) Headteachers is determined by the CEO after receiving advice from an external advisor having regards to performance against objectives set the previous year and based on the recommendations contained within the current Teachers Pay and Conditions Document. The LAC Chair may be involved in this process.

All Trust staff are also subject to regular performance management and rewarded accordingly.

h. Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the year	1
Full-time equivalent employee number	1

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	1
1%-50%	-
51%-99%	-
100%	-
Percentage of pay bill spent on facility time	£
Total cost of facility time	-
Total pay bill	9,944,169
Percentage of total pay bill spent on facility time	- %

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	- %
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LDBS ACADEMIES TRUST
(A company limited by guarantee)

Trustees' report (continued)
For the Year Ended 31 August 2022

Structure, governance and management (continued)

i. Engagement with employees (including disabled persons)

The Board of Directors regularly, once per term, invites all the Trust's (Executive) Headteachers and the Local Academy Committee Chairs to attend a Board Meeting to talk about their schools and raise any issues that may be of concern.

The CEO meets regularly, once every other month, with the (Executive) Headteachers in a meeting where the agenda is driven by the (Executive) Headteachers and provides an opportunity to discuss any concerns.

The Trust's Director with responsibility for keeping children safe in education meets regularly with all the Trust's Safeguarding Leaders (including staff and Local Academy Committee governors). This has proved to be a very useful way of raising issues and sharing problems and concerns, they are also able to access organised training (e.g. during the year the group had training on data protection regulation).

Mental health is an area of concern and as a way for the Trust to support their employees the Trust has retained Health Assured to provide an employee assistance programme accessible to all employees.

j. Related parties and other connected charities and organisations

The Trust centrally do not enter in to contracts with related parties. Schools of the Trust have delegated responsibility for the services they buy and as such may buy services back from the related parties i.e. Grow Education Partners and LDBS.

LDBS ACADEMIES TRUST
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Trustees' report (continued)
For the Year Ended 31 August 2022

Objectives and activities

a. Objects and aims

The principal activity for the Trust is to establish, maintain, manage and develop Church of England schools, offering a broad and balanced curriculum, conducted in accordance with the principles, practices and tenets of the Church of England.

Moreover, in relation to arranging for religious education and daily acts of worship, the Trust's schools will have regard to any advice issued by the LDBS.

In areas where there are Trust schools, the Trust will seek to promote, where appropriate, the provision of facilities for recreation or other leisure time occupation for local residents who have need of such facilities by reason of their youth, age, infirmity or disability, financial hardship or social and economic circumstances, or for the public, at large, in the interests of social welfare and with the object of improving the condition of life of the local residents.

The Trust's overarching aim of 'Excellence and Equity for all Children in a Christian context' has been tested very hard over the last academic year. In common with other school across the country we have had to push very hard to help our children with their families survive in very challenging times.

LDBS ACADEMIES TRUST
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Trustees' report (continued)
For the Year Ended 31 August 2022

Objectives and activities (continued)

b. Objectives, strategies and activities

This has been a challenging year for all schools as the post Covid Pandemic issues became apparent, particularly for the younger pupils. Across all schools there is additional support in order to equip staff with the appropriate training to narrow gaps (in comparison to national averages) effectively and accelerate learning. We recently celebrated an Outstanding Ofsted judgement in one of our schools.

The majority of schools are in a string position and have planned CPD activities to support instructional coaching for improvements.

To date, the Chief Executive Officer (CEO) of the LAT, has commissioned an external school improvement review to gain an external view of the curriculum offer. The reviews undertaken have focused on early reading/phonics, reading across the school. In addition, discussions have also held with the leaders of foundation subjects. All review activities were conducted jointly with the CEO, senior leaders, and subject leaders.

Summary of activities:

The quality assurance activities undertaken in the review included: lesson visits, work sampling, talking to pupils, discussions with senior leaders and subject leaders, listening to pupils read (with a focus on the lowest prior attainers), examining a range of the school's documentation as well as the school's website.

A Summary of Findings at the Time of the Review:

All schools have support but two schools are in receipt of intensive intervention (see data above).

The consistent strengths across those two schools are:

- Leaders are acutely aware of the complexity of needs of some of the pupils that attend this school. They are quick to act in supporting pupils to feel a sense of belonging to this school community.
- Mobility into and out of the school is high. A large number of pupils arrive at this school with little English and no prior schooling. This has a considerable impact on this school community as leaders are constantly reviewing the curriculum to support those newly arrived pupils to catch up with their learning.
- The school environment is pristine promoting a calm ethos. The displays are bright and engaging and this demonstrates to pupils that they are valued in the school.
- Pupils are friendly and courteous to each other and the adults they work with. They are keen to talk about their learning and know that adults will help them if needed.
- The headteachers have high expectations for the quality of education and any underperformance is challenged.
- Phonics and reading is a high priority for leaders. To this end, the Little Wandle Letters and Sounds - validated DfE SSP- was implemented. The phonics leaders have ensured that all staff, including the new starters have been trained.
- Pupils are regularly assessed and then grouped accordingly. Pupils who are falling behind in their phonics are quickly identified and interventions are put in place. These include additional daily phonics lessons and one to one reading.
- Pupils who are at the early stages of reading take home a decodable book to read daily as well as an additional book to read for pleasure.
- Teachers read a carefully selected class text to pupils so as to expose pupils to a wider range of authors and genres.

LDBS ACADEMIES TRUST
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Trustees' report (continued)
For the Year Ended 31 August 2022

Objectives and activities (continued)

- At the time of the review, the youngest children in the school (Reception) had only been in school for two weeks. These young children are already developing strong learning behaviours. They are beginning to listen and take turns and respond quickly to reminders about expectations.
- The history leaders took up post this year in one school and in 2019 in another but both have a lot of prior experience in leading history. The headteachers have prioritised history as a curriculum area for this year and has purposefully employed an experienced history leader to secure the development of the history curriculum for the school. The history leader is currently reviewing the curriculum map.
- The mathematics subject leader is experienced and has a clear vision for the subject. School has joined the NCETM, and another member of staff will also be participating in the programme.

c. Public benefit

All the schools in the trust are deeply rooted in their local communities and look to provide what support they can, with the most common being food banks which have seen an increase in the number of families requiring support.

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

LDBS ACADEMIES TRUST
(A company limited by guarantee)

Trustees' report (continued)
For the Year Ended 31 August 2022

Strategic report

Achievements and performance

a. Key performance indicators

All schools have tackled the significant challenges caused by the pandemic. The areas shaded in green are the areas where there is additional support in order to equip staff with the appropriate training to narrow gaps (in comparison to national averages) effectively and accelerate learning. We recently celebrated an Outstanding Ofsted judgement in one of our schools.

School	EYFS	PHONICS Y1	KS1 R	KS1 R+	KS1 W	KS1 W+	KS1M	KS1 M+	KS1 RWM	KS1 RWM+	KS2R	KS2R+	KS2W	KS2W+	KS2M	KS2M+	KS2 RWM	KS2 RWM+
1	73	85	75	15	68.3	15	76.7	23	66.7	12	84.2	29	76.3	21.1	68.4	29	57.9	21
2	61	88.5	72.7	25.2	70.9	21.8	78.2	27.3	67.3	16.4	70.8	27.1	77.1	35.4	79.2	27.1	62.5	12.5
3	58	67	65	25	60	20	65	15	55	5	75	11	71	21	75	14	61	4
4 (Infant and Junior Schools)	75	75	75	25	64	3	71	10	54	0	81	45	71	3	81	16	65	0
5	74	65	78	16	74	6	79	11	68	0	83	43	78	17	70	26	65	17
6	55	79	64	21	54	7	64	14	54	0	50	10	60	15	65	15	40	10
7	69	72	70	0	70	0	70	0	70	0	81	14	86	29	76	11	71	10
Nat %	65.2	75.7	67.1	18.1	57.9	8.1	67.9	15.2	53.6	6	74	27.7	69	12.9	71	22.4	59	7.3

b. Going concern

After making appropriate enquiries, the Board has a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future.

For this reason, it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

LDBS ACADEMIES TRUST
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Trustees' report (continued)
For the Year Ended 31 August 2022

Strategic report (continued)

Financial review

No new schools joined the Trust during the year meaning the Trust has eight schools. The Trust has had to use a significant portion of its reserves to support schools facing financial difficulty due to continuing falling rolls. Pupil numbers are falling across a number of the schools which is putting pressure on reserves. Currently the Trust has a healthy level of reserves, to see out the transition.

As an Academy Trust there are a number of risks and uncertainties. The principal risks that could affect the Academy are:

- The recruitment of good teachers.
- Falling pupil numbers across schools in the Trust.
- A reduction to the school's funding agreements resulting in increased financial pressure on the Academy Trust.
- The mobility of families with the Trust's catchment areas and the need to support children from homeless families, SEN and EAL backgrounds with very low incomes which far exceeds the national averages.
A failure to raise standards and engage with families so that they have high expectations for their children.

a. Reserves policy

The Trust aims to build up unrestricted reserves equivalent to £100,000 per form of entry.

As of 31 August 2022, the unrestricted reserves were of £1,492,191.

The Trust's restricted funds (excluding pension reserve) as of 31 August 2022 were of £1,656,073.

The Trust's balance on restricted general funds (excluding pension reserves) plus the balance on unrestricted funds at 31 August 2022 is £3,148,264.

b. Investment policy

The Trust will only transfer cash to fixed rate deposit accounts with its bank if cashflow projections permit such a transfer. The longest the Trust will allow funds to be transferred is 12 months.

LDBS ACADEMIES TRUST
(A company limited by guarantee)

Trustees' report (continued)
For the Year Ended 31 August 2022

c. Principal risks and uncertainties

The Trust has an up to date Risk Register which assesses all the major risks to which the Trust and its schools are exposed to, in particular those relating to governance, reputation, operation, finance, compliance, school development and safeguarding. The Trust's Audit Committee and the Board regularly review the Risk Register.

The Trust has a programme of works with its auditors to ensure that all areas of its operations are reviewed to ensure compliance and effectiveness of procedures and protocols. The Trust also obtains the services of an independent Quality Assurance Officer who reviews the teaching practices and SEIPs to ensure that the Trust's schools continue to function effectively and provide a high quality of education in line with its vision and ethos.

The primary financial risk faced by the Trust is that of on going pressure on funding and several of the Trust's schools setting a budget with an in year deficit. The budgeting and reporting process, including regular scrutiny by LACs, the Board and the Trust's auditors mitigates the risk. Overall, the Trust retains sufficient reserves to further mitigate the risks.

The Trust is also extremely mindful of the impact on its overall funding from falling pupil numbers across London, especially following the closure of Clerkenwell Parochial Church of England Primary School at the end 2021. The Trust continues to work closely with local authorities and reviews its own staffing and management structure on a regular basis to mitigate the risks.

Fundraising

The Trust does not use any external fundraisers. All fundraising undertaken during the year was monitored by the directors.

LDBS ACADEMIES TRUST
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Trustees' report (continued)
For the Year Ended 31 August 2022

Plans for future periods

The Trust is currently focused on ensuring that its schools continue to improve and develop into good and outstanding schools in their local communities. The Trust currently does not have any specific plans to increase its number of schools. However, the Trust will always be willing to support failing Church of England schools as appropriate and on the advice of the Department for Education and the Regional Schools Commissioner.

Priority 1 To create cohesive trust wide processes to build capacity for the future:

KPI 1.1 Agree all school data is shared across the Trust to allow schools leaders to identify areas of strength in other schools and to support collaboration on key school improvement issues.

KPI 1.2 Establish terms of reference for the school Improvement and CPD teams and establish a pattern of regular meetings with the CEO focused on performance, standards, quality assurance, support and intervention.

KPI 1.3 Ensure that the performance of the most disadvantaged pupils (pupil premium and SEND) is analysed in each data set and best practice identified and shared.

KPI 3.1 (4 Flourishing Areas) By August 2023 the Trust has:

- a defined mission, vision and values which are shared with key stakeholders
- Headteachers and Executive headteachers share a commitment to a 'One Trust' approach, linked to appraisal

Priority 2 To gain a robust external validation of each school's self-evaluation and using findings to drive improvements where needed:

Learning more and remembering more in all our schools.

To include:

- All staff (including support staff) to understand the role of memory in the learning process (metacognition)
- Curriculum progression to be clearly defined for each subject and in each year group, starting with the EYFS to Y6 (as appropriate)
- Identify the most significant knowledge for each subject and in each year group that all pupils must remember long term
- Establish best practice networks
- Termly moderation of subjects starting with the core subjects (including RE)
- Creating consistently high -quality lessons and learning opportunities for all pupils
- Establish a comprehensive 3-5 year

Priority 3 To implement a peer self -review model for the Trust schools:

- Develop and promote protocols for setting up and preparing for peer review and frameworks to promote and support this work (senior leaders)
- Identify and promote models of effective practice in peer reviews across Trust schools
- Ensure that the framework for the work of Trust Strategic work aligns and supports peer reviews where appropriate
- Ensure that within LAT and LAT2, effective practice in peer reviews is known and promoted (potentially through peer review champions)

Trust to work in partnership with other organisations to promote the key role of peer reviews in school improvement and to develop a process whereby peer reviews can be brokered and facilitated.

LDBS ACADEMIES TRUST
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Trustees' report (continued)
For the Year Ended 31 August 2022

Funds held as custodian on behalf of others

Details of assets and arrangements for safe custody and segregation should be given where the academy trust or its trustees are acting as custodian trustee. It should include the name and objects of the charity on whose behalf they are being held and how this activity falls within their own objective.

Disclosure of information to auditors

Insofar as the Trustees are aware:

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

Auditors

The auditors, Xeinaidin Audit Limited, have indicated their willingness to continue in office. The directors will propose a motion re-appointing the auditors at a meeting of the Audit and Risk committee.

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 13 December 2022 and signed on its behalf by:



Professor D Cumberland
Chair of Trustees

LDBS ACADEMIES TRUST
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Governance Statement

Scope of responsibility

As trustees, we acknowledge we have overall responsibility for ensuring that the LDBS Academies 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.

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

The Board has delegated the day-to-day responsibility to the chief executive, 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 LDBS Academies Trust and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

LDBS ACADEMIES TRUST
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Governance Statement (continued)

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 10 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
Professor D Cumberland, Chair of Trustees	10	10
Mrs G Dale-Skey, Vice Chair	0	10
Mrs K Hunter	10	10
Rev G Pope	10	10
Ms E Wolverson, O.B.E	6	7
Mr I Woolf	10	10
Mrs J Beal	9	10
Mrs V Ndukwe-Abani	1	1
Mr A Hodgkinson	1	1
Fr S Clark	10	10
Mrs C Jamil	7	7
Mr A Garwood-Watkins	1	1

The audit and risk committee is also a sub-committee of the main board of trustees. Its purpose is to:

- (1) Review the Trust's financial protocols.
- (2) Ensure that all internal and external financial statements and reports comply with best practices.
- (3) Receive the auditors' report.
- (4) Develop and review the Trust's long term auditing programme.
- (5) Ensure appropriate procedures are in place for whistleblowing.
- (6) Develop, monitor and review the risk register.
- (7) Recommend to the Board the appointment or reappointment of auditors.
- (8) Ensure that the Trust's internal audit service meets, or exceeds, the standards specified by the Government.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Mrs J Beal	3	3
Mrs G Dale-Skey	0	3
Mrs C Jamil	3	3
Rev G Pope	3	3
Mr I Woolf	3	3
Professor D Cumberland	3	3

LDBS ACADEMIES TRUST
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Governance Statement (continued)

Review of value for money

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

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

Looking at the staffing levels in each of the Trust's schools and benchmarking data to ensure that they are adequate and, where appropriate, undertake restructuring exercises. The Trust recognises that all restructuring processes have their own associated costs and that savings cannot be demonstrated till the following financial year.

Any school wishing to enter in to a contract over £10,000 must send details of the contract and quotes obtained so that the Board can also review to ensure the correct processes have been followed and that they are in agreement with the schools choice before the contract is signed.

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 LDBS Academies Trust for the period 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Board 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 is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board.

LDBS ACADEMIES TRUST
(A company limited by guarantee)

Governance Statement (continued)

The risk and control framework

The Academy'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 audit committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes
- setting targets to measure financial and other performance
- clearly defined purchasing (asset purchase or capital investment) guidelines
- identification and management of risks

The Board of Trustees has decided to buy-in an internal audit service from Kingston Moore Smith.

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

- testing of payroll processes
- testing of purchasing processes
- testing of control account/bank reconciliations

On a termly basis, the auditor reports to the board of Trustees through the audit and risk committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities. On an annual basis the auditor prepares an annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

The termly work programme is decided on in conjunction with the Chief Finance Officer to ensure that a variety of areas are scrutinised and not repeating the areas covered. Reports from the internal auditor are provide for the Audit Committee and Board to review.

LDBS ACADEMIES TRUST
(A company limited by guarantee)

Governance Statement (continued)

Review of effectiveness

As accounting officer, the chief executive 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 internal auditor;
- the financial management and governance self-assessment process;
- The work of the Chief Financial Officer, the Trust's Central Team, and the (Executive) School Business Managers within the Trust who have responsibility for the development and maintenance of the internal control framework;
- the work of the external auditors;
- correspondence from ESFA e.g. FNTI/NtI and 'minded to' letters.

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

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



Professor D Cumberland
Chair of Trustees
Date: 13 December 2022



Mrs C Jamil
Accounting Officer

LDBS ACADEMIES TRUST
(A company limited by guarantee)

Statement on Regularity, Propriety and Compliance

As accounting officer of LDBS Academies Trust I have considered my responsibility to notify the Academy board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy, under the funding agreement in place between the Academy and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2021.

I confirm that I and the Academy board of Trustees are able to identify any material irregular or improper use of all funds by the Academy, or material non-compliance with the terms and conditions of funding under the Academy's funding agreement and the Academy Trust Handbook 2021.

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.



Mrs C Jamil
Accounting Officer
Date: 13 December 2022

LDBS ACADEMIES TRUST
(A company limited by guarantee)

Statement of Trustees' responsibilities
For the Year Ended 31 August 2022

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 2021 to 2022;
- 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 and signed on its behalf by:



Professor D Cumberland
Chair of Trustees

Date: 13 December 2022

LDBS ACADEMIES TRUST
(A company limited by guarantee)

Independent auditors' Report on the financial statements to the Members of LDBS Academies Trust

Opinion

We have audited the financial statements of LDBS Academies Trust (the 'academy') for the year ended 31 August 2022 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 2021 to 2022 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy's affairs as at 31 August 2022 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 2021 to 2022 issued by the Education and Skills Funding Agency.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

LDBS ACADEMIES TRUST
(A company limited by guarantee)

Independent auditors' Report on the financial statements to the Members of LDBS Academies 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 Academy and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report including the Strategic report.

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

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

Responsibilities of trustees

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

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

LDBS ACADEMIES TRUST
(A company limited by guarantee)

Independent auditors' Report on the financial statements to the Members of LDBS Academies 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:

As part of an audit in accordance with ISAs (UK), exercise professional judgement and maintain professional scepticism through the audit. We also:

1. Assessed the susceptibility of the entity's financial statements to material misstatement, including how fraud may occur.
2. Held discussions with the client regarding their policies and procedures on compliance with laws and regulations.
3. Held discussions with the client regarding their policies and procedures on fraud risks, including knowledge of any actual suspected or alleged fraud.

We consider the entity's controls effective in identifying fraud. We do not consider there to be significant difficulty in detecting irregularities.

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

Use of our report

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



Alastair Crawford FCA (Senior statutory auditor)
for and on behalf of
XeinadIn Audit Limited
Statutory Auditor
Chartered Accountants
12 Conqueror Court
Sittingbourne
Kent
ME10 5BH

Date: 20 December 2022

LDBS ACADEMIES TRUST
(A company limited by guarantee)

Independent Reporting Accountant's Assurance Report on Regularity to LDBS Academies Trust and the Education and Skills Funding Agency

In accordance with the terms of our engagement letter dated 1 August 2022 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2021 to 2022, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by LDBS Academies Trust during the year 1 September 2021 to 31 August 2022 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 LDBS Academies Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to LDBS Academies 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 LDBS Academies Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of LDBS Academies Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of LDBS Academies Trust's funding agreement with the Secretary of State for Education dated 31 December 2012 and the Academy Trust Handbook, extant from 1 September 2021, 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 2021 to 2022. 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 2021 to 31 August 2022 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

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

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

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

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

The work undertaken to draw to our conclusion includes:

- An assessment of the risk of material misstatement and irregularity
- Testing and review of areas identified through risk assessment including enquiry, inspection and review, observation and re-performance
- Review of system controls, policies and procedures in place to ensure compliance with the regularity regime
- Consideration of evidence obtained through the work performed as part of our audit in order to support the regularity conclusion

LDBS ACADEMIES TRUST
(A company limited by guarantee)

**Independent Reporting Accountant's Assurance Report on Regularity to LDBS Academies Trust and the
Education & Skills Funding Agency (continued)**

Conclusion

In the course of our work, except for the matters listed below nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2021 to 31 August 2022 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Related Party Transactions:

LDBS Academies Trust have entered into transactions with related parties in the year of which one transaction was declared to the ESFA. However, although prior approval was sought, prior approval was not given by the ESFA. The Trust continued to enter into the transaction.

Xeinadin Audit Limited

Xeinadin Audit Limited
Reporting Accountant
Chartered Accountants
Sittingbourne

Date: 20 December 2022

LDBS ACADEMIES TRUST
(A company limited by guarantee)

Statement of financial activities (incorporating income and expenditure account)
For the Year Ended 31 August 2022

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:						
Donations and capital grants	4	2,770	-	292,903	295,673	338,892
Other trading activities		546,229	1,005,588	-	1,551,817	801,895
Investments	7	2,944	-	-	2,944	2,805
Charitable activities		-	12,355,003	-	12,355,003	13,539,575
Other income	8	-	65,425	-	65,425	16,142
Total income		551,943	13,426,016	292,903	14,270,862	14,699,309
Expenditure on:						
Raising funds		4,548	-	-	4,548	4,039
Charitable activities		-	14,483,155	1,020,119	15,503,274	15,884,283
Total expenditure		4,548	14,483,155	1,020,119	15,507,822	15,888,322
Net income/(expenditure)		547,395	(1,057,139)	(727,216)	(1,236,960)	(1,189,013)
Transfers between funds	20	(159,138)	9,608	149,530	-	-
Net movement in funds before other recognised gains/(losses)		388,257	(1,047,531)	(577,686)	(1,236,960)	(1,189,013)
Other recognised gains/(losses):						
Actuarial gains/(losses) on defined benefit pension schemes	26	-	7,008,000	-	7,008,000	(1,130,000)
Net movement in funds		388,257	5,960,469	(577,686)	5,771,040	(2,319,013)
Reconciliation of funds:						
Total funds brought forward		1,103,934	(4,986,396)	18,170,171	14,287,709	16,606,722
Net movement in funds		388,257	5,960,469	(577,686)	5,771,040	(2,319,013)
Total funds carried forward		1,492,191	974,073	17,592,485	20,058,749	14,287,709

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

The notes on pages 31 to 63 form part of these financial statements.

LDBS ACADEMIES TRUST
(A company limited by guarantee)
Registered number: 08182235

Balance sheet
As at 31 August 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	16	17,473,191	18,123,694
		<u>17,473,191</u>	<u>18,123,694</u>
Current assets			
Stocks	17	20,324	16,008
Debtors	18	549,573	459,100
Cash at bank and in hand		3,414,031	3,568,480
		<u>3,983,928</u>	<u>4,043,588</u>
Creditors: amounts falling due within one year	19	(716,370)	(1,168,573)
Net current assets		<u>3,267,558</u>	<u>2,875,015</u>
Total assets less current liabilities		<u>20,740,749</u>	<u>20,998,709</u>
Net assets excluding pension liability		<u>20,740,749</u>	<u>20,998,709</u>
Defined benefit pension scheme liability	26	(682,000)	(6,711,000)
Total net assets		<u><u>20,058,749</u></u>	<u><u>14,287,709</u></u>

LDBS ACADEMIES TRUST
(A company limited by guarantee)
Registered number: 08182235

Balance sheet (continued)
As at 31 August 2022

	Note	2022 £	2021 £
Funds of the Academy			
Restricted funds:			
Fixed asset funds	20	17,592,485	18,170,171
Restricted income funds	20	1,656,073	1,724,604
		<hr/>	<hr/>
Restricted funds excluding pension asset	20	19,248,558	19,894,775
Pension reserve	20	(682,000)	(6,711,000)
		<hr/>	<hr/>
Total restricted funds	20	18,566,558	13,183,775
Unrestricted income funds	20	1,492,191	1,103,934
		<hr/>	<hr/>
Total funds		20,058,749	14,287,709
		<hr/>	<hr/>

The financial statements on pages 27 to 63 were approved and authorised for issue by the Trustees and are signed on their behalf, by:



Professor D Cumberland
Chair of Trustees
Date: 13 December 2022

The notes on pages 31 to 63 form part of these financial statements.

LDBS ACADEMIES TRUST
(A company limited by guarantee)

Statement of cash flows
For the Year Ended 31 August 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	22	(80,680)	770,117
Cash flows from investing activities	23	(73,769)	(346,145)
Change in cash and cash equivalents in the year		(154,449)	423,972
Cash and cash equivalents at the beginning of the year		3,568,480	3,144,508
Cash and cash equivalents at the end of the year	24, 25	<u>3,414,031</u>	<u>3,568,480</u>

The notes on pages 31 to 63 form part of these financial statements

LDBS ACADEMIES TRUST
(A company limited by guarantee)

Notes to the financial statements
For the Year Ended 31 August 2022

1. General information

LDBS Academies Trust is a charitable company limited by guarantee and an exempt charity incorporated in England and Wales. The registered office is London Diocesan Board For Schools, London Diocesan House, 36 Causton Street, London, SW1P 4AU. The principal activity of the academy trust is to provide a primary education for pupils that satisfies the requirements of the Education Act 2002.

2. 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.

2.1 Basis of preparation of financial statements

The financial statements of the Academy, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2021 to 2022 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

LDBS Academies Trust meets the definition of a public benefit entity under FRS 102.

The financial statements have been prepared in sterling and rounded to the nearest pound.

2.2 Going concern

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Academy has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

LDBS ACADEMIES TRUST
(A company limited by guarantee)

Notes to the financial statements
For the Year Ended 31 August 2022

2. Accounting policies (continued)

2.3 Income

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

- **Grants**

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

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

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

- **Sponsorship income**

Sponsorship income provided to the Academy which amounts to a donation is recognised in the Statement of financial activities in the year in which it is receivable (where there are no performance-related conditions) where receipt is probable and it can be measured reliably.

- **Donations**

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

- **Other income**

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

- **Donated goods, facilities and services**

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

LDBS ACADEMIES TRUST
(A company limited by guarantee)

Notes to the financial statements
For the Year Ended 31 August 2022

2. Accounting policies (continued)

2.4 Expenditure

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

- **Expenditure on raising funds**

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

2.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Academy; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.6 Taxation

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

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

LDBS ACADEMIES TRUST
(A company limited by guarantee)

Notes to the financial statements
For the Year Ended 31 August 2022

2. Accounting policies (continued)

2.7 Tangible fixed assets

Assets costing £2,000 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.

With the exception of Millbrook Park the Academy's buildings are owned by various trustee bodies and made available to the schools under supplemental agreements. The Directors have decided to regard these agreements as short rather than long term and thus have allocated a zero value to these buildings in the accounts. The Academy Trust is not charged for the use of this land. Due to the restricted use of these assets for educational purposes it is not possible to determine a fair value for the services provided and no amounts have been recorded as income in the SOFA in respect of the use of these assets. Millbrook Park is on a 125 year lease from Barnet Council and the cost has been provided by Barnet Council.

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

Depreciation is provided on the following basis:

Leasehold property	-	2% Straight line
Improvements to leasehold property	-	10% Straight line
Furniture and equipment	-	20% Straight line
Computer equipment	-	20% Straight line

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.

2.8 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.

2.9 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.

2.10 Cash at bank and in hand

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

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Notes to the financial statements
For the Year Ended 31 August 2022

2. Accounting policies (continued)

2.11 Liabilities

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

2.12 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 18. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 19. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

2.13 Operating leases

Rentals paid under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

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Notes to the financial statements
For the Year Ended 31 August 2022

2. Accounting policies (continued)

2.14 Pensions

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

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

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the Academy in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each Balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of financial activities and comprises the 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.

The Academy is a member of a multi-employer plan. Where it is not possible for the Academy to obtain sufficient information to enable it to account for the plan as a defined benefit plan, it accounts for the plan as a defined contribution plan.

2.15 Fund accounting

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

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

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

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

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Notes to the financial statements
For the Year Ended 31 August 2022

3. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

The Academy 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.

Multi-employer defined benefit pension scheme

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 26, 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 2022. 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.

Critical areas of judgment:

Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 16 for the carrying amount of the property, plant and equipment, and note 2.7 for the useful economic lives for each class of assets.

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Notes to the financial statements
For the Year Ended 31 August 2022

4. Income from donations and capital grants

	Unrestricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Donations	2,770	-	2,770	855
Capital Grants	-	292,903	292,903	338,037
	<u>2,770</u>	<u>292,903</u>	<u>295,673</u>	<u>338,892</u>
<i>Total 2021</i>	<u>855</u>	<u>338,037</u>	<u>338,892</u>	

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Notes to the financial statements
For the Year Ended 31 August 2022

5. Funding for the Academy's charitable activities

	Restricted funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Educational operations			
DfE/ESFA grants			
General Annual Grant (GAG)	9,779,797	9,779,797	9,762,210
Other DfE/ESFA grants			
Pupil Premium	820,417	820,417	785,254
Universal Infant Free School Meals	173,537	173,537	198,886
PE & Sports Grant	142,590	142,590	160,492
Teachers Pay Grant	7,456	7,456	108,925
Teachers Pension Grant	21,068	21,068	325,750
Pupil Number Adjustment	(257,485)	(257,485)	171,598
Others	151,186	151,186	162,235
	<hr/> 10,838,566	<hr/> 10,838,566	<hr/> 11,675,350
Other Government grants			
Early Years Funding	584,197	584,197	790,084
SEN Funding	456,160	456,160	467,370
Others	202,923	202,923	295,731
Greig Trust Grant	108,842	108,842	167,000
	<hr/> 1,352,122	<hr/> 1,352,122	<hr/> 1,720,185
COVID-19 additional funding (DfE/ESFA)			
Catch-up/recovery Premium	84,934	84,934	144,040
Other DfE/ESFA COVID-19 funding	79,381	79,381	-
	<hr/> 164,315	<hr/> 164,315	<hr/> 144,040
	<hr/> 12,355,003	<hr/> 12,355,003	<hr/> 13,539,575
Total 2021	<hr/> <hr/> 13,539,575	<hr/> <hr/> 13,539,575	

The academy received £84,934 (2021 - £144,040) of funding for catch-up/recovery premium and costs incurred in respect of this funding totalled £84,934 (2021 - £144,040).

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Notes to the financial statements
For the Year Ended 31 August 2022

6. Income from other trading activities

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Catering	-	145,320	145,320	162,326
Letting	170,690	-	170,690	119,571
Nursery	111,732	815,077	926,809	310,799
Other income	263,807	-	263,807	203,693
Trips & Clubs	-	45,191	45,191	5,506
	<u>546,229</u>	<u>1,005,588</u>	<u>1,551,817</u>	<u>801,895</u>
<i>Total 2021</i>	<u>442,393</u>	<u>359,502</u>	<u>801,895</u>	

7. Investment income

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Bank interest	2,944	2,944	2,805
	<u>2,944</u>	<u>2,944</u>	<u>2,805</u>
<i>Total 2021</i>	<u>2,805</u>	<u>2,805</u>	

8. Other incoming resources

	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Insurance	65,425	65,425	16,142
	<u>65,425</u>	<u>65,425</u>	<u>16,142</u>
<i>Total 2021</i>	<u>16,142</u>	<u>16,142</u>	

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Notes to the financial statements
For the Year Ended 31 August 2022

9. Expenditure

	Staff Costs 2022 £	Premises 2022 £	Other 2022 £	Total 2022 £	Total 2021 £
Expenditure on raising voluntary income:					
Direct costs	-	-	4,548	4,548	4,039
Educational operations:					
Direct costs	8,284,659	-	779,622	9,064,281	8,891,738
Allocated support costs	3,364,432	684,888	2,389,673	6,438,993	6,992,545
	<u>11,649,091</u>	<u>684,888</u>	<u>3,173,843</u>	<u>15,507,822</u>	<u>15,888,322</u>
<i>Total 2021</i>	<u>11,731,952</u>	<u>671,479</u>	<u>3,484,891</u>	<u>15,888,322</u>	

10. Analysis of expenditure by activities

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £	Total funds 2021 £
Educational operations	<u>9,064,281</u>	<u>6,438,993</u>	<u>15,503,274</u>	<u>15,884,283</u>
<i>Total 2021</i>	<u>8,891,738</u>	<u>6,992,545</u>	<u>15,884,283</u>	

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Notes to the financial statements
For the Year Ended 31 August 2022

10. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Educational operations 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Staff costs	6,652,155	6,652,155	6,837,710
Educational supplies	311,704	311,704	309,275
Staff development	44,003	44,003	60,355
Educational consultancy	245,317	245,317	182,484
Other direct costs	55,996	55,996	59,838
Recruitment and support	36,252	36,252	46,243
Agency supply	1,612,504	1,612,504	1,353,976
Trips and clubs	86,350	86,350	10,720
Restructuring costs	20,000	20,000	31,137
	<u>9,064,281</u>	<u>9,064,281</u>	<u>8,891,738</u>
<i>Total 2021</i>	<u>8,891,738</u>	<u>8,891,738</u>	

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Notes to the financial statements
For the Year Ended 31 August 2022

10. Analysis of expenditure by activities (continued)

Analysis of support costs

	Educational operations 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
LGPS costs	99,000	99,000	88,000
Staff costs	3,292,014	3,292,014	3,353,267
Depreciation	1,020,119	1,020,119	1,103,988
Staff development	7,982	7,982	12,834
Recruitment and support	6,003	6,003	500
Maintenance of premises and equipment	358,120	358,120	244,104
Cleaning	75,507	75,507	111,192
Rent & rates	120,638	120,638	141,310
Light & heat	199,372	199,372	156,125
Insurance	37,314	37,314	37,943
Security & transport	27,475	27,475	14,494
Catering	392,965	392,965	371,558
Computer costs	130,780	130,780	229,502
Printing, postage and stationery	31,263	31,263	25,698
Legal & professional	213,907	213,907	233,370
Other support costs	178,820	178,820	376,397
Agency costs	65,329	65,329	16,784
Loss on disposal of tangible fixed assets	-	-	173,868
Restructuring costs	7,089	7,089	139,618
Governance costs	175,296	175,296	161,993
	<u>6,438,993</u>	<u>6,438,993</u>	<u>6,992,545</u>
<i>Total 2021</i>	<u>6,992,545</u>	<u>6,992,545</u>	

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Notes to the financial statements
For the Year Ended 31 August 2022

11. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2022 £	2021 £
Depreciation of tangible fixed assets	1,020,119	1,103,988
Fees paid to Xeinadin Audit Limited and its associates for:		
- audit	18,500	21,500
- other services	11,450	8,300
	<u>11,450</u>	<u>8,300</u>

12. Staff

a. Staff costs

Staff costs during the year were as follows:

	2022 £	2021 £
Wages and salaries	7,001,209	7,446,219
Social security costs	681,510	737,258
Pension costs	2,261,450	2,007,500
	<u>9,944,169</u>	<u>10,190,977</u>
Agency staff costs	1,677,833	1,370,760
Staff restructuring costs	27,089	170,215
	<u>11,649,091</u>	<u>11,731,952</u>

Staff restructuring costs comprise:

	2022 £	2021 £
Redundancy payments	-	136,450
Severance payments	27,089	-
Other restructuring costs	-	33,765
	<u>27,089</u>	<u>170,215</u>

The redundancy and restructuring costs in the prior year above relate to the staff in relation to the closure of Clerkenwell Parochial.

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Notes to the financial statements
For the Year Ended 31 August 2022

12. Staff (continued)

b. Severance payments

The Academy paid 4 severance payments in the year, disclosed in the following bands:

	2022 No.
£0 - £25,000	4

c. Special staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual payments totalling £23,543 (2021: £9,410). Individually the payments were £20,000 and £3,543.

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Notes to the financial statements
For the Year Ended 31 August 2022

12. Staff (continued)

d. Staff numbers

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

	2022	2021
	No.	No.
Teachers	98	94
Support staff	118	107
Premises	12	13
Admin	16	19
Other staff	1	1
	245	234

e. Higher paid staff

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

	2022	2021
	No.	No.
In the band £60,001 - £70,000	5	6
In the band £70,001 - £80,000	5	2
In the band £80,001 - £90,000	1	2
In the band £100,001 - £110,000	-	2
In the band £110,001 - £120,000	2	1

f. Key management personnel

The key management personnel of the Academy comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy was £158,398 (2021 - £182,670).

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Notes to the financial statements
For the Year Ended 31 August 2022

13. Central services

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

- Financial services
- Legal services
- Educational support services
- Others as arising

The Academy charges for these services on the following basis:

- flat 5% of General Annual Grant

The actual amounts charged during the year were as follows:

	2022	2021
	£	£
Holy Trinity	54,510	48,828
Meridian Angels	55,047	50,816
Millbrook Park	95,115	88,216
St Andrew St Francis	115,686	100,566
St Anns	53,550	50,512
St Michaels	44,292	43,156
St Pauls Infants	36,108	33,996
St Pauls Juniors	47,577	49,588
Clerkenwells	-	35,831
Total	501,885	501,509

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Notes to the financial statements
For the Year Ended 31 August 2022

14. Trustees' remuneration and expenses

One or more Trustees has been paid remuneration or has received other benefits from an employment with the Academy. The principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment. The value of Trustees' remuneration and other benefits was as follows:

		2022 £	2021 £
Ms E Wolverson	Remuneration	60,000 - 65,000	100,000 - 105,000
Mrs C Jamil (appointed 19 April 2022)	Remuneration	40,000 - 45,000	
	Pension contributions paid	5,000 - 10,000	

During the year ended 31 August 2022, expenses totalling £NIL were reimbursed or paid directly to Trustee (2021 - £20).

15. Trustees' and Officers' insurance

The Academy has opted into the Department of 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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Notes to the financial statements
For the Year Ended 31 August 2022

16. Tangible fixed assets

	Long-term leasehold property £	Furniture and equipment £	Computer equipment £	Total £
Cost or valuation				
At 1 September 2021	21,239,527	2,347,470	1,093,358	24,680,355
Additions	259,857	75,261	34,498	369,616
At 31 August 2022	<u>21,499,384</u>	<u>2,422,731</u>	<u>1,127,856</u>	<u>25,049,971</u>
Depreciation				
At 1 September 2021	3,782,487	1,928,060	846,114	6,556,661
Charge for the year	684,888	236,741	98,490	1,020,119
At 31 August 2022	<u>4,467,375</u>	<u>2,164,801</u>	<u>944,604</u>	<u>7,576,780</u>
Net book value				
At 31 August 2022	<u>17,032,009</u>	<u>257,930</u>	<u>183,252</u>	<u>17,473,191</u>
At 31 August 2021	<u>17,457,040</u>	<u>419,410</u>	<u>247,244</u>	<u>18,123,694</u>

Improvements relate to property on church land occupied under the two year supplemental agreement.

17. Stocks

	2022 £	2021 £
Uniform	<u>20,324</u>	<u>16,008</u>

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Notes to the financial statements
For the Year Ended 31 August 2022

18. Debtors

	2022 £	2021 £
Due within one year		
Trade debtors	27,061	19,056
Other debtors	15,580	7,492
Prepayments and accrued income	414,428	333,313
VAT recoverable	92,504	99,239
	<u>549,573</u>	<u>459,100</u>

19. Creditors: Amounts falling due within one year

	2022 £	2021 £
Trade creditors	109,178	450,566
Payroll creditor	-	337,270
Other creditors	259,503	144,173
Accruals and deferred income	347,689	236,564
	<u>716,370</u>	<u>1,168,573</u>

	2022 £	2021 £
Deferred income at 1 September 2021	141,114	181,758
Resources deferred during the year	138,902	141,114
Amounts released from previous periods	(141,114)	(181,758)
	<u>138,902</u>	<u>141,114</u>

At the balance sheet date the academy trust was holding funds received in advance for Universal Infant Free School Meals, deposits from parents and early years funding.

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Notes to the financial statements
For the Year Ended 31 August 2022

20. Statement of funds

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
Unrestricted funds						
Unrestricted funds	<u>1,103,934</u>	<u>551,943</u>	<u>(4,548)</u>	<u>(159,138)</u>	<u>-</u>	<u>1,492,191</u>
Restricted general funds						
General Annual Grant (GAG)	1,724,604	9,779,797	(9,857,936)	9,608	-	1,656,073
Pupil Premium	-	820,417	(820,417)	-	-	-
Universal Infant Free School Meals	-	173,537	(173,537)	-	-	-
PE & Sports Grant	-	142,590	(142,590)	-	-	-
Teachers Pay Grant	-	7,456	(7,456)	-	-	-
Teachers Pension Grant	-	21,068	(21,068)	-	-	-
Pupil Number Adjustment	-	(257,485)	257,485	-	-	-
Other DfE/ESFA grants	-	151,186	(151,186)	-	-	-
Early Years Funding	-	584,197	(584,197)	-	-	-
SEN Funding	-	456,160	(456,160)	-	-	-
Other government grants	-	202,923	(202,923)	-	-	-
Greig Trust Grant	-	108,842	(108,842)	-	-	-
Covid-19 recovery premium	-	84,934	(84,934)	-	-	-
Covid-19 Other	-	79,381	(79,381)	-	-	-
Other restricted income	-	1,071,013	(1,071,013)	-	-	-
Pension reserve	(6,711,000)	-	(979,000)	-	7,008,000	(682,000)
	<u>(4,986,396)</u>	<u>13,426,016</u>	<u>(14,483,155)</u>	<u>9,608</u>	<u>7,008,000</u>	<u>974,073</u>

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Notes to the financial statements
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20. Statement of funds (continued)

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
Restricted fixed asset funds						
Assets held for depreciation	18,123,694	-	(1,020,119)	369,616	-	17,473,191
Capital grants	46,477	292,903	-	(220,086)	-	119,294
	<u>18,170,171</u>	<u>292,903</u>	<u>(1,020,119)</u>	<u>149,530</u>	<u>-</u>	<u>17,592,485</u>
Total Restricted funds	<u>13,183,775</u>	<u>13,718,919</u>	<u>(15,503,274)</u>	<u>159,138</u>	<u>7,008,000</u>	<u>18,566,558</u>
Total funds	<u>14,287,709</u>	<u>14,270,862</u>	<u>(15,507,822)</u>	<u>-</u>	<u>7,008,000</u>	<u>20,058,749</u>

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

Unrestricted funds are applied to the general work of the academy to support activities inside and outside the curriculum.

Restricted funds are applied specifically in accordance with the rules of each grant and support the education provision delivered by the academy.

Restricted fixed asset funds are applied to the maintenance and improvement of all the academy's fixed assets.

Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG it could carry forward at 31 August 2022.

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Notes to the financial statements
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20. Statement of funds (continued)

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

	<i>Balance at 1 September 2020 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2021 £</i>
Unrestricted funds						
Unrestricted funds	<u>1,067,345</u>	<u>446,053</u>	<u>(4,039)</u>	<u>(405,425)</u>	<u>-</u>	<u>1,103,934</u>
Restricted general funds						
General Annual Grant (GAG)	1,750,814	9,762,210	(9,798,418)	9,998	-	1,724,604
Pupil Premium	-	785,254	(785,254)	-	-	-
Universal Infant Free School Meals	-	198,886	(198,886)	-	-	-
PE & Sports Grant	-	160,492	(160,492)	-	-	-
Teachers Pay Grant	-	108,925	(108,925)	-	-	-
Teachers Pension Grant	-	325,750	(325,750)	-	-	-
Pupil Number Adjustment	-	171,598	(171,598)	-	-	-
Other DfE/ESFA grants	-	162,235	(162,235)	-	-	-
Early Years Funding	-	790,084	(790,084)	-	-	-
SEN Funding	-	467,370	(467,370)	-	-	-
Other government grants	-	295,731	(295,731)	-	-	-
Greig Trust Grant	-	167,000	(167,000)	-	-	-
Covid-19 recovery premium	-	144,040	(144,040)	-	-	-
Covid-19 Other	-	375,644	(375,644)	-	-	-
Pension reserve	(4,926,000)	-	(655,000)	-	(1,130,000)	(6,711,000)
	<u>(3,175,186)</u>	<u>13,915,219</u>	<u>(14,606,427)</u>	<u>9,998</u>	<u>(1,130,000)</u>	<u>(4,986,396)</u>

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For the Year Ended 31 August 2022

20. Statement of funds (continued)

	<i>Balance at 1 September 2020 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2021 £</i>
Restricted fixed asset funds						
Assets held for depreciation	18,714,563	-	(1,277,856)	686,987	-	18,123,694
Capital grants	-	338,037	-	(291,560)	-	46,477
	<u>18,714,563</u>	<u>338,037</u>	<u>(1,277,856)</u>	<u>395,427</u>	<u>-</u>	<u>18,170,171</u>
Total Restricted funds	<u>15,539,377</u>	<u>14,253,256</u>	<u>(15,884,283)</u>	<u>405,425</u>	<u>(1,130,000)</u>	<u>13,183,775</u>
Total funds	<u><u>16,606,722</u></u>	<u><u>14,699,309</u></u>	<u><u>(15,888,322)</u></u>	<u><u>-</u></u>	<u><u>(1,130,000)</u></u>	<u><u>14,287,709</u></u>

Total funds analysis by academy

Fund balances at 31 August 2022 were allocated as follows:

	2022 £	2021 £
St Ann's	91,494	15,368
St Michael's	279,798	172,417
St Paul's Infants	(27,089)	6,006
St Paul's Juniors	1,304,512	1,289,329
Holy Trinity	197,439	125,118
Milbrook Park	451,742	449,691
St Andrew and St Francis	300,311	330,451
Meridian Angels	399,712	322,764
Central services	150,345	117,394
Total before fixed asset funds and pension reserve	<u>3,148,264</u>	<u>2,828,538</u>
Restricted fixed asset fund	17,592,485	18,170,171
Pension reserve	(682,000)	(6,711,000)
Total	<u><u>20,058,749</u></u>	<u><u>14,287,709</u></u>

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20. Statement of funds (continued)

The following academy is carrying a net deficit on its portion of the funds as follows:

	Deficit £
St Paul's Infants	27,089

The Academy is taking the following action to return the academy to surplus:

The Academy Trust is working on cost savings and reviewing the expenditure allocation between St Paul's Infants and St Paul's Juniors to ensure the academy returns to a net surplus position in the near future.

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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 2022 £	Total 2021 £
St Ann's	695,700	258,747	54,806	502,282	1,511,535	1,326,981
St Michael's	501,278	232,471	51,427	379,283	1,164,459	1,079,857
St Paul's Infants	638,139	233,272	12,013	99,485	982,909	1,054,657
St Paul's Juniors	714,465	248,176	14,913	223,540	1,201,094	1,271,543
Holy Trinity	1,181,440	483,963	42,189	649,743	2,357,335	1,907,708
Milbrook Park	1,296,287	600,473	53,184	747,385	2,697,329	2,357,097
St Andrew and St Francis	1,013,798	800,579	58,834	976,308	2,849,519	2,724,709
Clerkenwell Parochial	-	-	-	-	-	1,155,444
Meridian Angels	610,126	187,534	24,338	413,939	1,235,937	1,235,424
Central services	922	246,799	-	239,865	487,586	670,914
Academy	6,652,155	3,292,014	311,704	4,231,830	14,487,703	14,784,334

21. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £
Tangible fixed assets	-	-	17,473,191	17,473,191
Current assets	1,492,191	2,372,443	119,294	3,983,928
Creditors due within one year	-	(716,370)	-	(716,370)
Provisions for liabilities and charges	-	(682,000)	-	(682,000)
Total	1,492,191	974,073	17,592,485	20,058,749

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21. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2021 £</i>	<i>Restricted funds 2021 £</i>	<i>Restricted fixed asset funds 2021 £</i>	<i>Total funds 2021 £</i>
Tangible fixed assets	-	-	18,123,694	18,123,694
Current assets	1,103,934	2,893,177	46,477	4,043,588
Creditors due within one year	-	(1,168,573)	-	(1,168,573)
Provisions for liabilities and charges	-	(6,711,000)	-	(6,711,000)
Total	1,103,934	(4,986,396)	18,170,171	14,287,709

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

	2022 £	2021 £
Net expenditure for the year (as per Statement of financial activities)	(1,236,960)	(1,189,013)
Adjustments for:		
Depreciation	1,020,119	1,103,988
Capital grants from DfE and other capital income	(292,903)	(338,037)
Interest receivable	(2,944)	(2,805)
Defined benefit pension scheme movement	979,000	655,000
(Increase)/decrease in stocks	(4,316)	405
(Increase)/decrease in debtors	(90,473)	277,520
(Decrease)/increase in creditors	(452,203)	89,191
Loss on disposal of tangible fixed assets	-	173,868
Net cash (used in)/provided by operating activities	(80,680)	770,117

23. Cash flows from investing activities

	2022 £	2021 £
Dividends, interest and rents from investments	2,944	2,805
Purchase of tangible fixed assets	(369,616)	(686,987)
Capital grants from DfE Group	292,903	338,037
Net cash used in investing activities	(73,769)	(346,145)

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24. Analysis of cash and cash equivalents

	2022 £	2021 £
Cash in hand and at bank	3,414,031	3,568,480
Total cash and cash equivalents	3,414,031	3,568,480

25. Analysis of changes in net debt

	At 1 September 2021 £	Cash flows £	At 31 August 2022 £
Cash at bank and in hand	3,568,480	(154,449)	3,414,031
	<u>3,568,480</u>	<u>(154,449)</u>	<u>3,414,031</u>

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26. Pension commitments

The Academy's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by London Borough of Haringey, Islington Council, London Borough of Enfield and London Borough of Brent.. Both are multi-employer defined benefit schemes.

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

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

Teachers' Pension Scheme

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

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

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 £901,717 (2021 - £922,735).

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

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

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26. 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 2022 was £594,000 (2021 - £650,000), of which employer's contributions totalled £465,000 (2021 - £515,000) and employees' contributions totalled £129,000 (2021 - £135,000). The agreed contribution rates for future years are 23.1 per cent for employers and variable per cent for employees.

As described in note the LGPS obligation relates to the employees of the Academy, 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 Academy 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

	2022	2021
	%	%
Rate of increase in salaries	4.0	4.0
Rate of increase for pensions in payment/inflation	3.0	2.9
Discount rate for scheme liabilities	4.2	1.7

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

	2022	2021
	Years	Years
<i>Retiring today</i>		
Males	21.7	21.9
Females	24.1	24.3
<i>Retiring in 20 years</i>		
Males	23.0	23.2
Females	25.7	26.0

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26. Pension commitments (continued)

Share of scheme assets

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

	At 31 August 2022	<i>At 31 August 2021</i>
	£	£
Equities	6,252,800	5,995,600
Bonds	1,432,900	1,711,500
Property	1,198,100	884,600
Cash and other liquid assets	293,400	146,300
Other	85,800	96,000
Total market value of assets	<u>9,263,000</u>	<u>8,834,000</u>

The actual return on scheme assets was £-91,000 (2021 - £1,390,000).

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

	2022	<i>2021</i>
	£	£
Current service cost	(1,345,000)	(1,081,000)
Interest income	141,000	121,000
Interest cost	(240,000)	(209,000)
Total amount recognised in the Statement of financial activities	<u>(1,444,000)</u>	<u>(1,169,000)</u>

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

	2022	<i>2021</i>
	£	£
At 1 September	15,545,000	11,812,000
Current service cost	1,345,000	1,081,000
Interest cost	240,000	209,000
Employee contributions	129,000	135,000
Actuarial (gains)/losses	(7,240,000)	2,399,000
Benefits paid	(74,000)	(91,000)
At 31 August	<u>9,945,000</u>	<u>15,545,000</u>

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26. Pension commitments (continued)

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

	2022 £	2021 £
At 1 September	8,834,000	6,886,000
Interest income	141,000	121,000
Actuarial (losses)/gains	(232,000)	1,269,000
Employer contributions	465,000	514,000
Employee contributions	129,000	135,000
Benefits paid	(74,000)	(91,000)
At 31 August	9,263,000	8,834,000

27. Operating lease commitments

At 31 August 2022 the Academy had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2022 £	2021 £
Not later than 1 year	6,619	226
Later than 1 year and not later than 5 years	6,876	-
	13,495	226

The following lease payments have been recognised as an expense in the Statement of financial activities:

	2022 £	2021 £
Operating lease rentals	5,926	5,100

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.

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29. Related party transactions

Owing to the nature of the Academy and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest.

During the period the academy had entered into the following related party transactions:

The academy trust spent £88,681 (2021: £103,576) with Grow Education Partners, a related party of I Woolf, in relation to education consultancy and advice. As at 31 August 2022, no amounts were outstanding (2021: £Nil)

The academy trust received £Nil (2021: £44,906) from Grow Education Partners, a related party of I Woolf, in relation to education consultancy and advice. As at 31 August 2022, no amounts were outstanding (2021: £Nil).

The academy trust spent £124,742 (2021: £154,957) with the London Diocesan Fund, a related party of I Woolf, in relation to education consultancy and rent. As at 31 August 2022, no amounts were outstanding (2021: £Nil).

The academy trust spent £821 (2021: £Nil) with the London Diocesan Board for Schools, a related party of I Woolf, in relation to education consultancy. As at 31 August 2022, balance of £168 was owed by the London Diocesan Board for Schools (2021: £Nil).

The academy trust received £17,614 (2021: £Nil) from LDBS Academies Trust 2, in relation to recharged staffing costs. As at 31 August 2022, no amounts were outstanding (2021: £Nil).