

LONGDEAN SCHOOL
(A Company Limited by Guarantee)
TRUSTEE'S REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

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LONGDEAN SCHOOL
(A Company Limited by Guarantee)

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LONGDEAN SCHOOL
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REFERENCE AND ADMINISTRATIVE DETAILS

Members	Mr C Hughes Mr R Bowley Mr R Upson Mr P Fallon (resigned 14 December 2022) Mrs L Butler
Trustees	Mrs N Glaysheer, Community Governor Mrs J Green, Parent Governor Mr C Barling, Chair Mrs A Tattershall, Community Governor Mr G Cunningham, Headteacher Mr N Parsons, Co-opted Governor Ms K McKerrell, Staff Trustee (resigned 10 July 2023) Mr A Quirke, Community Governor (resigned 4 October 2022) Mrs C Rumble, Parent Governor Ms M Quinn, Staff Governor Mr M Tattershall, Parent Governor Mr I Loffler, Staff Governor (resigned 19 December 2022) Mr R Venn, Parent Governor Mr K North (appointed 19 December 2022) Mrs K Price (appointed 19 December 2022) C Jolley (appointed 10 September 2023) Mr P NJovana (appointed 19 December 2022)
Company registered number	07695624
Company name	Longdean School
Principal and registered office	Rumballs Road, Hemel Hempstead, Hertfordshire HP3 8JB
Accounting Officer	Mr G Cunningham

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REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Senior management team

Mr G Cunningham, Headteacher
Miss S Embrey, Deputy Headteacher
Ms B Segalini, Assistant Headteacher
Mr R Muskett, Assistant Headteacher
Mr P Ratcliffe, Assistant Headteacher
Mr L Coot, Assistant Headteacher
Mrs S Doyle, Assistant Headteacher

Independent auditors

Price Bailey LLP
Chartered Accountants
Causeway House
1 Dane Street
Bishop's Stortford
Hertfordshire
CM23 3BT

Bankers

Lloyds TSB
PO Box 1000
BX1 1LT

Solicitors

Browne Jacobson
Mowbray House
Castle Meadow Road
Nottingham
NG2 1BJ

LONGDEAN SCHOOL
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2023

The Trustees present their Annual Report together with the financial statements and Auditor's Report of Longdean School for the year ended 31 August 2023. The Annual Report serves the purposes of both a Trustees' Report and a Directors' Report under company law.

The Trust operates an Academy School for students aged 11-19 serving the catchment area of East Dacorum. It has a Planned Admission Number (PAN) of 240 in Years 7 – 11 and 300 Post 16, a physical capacity of 1,500 in its new building, and a roll of 1434 in the 2023 school census.

Structure, Governance and Management

Constitution

The Academy is a company limited by guarantee and an exempt charity. The Charitable Company's Memorandum and Articles of Association are its primary governing documents. The Trustees of The Charitable Company are also the Directors for the purposes of company law. The terms Trustee, Director and Governor are interchangeable. The Charitable Company is known as Longdean School (the School).

Details of the Trustees who served during the year are included in the Reference and Administrative Details section.

Members' Liability

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

Trustees and Officers' Indemnities

In accordance with normal commercial practice the Trust has purchased insurance to protect Trustees and Officers from claims arising from negligent acts, errors or omissions occurring whilst on Trust business. The insurance provides cover up to £10,000,000 on any one claim and details of the costs are disclosed in Note [1] to the accounts.

Method of Recruitment and Appointment or Election of Trustees

The arrangements are as set out in the Articles and Funding Agreement.

Trustees are appointed for a fixed term of four years. The Headteacher is an ex-officio member of the Board of Trustees. There is provision for seven Parent Trustees to sit on the trust board, as well as three Staff Trustees, all of whom are elected to office by their respective representative groups, or who may be appointed if there are insufficient candidates offering themselves for election. Other trustee appointments, up to six, will be made from the community, and there is further provision for two additional trustees with the right mix of skills and experience to be co-opted to support the trust board in its activities. Community trustees and co-opted Trustees are nominated and appointed by the Board of Trustees. There is the option for a third co-opted Trustee to be nominated by the Members, if desired.

Currently the trust board make-up is the Headteacher, six parent, two staff (one teaching and one non-teaching), and four community/co-opted appointments.

Policies and Procedures Adopted for the Induction and Training of Trustees

The Trust is committed to providing adequate opportunities for Trustees to undertake and receive suitable training so as to enable them to perform their role effectively. To this end the Trust provides an internal programme of continued professional development led by School staff and links with relevant training providers, as well as subscriptions to useful websites.

All new Trustees are entitled to an induction to the role, according to their need, which may include introductory

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

sessions, mentoring and formal courses.

Trustees may be linked to their own departments, or specific areas of focus, e.g., Safeguarding, Pupil Premium, and Special Educational Needs and Disabilities (SEND).

All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that are appropriate to the role they undertake as Trustees with particular emphasis on the committee work that they will undertake.

Organisational Structure

The governance of the Academy is defined in the Memorandum and Articles of Association together with the Funding Agreement with the Department of Education.

The Board of Trustees, which meets on at least five six occasions per year, in addition to individual committees that each meet at least three times per year, is responsible for the strategic direction of the Academy. The Board reviews progress towards educational objectives and results, approves major expenditure requests, sets the budget for the following year, as well as providing oversight in relation to the three-year financial plan. It also sets the organisational staffing structure, agrees the performance objectives of the Headteacher with the School Effectiveness Adviser, and reviews them. Performance against these objectives and results are measured against KPI's set by the Trustees. The KPI's are considered and reviewed annually.

The Headteacher is the designated Accounting Officer and has overall responsibility for the day-to-day financial management of the Trust. The Headteacher has delegated responsibility for low values of expenditure to specific budget holders who are responsible for managing their own departments within their allocated budgets. A system of financial controls is in place to manage this process.

To improve effectiveness and efficiency, and where circumstances may permit, the Board of Trustees looks to devolve certain responsibilities to specific committees. These committees operate within their own Terms of Reference and under a delegated authority from the Trust Board, with certain matters referred back to the full Trust Board where circumstances dictate, e.g., there is a statutory requirement to do so, or where matters significantly impact across committee boundaries. These committees include: Business, Finance & Premises; Personnel, Pastoral & Teaching; and School Development.

The overall financial responsibility (strategic and specific) is devolved by the Board of Trustees, the Business, Finance & Premises Committee, and Headteacher (Accounting Officer), to the Finance Director (position currently vacant) who in turn has agreed authority to devolve responsibilities to the Site Manager, Finance Office, ICT Support and all other account holders. A system of financial controls is in place to manage and monitor this process.

The full details of this delegation, including decision-making responsibilities can be found in the Schedule of Financial Delegation.

The Headteacher manages the Trust on a daily basis, supported by a Senior Leadership Team (SLT). The SLT meet twice a week to discuss emerging matters and to help develop strategies for future development to be put to the Headteacher and the Board of Trustees as required for approval. Each member of the SLT has specific responsibilities to assist the Headteacher to manage certain aspects of the Trust.

In order to ensure there is a separation between the Trustee Board and the Members, and in line with the requirements set out in the annual Academy Trust Handbook, no Trustees sit as Members. The Members meet annually, and in line with current best practice and direction, Trustees undertake to keep the Members regularly updated and informed. One mechanism that is utilised is to extend an invitation to Members to attend committee and trust board meetings as observers when it is deemed appropriate.

Arrangements for setting pay and remuneration of key management personnel

Key management personnel include the Headteacher, and those staff to whom the Trustees have delegated

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

significant authority and responsibility in the day-to-day running of the Trust.

Pay and remuneration of key management personnel is decided by a variety of contributory factors, such as the School group size, Individual School Range (ISR), the pay scales for each role and the level of experience of each staff member. In addition, pay levels may be affected by nationally agreed pay awards, the ability to recruit and retain in post, all of which are in accordance with the Trust's appointment and pay policies. Annual progression is determined based on an appraisal of performance each year.

All amendments to key management personnel pay and remuneration are approved by the appropriate sub-committee and ratified by the Board of Trustees.

Trade Union Facility Time

The trust had no employees who acted as union officials during the period

Related Parties and other Connected Charities and Organisations

Owing to the nature of the Trust's operations and the composition of the Board of Trustees being drawn from local public and private sector organisations, there is a possibility that from time-to-time transactions might take place with organisations in which Trustees may have an interest. Any transactions involving such organisations, should they arise, are mandated to be conducted at arm's length and in accordance with the Trust's financial regulations and normal procedures. Any transaction where the Trustee may have a pecuniary interest would only be undertaken in accordance with the 'at cost' principle described in the Academy Trust Handbook.

The Trust does not have a formal sponsor and has not cooperated with any related party during the year in pursuit of its charitable activities.

The Trust, however, maintains its ethos of Mathematics and Computing by working closely with, and supporting its feeder Primary Schools, DASSH (Dacorum Association of Secondary School Heads), Scholars' Education trust, and International Schools through the Comenius project and curriculum links with Bedomase Methodist Junior High School in Ghana. The Headteacher also represents the local Headteacher Group at HASSH (Herts Association of Secondary School Heads).

The Trust works and co-ordinates with the Dacorum School Sports Network (DSSN) which is a collective partnership of schools in the borough of Dacorum.

Objectives and Activities

Objects and aims

The principal object and activity of the Trust is the operation of Longdean School to provide free, non-selective education and care for students of different abilities between the ages of 11 and 19.

Objectives, Strategies and activities

Longdean School, is dedicated to delivering an excellent education, one that gives all our students the tools to develop into confident citizens who can contribute positively to society. This is reflected in our key values of challenge, innovation and support as well as our strap line 'Rejoice in Thy Youth.' We celebrate childhood and make sure that, along with gaining an education, students enjoy unique opportunities including enrichment activities and educational trips at home and abroad, which help them to become well-rounded individuals and build positive relationships with staff.

We have high expectations of our students, and our personalised curriculum is challenging, flexible, and innovative, offering both academic subjects and vocational courses that meet the needs of students and employers. Our high expectations are regularly met – as our successful exam results consistently show.

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

School Priorities 23-24

Adaptation achieved through:

1. Quality first teaching - we want to make sure all teachers help you engage with your learning
2. Literacy - we want you to be able to read and write most common words we use and improve your reading
3. Curriculum - we want your curriculum to be accessible and relevant to you all so you can develop skills and knowledge as you move from year 7 to year 13
4. Behaviour Management - we want to understand why you sometimes make mistakes with your behaviour so we can support you in changing it

The rationale for these priorities comes predominantly from our Ofsted inspection of November 2019. This event provides an opportunity to reset where we want the School to be in the next four to five years and to begin to work towards this end.

The priorities were also drawn from our own internal self-evaluation work. This work is currently triangulated by our School Effectiveness Advisor, allocated by Hertfordshire. We also do a large amount of internal monitoring and evaluation through learning walks, students voice and visits from Trustees. This all contributes to the priority setting process. Since March 2020 a lot of the input has been through surveys of parents, staff and students to monitor the remote educational provision and to ensure we can return to school positively. For the coming year, we will access the resources of Scholars' Education Trust and have them conduct a thorough peer review of our school, something that will focus on five key areas; Science, Yr9 Curriculum, Leadership and Management, Student Personal Development, and SEND.

All of our priorities are driven by raising the achievement of students as this increases the control and choice the students have over their futures when they leave. They are also focused on developing skills in our students as well as qualities that will enable them to contribute to the communities they are part of.

The detail relating to these significant priorities are set out in the annual School Improvement Plan that is submitted to Trustees in the Autumn Term each year and reviewed on at least one further occasion during the year.

Public Benefit

The Trustees believe that by working towards the objects and aims of the School as detailed above, they have complied with their duty having due regard to the guidance on public benefit published by the Charity Commission.

The Trust has operated in accordance with its funding agreement as a noncharging, not for profit organisation throughout the period in question. Student admissions to the Trust have been conducted in accordance with the Hertfordshire LA admissions policy.

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TRUSTEES' REPORT (CONTINUED)
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Strategic Report

Achievements and Performance

Longdean School was last inspected by OFSTED in November 2019 and was again rated as a 'Good School.' The report highlighted the positive environment of the School. OFSTED state in the report that:

- "Pupils are kind to each other and to visitors to the School. Staff ensure that the School welcomes everybody. They want all pupils to do their best."

It also identified that the School strives to develop students to meet their full potential:

- "Leaders design ambitious pathways for pupils to study. For example, there is extra provision for pupils in Year 7 who are interested in science, technology, engineering or mathematics."
- "Teachers plan a good sequence of learning for the whole of key stages 3 and 4."
- "Staff are ambitious for pupils with special educational needs and/or disabilities (SEND)."
- "The arrangements for safeguarding are effective."

A common theme through the report was that students feel safe and comfortable at Longdean:

- "Pupils are taught how to keep themselves safe from harm including online."
- "Pupils say they feel safe at School and are confident to speak to staff when they are worried."

The School was also asked to focus on the academic performance of disadvantaged students as well as closing their attendance gap. Both of these goals require us to reduce internal variation between departments and year groups in these two areas. Trustees play a key role in this and their activities include but are not limited to:

- Monitoring the performance of departments
- Attending examination meetings with departments
- Trustee visits to school
- Half termly meeting between chairs of committees and Headteacher
- Ensuring our recruitment is linked to our priorities and reinforces them

Key Performance Indicators (KPI's)

The Trustees use a series of key performance indicators (KPI's) as a tool for measuring success and evaluating the Trust's overall effectiveness. These KPI's will further be used as an aid in holding the Headteacher to account. They comprise indicators relating to a number of key areas covering:

- Student numbers – full on first preferences
- Examination results – progress and attainment
- Recruitment and retention of staff as well as staff absence
- Student attendance including persistent absence
- Financial performance
- Post 16 numbers increasing as a % of Year 11
- Student behaviour and exclusions

These KPI's are reported on a regular basis, four times per year, and are subject to regular review by the current Trust Board. Trustees seek to outline KPI's that can be used to measure the whole School and can feed into Headteacher Appraisal and subsequent reporting to the Trust Board. Trustees are looking for a number of qualitative as well as quantitative measures that will contribute to a dashboard that gives a clearer and broader picture of overall performance.

The Trustees receive regular information to enable them to monitor the performance of the School compared to aims, strategies and financial budgets. Financial performance is reviewed on a periodic basis.

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Examination Results 2023

Key Stage 4

It is to be noted that not all the grades that students achieve count for the School in nationally published performance tables. However, both are reported here.

GCSE Headline Measures						
*Provisional for 2023	2019		2022		2023	
	Published	With Legacy	Published	With Legacy	Published	With Legacy
Progress 8 (P8)*	-0.33	-0.21			-0.1	0.02
Attainment 8 (A8)	4.4	4.5	4.4	4.8	4.5	4.6
9-5 English & Maths	36.6%	36.6%	44.2%	44.2%	44.7%	44.7%
Ebacc entry	50.3%	50.3%	58.4%	58.4%	53.6%	53.6%
Average Ebacc APS score per student	3.79	3.88	3.75	4.3	3.85	4.03
9-4 English & Maths	60.7%	60.7%	66.1%	66.1%	70.0%	70.0%
Maths P8	-0.2	-0.2			-0.1	-0.1
English P8	-0.3	-0.3			0	0
Ebacc P8	-0.40	-0.34			-0.2	-0.1
Open P8	-0.30	-0.22			-0.1	-0.2
Maths A8	4.4	4.4	4.7	4.7	4.4	4.4
English A8	4.7	4.7	4.9	4.9	5.0	5.0
Ebacc A8	4.1	4.2	4.5	4.7	4.3	4.4
Open A8	4.5	4.6	4.1	5.0	4.6	4.8
4+ Maths	69.4%	69.4%	71.7%	71.7%	73.4%	73.4%
4+ English	72.1%	72.1%	78.1%	78.1%	79.7%	79.7%
5+ Maths	41.0%	41.0%	50.6%	50.6%	51.1%	51.1%
5+ English	60.1%	60.1%	56.2%	56.2%	58.6%	58.6%

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

Post 16 Results

KS5 Headline Measures			
L3VA			
*Provisional for 2023	2019	2022	2023
L3VA (A level)*	0.09	-0.19	-0.05
L3VA (Academic)*	0.08	-0.16	-0.07
L3Va (Vocational)*	-0.29	0.03	-0.2
Post 16: Overall Statistics			
Avg APS per entry (all Level 3 qualification)	28.79	31.43	30.31
Avg Grade per entry (all Level 3 qualification)	C	C	C
Avg APS per student (all Level 3 qualification)	82.41	98.62	92.82
Avg points per entry in best 3 A levels	27.59	33.87	34.01
Avg grade per entry in best 3 A levels	C-	C+	C+
Level 3 Maths attainment (achieving)	12.90%	45.30%	28.60%
A level cohort			
Avg point score per entry	29.36	31.67	31.08
Avg grade per entry	C	C+	C
Entries in which A* - A achieved	14.9%	17.9%	12.6%
Entries in which A*-B achieved	29.8%	39.1%	41.1%
Entries in which A*-C achieved	60.3%	68.2%	73.1%
Entries in which A*-D achieved	87.2%	89.9%	86.9%
Entries in which A*-E achieved	97.9%	98.3%	95.4%
% of which 2 or more are in facilitating sub	4.8%	7.7%	1.4%
Applied cohort			
Avg point score per entry	26.4	29.35	26.27
Avg grade per entry	Merit	Merit+	Merit
Technical cohort			
Avg point score per entry	n/a	36.25	44.5
Avg grade per entry	n/a	Dist	Dist*

Expansion of the School

Longdean continues to cement its place as a popular choice of school for Year 7 applications and the school is now consistently oversubscribed as a school of first choice. The Planned Admission Number (PAN) for Year 7 is set at 240 with year groups 8-11 each now sitting at their capacity of 240. With this trend for being oversubscribed there is the prospect of having to deal with a significantly increased number of admissions appeals with responsibility for the allocation of places having been delegated to HCC. Appeals are lodged with HCC through their online appeals portal

This year saw the formalisation of an agreement with HCC about a Specialist Resource Provision (SRP). The SRP is due for completion in 2024. When completed it will lead to creation of a facility catering for 20 students,

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FOR THE YEAR ENDED 31 AUGUST 2023

across Years 7 – 11, these additional numbers being above oPost the Covid events of 2020/21 we have successfully targeted the retention of more Year 11 students into our Post 16 provision and this cohort now contains around 200 students. As part of the strategy to boost retention, trustees agreed the introduction of one of the new 'T-Level' qualifications, the first subject due to be introduced for the commencement of the academic year 2024/25.

Going Concern

On 1 December 2023 Longdean School transferred its operations, assets and liabilities to Scholars' Education Trust. As a result of this transfer, these accounts are not prepared on the going concern basis. Trustees expect the school will continue to operate within Scholars' Education Trust and there are no material adjustments arising as a result of ceasing to apply the going concern basis of accounts preparation. Further details regarding the basis of preparation and adoption of the going concern basis can be found in the Statement of Accounting Policies.

Financial Review

The principal source of funding for the Trust is the GAG and other grants that it receives from the Education and Skills Funding agency (ESFA). For the year ended 31 August 2023, the Trust received £10,520,630 (2022: £9,705,946) of GAG and other funding. A high percentage of this income is spent on wages and salaries and support costs to deliver the Trust's primary objective of the provision of education. During the year the Trust spent £9,851,068 (2022: £9,415,450 excluding depreciation and LGPS adjustments). The Trust brought forward from 21/22, £398,099 restricted funds and £578,102 unrestricted funds. The carry forward for 22/23 is £719,231 restricted funding and £680,805 unrestricted funding.

After a period of depletion of reserves following the move to the new premises and the need to equip many of the fixtures of the new building, Trustees implemented a policy that sought to reestablish and maintain at least a target minimum level of reserves. This reserves policy is detailed below. It is further recognised that as we continue to deal with the challenging economic environment our planning around reserves identifies some additional financial pressures. Our planning processes identify that, within in our planning time horizon, principally the next three academic years, we will likely again need to draw on reserves to enable us set a balanced budget within of the permitted set of conditions set out in the Academies Handbook. As such, a strategy to rebuild and maintain reserves at an enhanced minimum is proving to be prudent. At the same time the trust board has invited some sensitivity analysis to identify areas where pressure on reserves is anticipated to be at its greatest and where spend might be prioritised to help ensure we meet our balanced budget setting mandate while remaining within our stated reserves policy.

Due to a change in the discount rate, the Local Government Pension Scheme Deficit has significantly decreased from the prior year to £nil, please see note 22.

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FOR THE YEAR ENDED 31 AUGUST 2023

A breakdown of income and expenditure can be seen below:

	Restricted General Funds	Unrestricted Funds	Fixed Asset Fund	Pension Reserve	Total
Incoming Resources	10,080,589	194,314	245,727	-	10,520,630
Resources Expended	(9,509,941)	(91,611)	-		(9,601,552)
LGPS Charge				252,000	252,000
Depreciation			(193,738)		(193,738)
Employer contributions paid				(318,000)	(318,000)
Total Resources Expended	(9,509,941)	(91,611)	(193,738)	(66,000)	(9,861,290)
Assets Purchased from GAG	(249,516)	-	249,516		-
Actuarial Gains				293,000	293,000
Surplus / (Deficit) for the year	321,132	102,703	301,505	227,000	952,340
Balance at 1 September 2021	398,099	578,102	4,884,545	(227,000)	5,633,746
Balance at 31 August 2022	719,231	680,805	5,186,050	-	6,586,086

Reserves Policy

The Trustees must ensure that the Trust holds enough reserves to fund future strategy and minimise the financial risks around maintenance of working capital, cashflow, capital maintenance and other uncertainties relating to income and expenditure.

The Trustees review the reserves policy of the Trust annually as part of the Budget and Three-Year Plan processes.

Having regard for the utilisation of the significant level of reserves that were set aside to equip the new building, the Trustees have determined it would be appropriate to maintain a target minimum level of free reserves of 2% of the total annual revenue income budget (for illustrative purposes this would be no less than £130,000). The level set is anticipated as being sufficient to meet current needs and provides the platform for the rebuilding of reserves to the level that will be required for funding significant projects, i.e., those future projects that are unfunded and must be covered from (revenue) grant income alone.

The Trust's balance on restricted general funds (excluding pension reserve) plus the balance on unrestricted funds at 31 August 2023 was £1,400,036.

Investment Policy

The Trustees have a policy of investing cash balances with a view to maximising returns, while seeking to ensure ready accessibility to funds. For what has, until more recently, been an enduring low/zero interest rate environment, there is understandably greater weight assigned to the safety of any investment. The policy aims to invest cash such that its available cash balances and liquid investments are at least equal to the figure outlined in the reserves policy.

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Principal Risks and Uncertainties

The Trustees maintain a risk register, identifying the major risks to which the Trust is exposed and identifying actions and procedures to mitigate those risks. A formal review of the risk register is undertaken on a regular basis, generally once each term, by the Headteacher along with relevant members of his senior team plus regular contributions, at least annually, from a suitably skilled trustee. The Risk Register and internal control systems, as well as the exposure to said risks, are then further monitored on behalf of the Trustees at Business Finance and Premises Committee meetings. The principal risks facing the Trust are outlined below; those facing the Trust at an operational level are addressed by its systems and by internal financial and other controls.

The Trustees report that the Trust's financial and internal controls conform to guidelines issued by the ESFA, and that improvements to the wider framework of systems dealing with business risk and risk management strategy continue to be made and formally documented.

It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

As an Academy School, the level of overall financial risk is low. Cash flows can be reliably forecast, monitored and reported. Staff costs make up the majority of expenditure and are relatively stable with contingencies in place to cover such items as sickness and maternity.

Longdean is securely good, as confirmed by its successful OFSTED visit in November 2019. Exam results are consistently in line with national year on year, the school is popular and full on the expanded PAN. The school continues to have an experienced and committed staff and relatively few significant problems with recruitment and retention relative to other schools. The main building was rebuilt in 2017 and is in excellent condition, with the ability to more carefully plan and manage costs for utilities and hard facilities maintenance. The PFI contract is overseen by the ESFA and is running well. The Sports Centre and associated facilities have undergone significant improvement works since taken over from Dacorum Borough Council. Improvement work has now extended to the addition of a sixth form café facility, a brand new Multi Use Games Area (MUGA) in association with the Football Foundation and its funding partners, both of which give us capacity to increase our non-grant income streams through additional leisure and community use. The School has arranged support from the Local Authority and external professional support for issues such as School Trips, Health and Safety, Data Protection & Cybersecurity.

Delivery of the sixth form café, MUGA, and then the SRP in 2024, enhance our education offering and further underpin our standing as an education provider to the local community.

Our broad based and unique curriculum is something that comes under regular scrutiny and we undertook a robust curriculum review in 2022/23, something that sought to challenge whether our curriculum continued to meet the needs of our students. As a result of this curriculum review the school sought to amend elements of the current curriculum and steer more closely towards a traditional two year Key Stage 4 to be complemented accompanied by an enrichment stream in year 9.

In addition, we are constantly reviewing our Post 16 offering as we seek to reinforce efforts to secure and grow our Post 16 numbers. We do this in the face of needing to adapt to an evolving education environment, one that demands schools provide additional choice and allows students to choose from a broader range of vocational subjects and qualifications, something more typically associated with sixth form college provision. A large focus will be on providing TLevel courses as well as a bespoke Post 16 programme for students with an EHCP who would wish to remain at Longdean. That review has already led to the introduction of our first T-level course which will be available at the start of the academic year 24/25.

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

The Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 20 December 2023 and signed on its behalf by:

Charlie Barling

C Barling (Dec 20, 2023, 1:11pm)

Mr C Barling

Chair of Trustees

LONGDEAN SCHOOL
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GOVERNANCE STATEMENT

Scope of responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that Longdean School has an effective and appropriate system of control, financial and otherwise. However, such a system is designed to manage rather than eliminate the risk of failure to achieve business objective and charitable objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss.

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

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

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 6 times during the year. The Board is satisfied that with the benefit of additional oversight via use of appropriate sub-committees, it maintains effective oversight over the use of funds. Details of attendance at such sub-committees are noted below.

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

Trustee	Meetings attended	Out of a possible
Mrs N Glaysher, Community Governor	4	6
Mrs J Green, Parent Governor	6	6
Mr C Barling, Chair	6	6
Mrs A Tattershall, Community Governor	5	6
Mr G Cunningham, Headteacher	5	6
Mr N Parsons, Co-opted Governor	2	6
Ms K McKerrell, Staff Trustee	3	5
Mr A Quirke, Community Governor	0	1
Mrs C Rumble, Parent Governor	6	6
Ms M Quinn, Staff Governor	6	6
Mr M Tattershall, Parent Governor	6	6
Mr I Loffler, Staff Governor	2	3
Mr R Venn, Parent Governor	6	6
Mr K North	3	3
Mrs K Price	2	3
C Jolley	0	0
Mr P NJovana	2	3

The Coronavirus pandemic had previously presented significant challenges in relation to the operation of School governance. Other than meeting in person to fulfil statutory obligations, trustees were essentially reliant on technology as providing the tool to enable us to meet, albeit remotely, to discuss trust business. While this inability to hold meetings in person or undertake learning walks was certainly sub-optimal, with effective application of all the necessary guidance and the easing of Covid restrictions, trust governance has since returned to its normal meetings arrangements, with restored capacity to add visits and attend learning walks as necessary. The ability to meet remotely improves access to trustees, aids flexibility, and adds to our oversight and monitoring capability.

LONGDEAN SCHOOL
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

There was some turnover of Trustees in the period, with three Trustees stepping down, their terms of office either coming to the end, or stepping down due to personal reasons. As an Academy we note the principal difficulties in securing the input of volunteers to act as suitable Trustees/Governors. However, the school has a supportive staff and parent population, and engages actively with the local community, something that has allowed us to recruit and maintain our trustee volunteer base at a fully functional level. We did agree in the year that, while we are permitted to appoint up to three staff Trustees (two teaching and one non-teaching), we would seek to fill just two staff Trustee roles when terms of office came to an end, something that we deemed would not lessen the effectiveness of support or oversight.

The ability to respond to these challenges and the ability to fill Trustee positions as our circumstances demand, demonstrates a level robustness in the Trust's organisational governance arrangements. Succession planning and recruitment of Trustees continues at the heart of the Board of Trustees agenda with constant consideration being given to recruitment of additional trustees/governors to better underpin our governance accountabilities.

As a result of all these steps, the Board of Trustees continues to improve its understanding of the school's operations in order to increase effectiveness.

The quality of data provided by the school is deemed to be good and the processes for accessing information will continue to evolve and adapt as School and Trustee reporting requirements change. Trustees engage annually in exam meetings in order to discuss, support and challenge progress with the Head Teacher and Directors of Learning.

The Academies Trust Handbook requires management accounts to be produced and distributed on a monthly basis. Distribution of the management accounts is to trustees appointed to the Business, Finance and Premises Committee, of which the Chair of Trustees is a member. Due to the nature of the fall of expenditure and income, trustees more closely focus in on the detail of significant periods, around three, five, and then seven to nine months into the financial reporting calendar. Core KPI's that the Business Finance and Premises Committee will monitor are primarily, significant variances, available cash, and progress towards achieving budgeted out turn for general reserves for the year being monitored.

The Trustees believe they maintain an excellent working relationship with the Headteacher and are able to challenge supportively and constructively in order to hold the Headteacher to account for the educational performance of the school.

Trustees continue to be very mindful of the current and very specific challenges and constraints as regards school finances. Trustees continue to hold the view that finances remain adequate. The school is still able to set a balanced budget in order to maintain a specified minimum level of reserves. The school has historically been able to set a budget that tends to be conservative with those downside uncertainties that exist in future years under constant review and challenge. Trustees benefit from a deeper understanding of the financial data that sets the foundation for us to at least secure adherence to our targeted reserves position. The monthly management account reports are presented in a consistent format and are contributing to improved trend analysis and a better understanding of the school's finances in general. On an annual basis the trust will schedule a strategic planning event, normally held in Spring Term, in order to consider the current vision and future strategic direction of Longdean. The critical focus of the event in the Academic Year continued to be our status as a Single Academy Trust and the agreed undertaking that we join a suitable MAT, having identified SET as our preferred MAT of choice.

On an annual basis we seek for Trustees to complete a basic skills audit as part of an exercise of review to ensure they at least have the prerequisite skills to fulfil our governance accountabilities and we seek to ensure gaps are filled with the most relevant experience for both short, and medium to long term needs. Trustees will further consider the need for any external review of governance that might be warranted in event of a significant change of trust direction or any identified governance risks.

Trustees keep committee terms of reference under constant review and will amend Trustee Terms of Reference, Roles, Responsibilities and any relevant Policies where necessary.

LONGDEAN SCHOOL
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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

The Academies Trust Handbook advocates for trust boards to meet at least six times a year. While the Full Trust Board did meet six times in this Academic Year, the board does seek to devolve much of the schedule of work to various sub-committees. This allows the board to focus in on the most important business of the trust and more important trust decisions. Further, this devolvement allows for greater understanding of school operations, which aids effectiveness and efficiency, and helps trustees maintain the oversight it is accountable for, particularly in relation to the school's use of funding.

The Business, Premises and Finance Committee (BFP) is one of these sub-committees. Its purpose is as set out in the scheme of delegation and includes the following:

- Review the annual budget and three-year forecasts before sending for approval to The Board of Trustees.
- Determining the School's financial priorities through the School Improvement Plan & the Asset Management Plan.
- Receiving monthly management reports, to facilitate the monitoring of the School's actual financial performance compared with budgeted priorities and cash flow, and to take remedial action as necessary.

Having considered the nature of Longdean Finances, the framework of reporting, and the operation of internal controls, when combined with the existence and potential operation of an effective Whistleblowing policy the Trust Board has determined an audit committee is not warranted and such activities are able to effectively sit within the remit of the Business, Finance and Premises Committee.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Mr C Barling	4	6
Mr G Cunningham	6	6
Mr R Venn	5	6
Mr I Loffer	1	2
Mr N Parsons	5	6
Mrs C Rumble	6	6
Mr M Tattershall	6	6
Mr K North	4	4

LONGDEAN SCHOOL
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GOVERNANCE STATEMENT (CONTINUED)

Review of value for money

As accounting officer, the Headteacher has responsibility for ensuring that the Academy 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, as well as estates safety and management, achieved in return for the taxpayer resources received.

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

- Close review of major contracts such as catering in order to obtain best value.
- Use of public sector frameworks to obtain value for money.
- Closely monitoring the operation of the building PFI contract to ensure contractual deductions are made in case of performance failure or unavailability. Using a specialists for the procurement of services and brokers for utilities, and ensuring adherence to financial regulations that require multiple quotes or formal tendering for all substantial expenditure.
- Seeking close correlation between curriculum and timetabling and also evaluating roles to ensure pay is competitive and accurate for the role being carried out.

Scholars' Education Trust and changed governance arrangements

As a consequence of joining Scholars' Education trust (SET) there will be a change in the of governance arrangements to reflect the new legal structure and operational framework. SET strongly believes in the importance of Local Governing Bodies in its schools. The strong relationship between School Headteachers and Governing Bodies is key to continuing educational success and supporting students to achieve their potential.

The trustees of the Scholars' Education Trust constitute the Scholars' Trust Board, which determines the shared policies across the multi-academy Trust. SET board members are themselves appointed on the basis of their skills and experience. As a constituent academy within SET, Longdean will be governed by a recomposed local governing body. Longdean will determine its own policies within the overarching policy structure and will operate within the parameters of a scheme of delegation set out by the SET trust board.

The SET executive team provides experienced and able leadership across the Trust, meeting with the headteachers, on at least a fortnightly basis.

The day to day running and key drivers of educational achievement will effectively continue to be delegated by the Longdean governing body to the headteacher, who is supported by the senior leadership team. The day-to-day administration of each academy is undertaken within the Trust policies and procedures approved by the local governing body which provide for significant expenditure decisions to be referred to the Trust Board for prior approval.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy 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 Longdean School for the year 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements.

LONGDEAN SCHOOL
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GOVERNANCE STATEMENT (CONTINUED)

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the Academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy's significant risks that has been in place for the year 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

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

The Board of Trustees has decided to employ SBS as internal auditor.

This option has been chosen to help meet its responsibilities obligations on internal scrutiny. The three-year arrangement with SBS is continuing but is due for review in 2024/25.

The Internal Auditor's role includes giving advice on financial and other matters and performing a range of checks on the Academy's financial systems. In particular, the checks carried out in the current period included A website review along with a check on certain statutory policies A review of payroll processing and financial procedures.

As part of a planned cycle of focused visits, the Internal Auditor reports to the Board of Trustees, through the Business, Premises and Finance Committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities, and annually 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.

There were two audits carried out during the year. The first was in January 2023 and covered:

- a review of the website, ensuring compliance with the latest Department for Education (DfE) guidance regarding information to be published on the Trust/School's website, with a review of the following policies, Gifts and Hospitality, Whistleblowing, Safeguarding/Child Protection and GDPR with checks carried out to ensure that these policies had been read and understood by all trustees and staff.

The second review took place in June 2023 and covered:

reconciliation of individual employee's remuneration and of the monthly payroll reports to the school's internal HR database and budget forecasts, ensuring that any leavers, starters or contract variations have been appropriately processed and authorised; checking that the Finance Policy clearly outlines the Trust's financial procedures, including segregation of duties, business continuity and tendering policies, and; ensuring that the accounting system operated effectively and securely. There were 25 checks carried out across the various areas, of which 6 were given full assurances, 11 partial assurances, 8 limited assurances and 2 were given no assurance.

The no assurance items were both in relation to the fact that a Gifts and Hospitality Register was not in place at

LONGDEAN SCHOOL
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GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework (continued)

the time the review was conducted and the Gifts and Hospitality Policy needed reviewing. It was recommended that the register should be created and maintained by checking regularly and noting a nil return where there are no items to declare. This had been discussed during the year by Trustees and the Headteacher, but as there were no gifts to note, there wasn't a register maintained. Steps are now in place to ensure the register is reviewed and gifts documented, with inclusion of a nil return where necessary.

Although payroll journals checked were strong, it was recommended that the payroll paperwork should always be signed and dated to evidence approval ahead of contracts or changes commencing. Another area of improvement was the schools Finance Manual as this was "pending approval". Finally, various recommendations were made surrounding banking procedures and strengthening internal controls to ensure they are robust. Banking procedures listed within the finance manual should be expanded upon to ensure they are transparent and provide clarity to staff, reconciliations of all bank accounts and associated accounts are reconciled monthly and to ensure that all expenditure, including petty cash and credit card, are pre-approved to ensure budgets allow for such spend.

From the work that was carried out, SBS noted good practice relating to many areas, specifically the policy reviews by staff and trustees and the payroll journals being posted monthly and posted on the accounting system using nominal codes which ensures the costs are allocated to the correct budget area and the school are ensuring that the most up-to-date and accurate financial position in terms of staffing expenditure can be identified.

For those areas where there were partial, limited or no assurance given, the recommendations have been taken on board and changes have been made accordingly.

Review of effectiveness

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

- the work of the Internal Auditor;
- the work of the executive managers within the Academy who have responsibility for the development and maintenance of the internal control framework;
- the work of the external Auditors;

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

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

Charlie Barling

Mr C Barling
Chair of Trustees

G Cunningham

Mr G Cunningham
Accounting Officer

20 Dec 2023

LONGDEAN SCHOOL
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STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

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

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

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



G Cunningham (Dec 20, 2023, 1:31pm)

Mr G Cunningham

Accounting Officer

Date: 20 Dec 2023

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

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the Board of Trustees on 20 December 2023 and signed on its behalf by:

Charlie Barling

C Barling (Dec 20, 2023, 1:11pm)

Mr C Barling

Chair of Trustees

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

Opinion

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

In our opinion the financial statements:

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

Basis for opinion

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

Material uncertainty related to going concern

We draw attention to note 1.2 in the financial statements, which explains that the Academy transferred its operations, assets and liabilities to Scholars Education Trust on 1 December 2023 and therefore the Trustees do not consider it to be appropriate to adopt the going concern basis of accounting in preparing the financial statements. Accordingly the financial statements have been prepared on a basis other than going concern as described in Note 1.2. Our opinion is not modified in respect of this matter.

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.

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

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.

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

Auditors' responsibilities for the audit of the financial statements

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

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

We gained an understanding of the legal and regulatory framework applicable to the Academy and the sector in which it operates and considered the risk of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations in particular those regulations directly related to the financial statements, including financial reporting, and tax legislation. This included those regulations directly related to the financial statements, including compliance with Companies Act 2006, Charities Act 2011 and academy sector regulations.

The risks were discussed with the audit team and we remained alert to any indications of non-compliance throughout the audit. We carried out specific procedures to address the risks identified. These included the following:

- We reviewed systems and procedures to identify potential areas of management override risk. In particular, we carried out testing of journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions to identify large or unusual transactions.
- We reviewed key authorisation procedures and decision making processes for any unusual or one-off transactions.
- We reviewed minutes of Trustee Board meetings and other relevant sub-committees of the Board and agreed the financial statement disclosures to underlying supporting documentation.
- We have made enquiries of the senior management team including the Accounting Officer regarding laws and regulations applicable to the Trust and obtained the report details of any breaches where applicable in order to assess the impact upon the Trust.
- We have reviewed any correspondence with the ESFA/DfE and reviewed the procedures in place for the reporting of incidents to the Trustee Board including serious incident reporting of any such matters to the Regulator if necessary

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance.

The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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.

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

Use of our report

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

Mr Michael Cooper-Davis FCCA ACA (Senior Statutory Auditor)

for and on behalf of

Price Bailey LLP

Chartered Accountants

Statutory Auditors

Causeway House

1 Dane Street

Bishop's Stortford

Hertfordshire

CM23 3BT

20 December 2023

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

In accordance with the terms of our engagement letter dated 6 July 2022 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2022 to 2023, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Longdean School during the year 1 September 2022 to 31 August 2023 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Longdean School's Accounting Officer and the Reporting Accountant

The Accounting Officer is responsible, under the requirements of Longdean School's funding agreement with the Secretary of State for Education dated 1 August 2011 and the Academy Trust Handbook, extant from 1 September 2022, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2022 to 2023. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2022 to 31 August 2023 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

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

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

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

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

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

The work undertaken to draw to our conclusion includes:

- An assessment of the risk of material irregularity, impropriety and non-compliance.
- Consideration and corroboration of the evidence supporting the Accounting Officer's statement on regularity, propriety and compliance and how the Trust complies with the framework of authorities.
- Evaluation of the general control environment of the Trust, extending the procedures required for financial statements to include regularity, propriety and compliance.
- Discussions with and representations from the Accounting Officer and other key management personnel.
- An extension of substantive testing from our audit of the financial statements to cover matters pertaining to regularity, in order to support the regularity conclusion, including governance, internal controls, procurement and the application of income.

Conclusion

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

Reporting Accountant
Price Bailey LLP
Chartered Accountants
Statutory Auditors

Date: 20 December 2023

LONGDEAN SCHOOL
(A Company Limited by Guarantee)

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

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:						
Donations and capital grants	3	70,438	275,117	245,727	591,282	598,463
Other trading activities	5	99,957	-	-	99,957	182,735
Investments	6	215	-	-	215	163
Charitable activities	4	23,704	9,805,472	-	9,829,176	8,924,585
Total income		194,314	10,080,589	245,727	10,520,630	9,705,946
Expenditure on:						
Charitable activities	7	91,611	9,575,941	193,738	9,861,290	10,127,472
Total expenditure		91,611	9,575,941	193,738	9,861,290	10,127,472
Net income/(expenditure)		102,703	504,648	51,989	659,340	(421,526)
Transfers between funds	16	-	(249,516)	249,516	-	-
Net movement in funds before other recognised gains/(losses)		102,703	255,132	301,505	659,340	(421,526)
Other recognised gains/(losses):						
Actuarial gains on defined benefit pension schemes	22	-	293,000	-	293,000	3,207,000
Net movement in funds		102,703	548,132	301,505	952,340	2,785,474
Reconciliation of funds:						
Total funds brought forward		578,102	171,099	4,884,545	5,633,746	2,848,272
Net movement in funds		102,703	548,132	301,505	952,340	2,785,474
Total funds carried forward		680,805	719,231	5,186,050	6,586,086	5,633,746

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 31 to 53 form part of these financial statements.

LONGDEAN SCHOOL
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07695624

BALANCE SHEET
AS AT 31 AUGUST 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	13	5,186,050	4,884,545
Current assets			
Debtors	14	320,107	210,997
Cash at bank and in hand		1,984,884	1,544,813
		<u>2,304,991</u>	<u>1,755,810</u>
Creditors: amounts falling due within one year	15	(904,955)	(779,609)
Net current assets		<u>1,400,036</u>	<u>976,201</u>
Total assets less current liabilities		<u>6,586,086</u>	<u>5,860,746</u>
Defined benefit pension scheme asset / liability	22	-	(227,000)
Total net assets		<u><u>6,586,086</u></u>	<u><u>5,633,746</u></u>
Funds of the Academy			
Restricted funds:			
Fixed asset funds	16	5,186,050	4,884,545
Restricted income funds	16	719,231	398,099
		<u>5,905,281</u>	<u>5,282,644</u>
Restricted funds excluding pension asset	16	5,905,281	5,282,644
Pension reserve	16	-	(227,000)
Total restricted funds	16	<u>5,905,281</u>	<u>5,055,644</u>
Unrestricted income funds	16	<u>680,805</u>	<u>578,102</u>
Total funds		<u><u>6,586,086</u></u>	<u><u>5,633,746</u></u>

The financial statements on pages 28 to 53 were approved by the Trustees, and authorised for issue on 20 December 2023 and are signed on their behalf, by:

Charlie Barling

C Barling (Dec 20, 2023, 1:11pm)
Mr C Barling
 (Chair of Trustees)

The notes on pages 31 to 53 form part of these financial statements.

LONGDEAN SCHOOL
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash provided by operating activities	18	906,858	293,147
Cash flows from investing activities	19	(466,787)	(17,267)
Change in cash and cash equivalents in the year		440,071	275,880
Cash and cash equivalents at the beginning of the year		1,544,813	1,268,933
Cash and cash equivalents at the end of the year	20, 21	<u>1,984,884</u>	<u>1,544,813</u>

The notes on pages 31 to 53 form part of these financial statements

LONGDEAN SCHOOL
(A Company Limited by Guarantee)

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

1. Accounting policies

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

1.1 Basis of preparation of financial statements

The financial statements of the Academy, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (Charities SORP (FRS 102)), the Academies Accounts Direction 2022 to 2023 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

1.2 Going concern

The Academy transferred its operations, assets and liabilities to Scholars Education Trust on 1 December 2023 and it is expected that the Trust will then be wound up. As required by UK accounting standards, the Trustees have prepared the financial statements on the basis that the Academy is no longer a going concern. No material adjustments arose as a result of ceasing to apply the going concern basis. All assets and liabilities will be transferred to Scholars Education Trust at their carrying amounts.

1.3 Income

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

• **Grants**

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

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

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

• **Donations**

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

LONGDEAN SCHOOL
(A Company Limited by Guarantee)

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

1. Accounting policies (continued)

1.4 Expenditure

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the Statement of Financial Activities over the expected useful lives of the assets concerned. Other grants are credited to the Statement of Financial Activities as the related expenditure is incurred.

1.6 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.

1.7 Tangible fixed assets

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

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

LONGDEAN SCHOOL
(A Company Limited by Guarantee)

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

1. Accounting policies (continued)

1.7 Tangible fixed assets (continued)

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

Depreciation is provided on the following bases:

Long-term leasehold land	- 125 years
Long-term leasehold buildings	- 50 years
Furniture and equipment	- 5 - 25 years
Motor vehicles	- 10 years

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

1.8 Debtors

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

1.9 Cash at bank and in hand

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

1.10 Liabilities

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

1.11 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 14. 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 15. 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.

LONGDEAN SCHOOL
(A Company Limited by Guarantee)

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

1. Accounting policies (continued)

1.12 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 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 based on 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.

If pension scheme assets are more than liabilities, a surplus is recognised only to the extent that the Academy is able to recover the surplus either through reduced contributions in the future or through refunds from the scheme. Any change in the restriction of the surplus is an actuarial gain or loss and is recognised in other recognised gains and losses.

1.13 Fund accounting

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

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

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

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

2. Critical accounting estimates and areas of judgment

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

LONGDEAN SCHOOL
(A Company Limited by Guarantee)

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

2. Critical accounting estimates and areas of judgment (continued)

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 22, 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 2022 has been used by the actuary in valuing the pensions liability at 31 August 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

At the Balance Sheet date, the pension scheme assets were more than the liabilities, resulting in a surplus.

It was necessary to determine the extent to which this surplus was capable of being recovered either through reduced contributions in the future or through refunds from the scheme. A refund is only available on ceasing to participate in the scheme, which is not practicably possible whilst the Academy continues in operation due to the requirement to provide access to the scheme to relevant employees and would not be possible if the Academy were to cease operations as these operations would be transferred to another Academy Trust that would take over any asset. With regard to reductions in contributions, the Academy is pooled with other Academy Trusts in the setting of its contribution rates under the scheme. In addition the Academy considers there to be a minimum funding requirement in respect of its contributions. Consequently the Academy does not consider that it is able to recover the surplus through reduced contributions in the future and has therefore restricted the surplus recognised for these funds to £nil.

3. Income from donations and capital grants

	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £	Total funds 2022 £
Donations	70,438	275,117	217,486	563,041	570,698
Government grants	-	-	28,241	28,241	27,765
Total 2023	70,438	275,117	245,727	591,282	598,463
Total 2022	53,441	442,786	102,236	598,463	

LONGDEAN SCHOOL
(A Company Limited by Guarantee)

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

3. Income from donations and capital grants (continued)

In 2022, income from donations was £570,698 of which £53,441 was unrestricted, £442,786 was restricted and £74,471 was restricted fixed assets.

In 2022, income from capital grants was £27,765 of which all was restricted fixed assets.

4. Funding for the Academy's charitable activities

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
DfE/ESFA grants				
General Annual Grant (GAG)	-	8,427,053	8,427,053	7,832,031
Other DfE/ESFA grants				
Other DfE / ESFA grants	-	38,223	38,223	174,293
Rates relief	-	80,320	80,320	57,302
Supplementary grant	-	229,990	229,990	94,940
Recovery premium	-	135,874	135,874	41,149
Pupil premium	-	319,645	319,645	374,129
Mainstream Schools Additional grant	-	112,936	112,936	-
	-	9,344,041	9,344,041	8,573,844
Other Government grants				
Local Authority grants	-	461,431	461,431	307,324
Other income from educational operations	-	-	-	-
Catering income	23,704	-	23,704	9,717
Other DfE/ESFA COVID-19 funding	-	-	-	33,619
	23,704	-	23,704	43,336
COVID-19 additional funding (non-DfE/ESFA)				
Coronavirus Job Retention Scheme grant	-	-	-	81
Total 2023	23,704	9,805,472	9,829,176	8,924,585
Total 2022	9,717	8,914,868	8,924,585	

In 2022, catering income of £9,717 was unrestricted, all other income was restricted.

LONGDEAN SCHOOL
(A Company Limited by Guarantee)

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

5. Income from other trading activities

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Hire of facilities	70,028	70,028	118,970
Other income	29,929	29,929	63,765
Total 2023	<u>99,957</u>	<u>99,957</u>	<u>182,735</u>
Total 2022	<u>182,735</u>	<u>182,735</u>	

In 2022, hire of facilities was £118,970 of which all was unrestricted.

In 2022, other income was £63,765 of which all was unrestricted.

6. Investment income

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Bank interest	215	215	163
Total 2022	<u>163</u>	<u>163</u>	

In 2022, investment income was £163, all of which was unrestricted.

LONGDEAN SCHOOL
(A Company Limited by Guarantee)

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

7. Expenditure

	Staff Costs 2023 £	Premises 2023 £	Other 2023 £	Total 2023 £	Total 2022 £
Provision of Education:					
Direct costs	7,032,967	-	599,092	7,632,059	7,823,452
Support costs	389,837	920,722	918,672	2,229,231	2,304,020
Total 2023	7,422,804	920,722	1,517,764	9,861,290	10,127,472
Total 2022	7,551,688	811,423	1,764,361	10,127,472	

In 2022, of total expenditure, £64,731 was from unrestricted funds, £9,817,668 from restricted funds and £245,073 from restricted fixed asset funds.

In 2022, direct costs consisted of £6,979,515 staff costs and £843,937 other costs.

In 2022, support costs consisted of £572,173 staff costs, £811,423 premises costs and £920,424 other costs.

8. Charitable Activities

	2023 £	2022 £
Direct costs	7,632,059	7,823,452
Support costs	2,229,231	2,304,020
	9,861,290	10,127,472

Analysis of support costs

	2023 £	2022 £
Support staff costs	389,837	572,173
Depreciation	193,738	170,527
Technology costs	252,980	275,123
Premises costs	726,984	640,896
Other support costs	653,257	641,915
Legal costs	12,435	3,386
	2,229,231	2,304,020

LONGDEAN SCHOOL
(A Company Limited by Guarantee)

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

9. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2023 £	2022 £
Operating lease rentals	358,110	68,771
Depreciation of tangible fixed assets	193,738	170,527
Fees paid to auditors for:		
- audit	11,530	10,165
- other services	7,475	6,590
	<u>7,475</u>	<u>6,590</u>

10. Staff

a. Staff costs

Staff costs during the year were as follows:

	2023 £	2022 £
Wages and salaries	5,516,031	5,280,336
Social security costs	567,615	556,625
Pension costs	1,278,412	1,688,123
	<u>7,362,058</u>	<u>7,525,084</u>
Agency staff costs	57,396	26,604
Staff restructuring costs	3,350	-
	<u>7,422,804</u>	<u>7,551,688</u>

b. Staff numbers

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

	2023 No.	2022 No.
Teachers	91	83
Administration and support	73	70
Management	7	8
	<u>171</u>	<u>161</u>

LONGDEAN SCHOOL
(A Company Limited by Guarantee)

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

10. Staff (continued)

c. Higher paid staff

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

	2023 No.	2022 No.
In the band £60,001 - £70,000	5	2
In the band £70,001 - £80,000	1	1
In the band £110,001 - £120,000	1	1
	<u>7</u>	<u>4</u>

d. Key management personnel

The key management personnel of the Academy comprise the Trustees and the senior management team as listed on page 1. The total amount of key management personnel benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy was £751,864 (2022 - £884,363).

Included in the above are employer pension contributions of £119,240 (2022 - £141,872).

Included in the above are employer national insurance contributions of £65,875 (2022 - 80,784).

11. Trustees' remuneration and expenses

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

		2023 £	2022 £
Mr G Cunningham, Headteacher	Remuneration	115,000 - 120,000	115,000 - 120,000
	Pension contributions paid	25,000 - 30,000	25,000 - 30,000
Ms K McKerrell, Staff Trustee	Remuneration	55,000 - 60,000	50,000 - 55,000
	Pension contributions paid	10,000 - 15,000	10,000 - 15,000
Ms M Quinn, Staff Governor	Remuneration	20,000 - 25,000	20,000 - 25,000
	Pension contributions paid	0 - 5,000	0 - 5,000
Mr I Loffler, Staff Governor (resigned 19 December 2022)	Remuneration	30,000 - 35,000	25,000 - 30,000
	Pension contributions paid	5,000 - 10,000	5,000 - 10,000

During the year ended 31 August 2023, expenses totalling £272 were reimbursed to 1 Trustee (2022 - £ NIL). These expenses were reimbursed to the Accounting Officer for expenditure incurred in relation to their role as a staff member.

LONGDEAN SCHOOL
(A Company Limited by Guarantee)

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

12. Trustees' and Officers' insurance

In accordance with normal commercial practice, the Academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost of this insurance is included in the total insurance cost.

13. Tangible fixed assets

	Long-term leasehold property £	Furniture and equipment £	Motor vehicles £	Total £
Cost or valuation				
At 1 September 2022	5,108,653	1,676,437	4,625	6,789,715
Additions	368,955	126,288	-	495,243
At 31 August 2023	<u>5,477,608</u>	<u>1,802,725</u>	<u>4,625</u>	<u>7,284,958</u>
Depreciation				
At 1 September 2022	629,344	1,271,201	4,625	1,905,170
Charge for the year	80,288	113,450	-	193,738
At 31 August 2023	<u>709,632</u>	<u>1,384,651</u>	<u>4,625</u>	<u>2,098,908</u>
Net book value				
At 31 August 2023	<u>4,767,976</u>	<u>418,074</u>	<u>-</u>	<u>5,186,050</u>
At 31 August 2022	<u>4,479,309</u>	<u>405,236</u>	<u>-</u>	<u>4,884,545</u>

14. Debtors

	2023 £	2022 £
Due within one year		
Trade debtors	20,553	850
Other debtors	50,950	22,146
Prepayments and accrued income	248,604	188,001
	<u>320,107</u>	<u>210,997</u>

LONGDEAN SCHOOL
(A Company Limited by Guarantee)

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

15. Creditors: Amounts falling due within one year

	2023 £	2022 £
Trade creditors	240,651	446
Other taxation and social security	133,539	133,241
Other creditors	145,356	196,055
Accruals and deferred income	385,409	449,867
	<u>904,955</u>	<u>779,609</u>
	2023 £	2022 £
Deferred income brought forward	112,981	205,924
Resources deferred during the year	205,864	112,981
Deferred income carried forward	(112,981)	(205,924)
	<u>205,864</u>	<u>112,981</u>

LONGDEAN SCHOOL
(A Company Limited by Guarantee)

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

16. Statement of funds

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
Unrestricted funds						
Unrestricted funds	578,102	194,314	(91,611)	-	-	680,805
Restricted general funds						
General Annual Grant (GAG)	294,545	8,427,053	(7,752,851)	(249,516)	-	719,231
Other DfE/ESFA grants	103,554	916,988	(1,020,542)	-	-	-
Other Government grants	-	461,431	(461,431)	-	-	-
Restricted donations	-	275,117	(275,117)	-	-	-
Pension reserve	(227,000)	-	(66,000)	-	293,000	-
	171,099	10,080,589	(9,575,941)	(249,516)	293,000	719,231
Restricted fixed asset funds						
Devolved Formula Capital (DFC)	-	28,241	-	(28,241)	-	-
Restricted Fixed Asset Funds	4,884,545	-	(193,738)	495,243	-	5,186,050
Other capital grants	-	217,486	-	(217,486)	-	-
	4,884,545	245,727	(193,738)	249,516	-	5,186,050
Total Restricted funds	5,055,644	10,326,316	(9,769,679)	-	293,000	5,905,281
Total funds	5,633,746	10,520,630	(9,861,290)	-	293,000	6,586,086

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16. Statement of funds (continued)

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

Unrestricted funds

This represents income received that does not have restrictions.

General Annual Grant (GAG)

The General Annual Grant (GAG) represents the core funding for the educational activities of the School that has been provided to the Academy via the ESFA by the DfE.

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

Other DfE/ESFA grants

Other DfE/ESFA grants relate to the restricted income received from both the Department for Education and the Education and Skills Funding Agency to assist with the costs of the Trust in relation to specific activities.

Other Government grants

This represents various grants received from Government bodies for the provision of specific services to pupils of the Academy.

Restricted donations

This represents contributions made by parents to the running of educational visits for the students of the School and the associated costs of running the trips, along with other donations made that are to be spent on a specific purpose.

Pension reserve

This fund represents the Academy's share of the deficit on the Local Government Pension Scheme (LGPS) transferred to the Academy on conversion from the Local Authority.

Restricted fixed asset funds

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

Devolved Formula Capital (DFC) fund

The Academy is to use the DFC allocation to maintain and improve its buildings and facilities.

Other capital grants

This fund relates to capital income in relation to the new astro project.

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**NOTES TO THE FINANCIAL STATEMENTS
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16. Statement of funds (continued)

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

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
Unrestricted funds						
Unrestricted funds	396,777	246,056	(64,731)	-	-	578,102
Restricted general funds						
General Annual Grant (GAG)	228,909	7,832,031	(7,748,890)	(17,505)	-	294,545
Other DfE/ESFA grants	84,156	775,513	(756,115)	-	-	103,554
Other Government grants	-	307,324	(307,324)	-	-	-
Restricted donations	3,553	442,786	(446,339)	-	-	-
Pension reserve	(2,875,000)	-	(559,000)	-	3,207,000	(227,000)
	<u>(2,558,382)</u>	<u>9,357,654</u>	<u>(9,817,668)</u>	<u>(17,505)</u>	<u>3,207,000</u>	<u>171,099</u>
Restricted fixed asset funds						
Devolved Formula Capital (DFC)	-	27,690	(27,690)	-	-	-
Restricted Fixed Asset Funds	5,009,877	-	(170,527)	45,195	-	4,884,545
Other capital fund	-	74,546	(74,546)	-	-	-
	<u>5,009,877</u>	<u>102,236</u>	<u>(272,763)</u>	<u>45,195</u>	<u>-</u>	<u>4,884,545</u>
Total Restricted funds	<u>2,451,495</u>	<u>9,459,890</u>	<u>(10,090,431)</u>	<u>27,690</u>	<u>3,207,000</u>	<u>5,055,644</u>
Total funds	<u>2,848,272</u>	<u>9,705,946</u>	<u>(10,155,162)</u>	<u>27,690</u>	<u>3,207,000</u>	<u>5,633,746</u>

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17. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £
Tangible fixed assets	-	-	5,186,050	5,186,050
Current assets	680,805	1,624,186	-	2,304,991
Creditors due within one year	-	(904,955)	-	(904,955)
Total	680,805	719,231	5,186,050	6,586,086

Analysis of net assets between funds - prior year

	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £
Tangible fixed assets	-	-	4,884,545	4,884,545
Current assets	578,102	1,177,708	-	1,755,810
Creditors due within one year	-	(779,609)	-	(779,609)
Provisions for liabilities and charges	-	(227,000)	-	(227,000)
Total	578,102	171,099	4,884,545	5,633,746

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

	2023 £	2022 £
Net income/(expenditure) for the year (as per Statement of Financial Activities)	659,340	(421,526)
Adjustments for:		
Depreciation	193,738	170,527
Capital grants from DfE and other capital income	(28,241)	(27,765)
Interest receivable	(215)	(163)
(Increase)/decrease in debtors	(109,110)	127,892
Increase/(decrease) in creditors	125,346	(114,818)
Pension adjustments	66,000	559,000
Net cash provided by operating activities	<u>906,858</u>	<u>293,147</u>

19. Cash flows from investing activities

	2023 £	2022 £
Interest	215	163
Purchase of tangible fixed assets	(495,243)	(45,195)
Capital grants from the ESFA	28,241	27,690
Other capital income	-	75
Net cash used in investing activities	<u>(466,787)</u>	<u>(17,267)</u>

20. Analysis of cash and cash equivalents

	2023 £	2022 £
Cash in hand and at bank	<u>1,984,884</u>	<u>1,544,813</u>

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NOTES TO THE FINANCIAL STATEMENTS
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21. Analysis of changes in net debt

	At 1 September 2022 £	Cash flows £	At 31 August 2023 £
Cash at bank and in hand	1,544,813	440,071	1,984,884

22. 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 Hertfordshire County Council. Both are multi-employer defined benefit schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2016 and of the LGPS 31 March 2022.

Contributions amounting to £134,849 were payable to the schemes at 31 August 2023 (2022 - £143,707) and are included within creditors.

Teachers' Pension Scheme

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

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

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22. Pension commitments (continued)

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The 31 March 2016 TPS actuarial valuation results were implemented from 1 September 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 latest actuarial TPS valuation results, as at 31 March 2020, were released in October 2023. The revised employer contribution rate, arising from this valuation, is due to be implemented from 1 April 2024.

The employer's pension costs paid to TPS in the year amounted to £914,084 (2022 - £872,054).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2023 was £404,000 (2022 - £396,000), of which employer's contributions totalled £318,000 (2022 - £313,000) and employees' contributions totalled £86,000 (2022 - £83,000). The agreed contribution rates for future years are 19.6 per cent for employers and 5.5-12.5 per cent for employees.

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

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**NOTES TO THE FINANCIAL STATEMENTS
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22. Pension commitments (continued)

Principal actuarial assumptions

	2023 %	2022 %
Rate of increase in salaries	3.50	3.45
Rate of increase for pensions in payment/inflation	3.00	3.05
Discount rate for scheme liabilities	5.20	4.25

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

	2023 Years	2022 Years
Retiring today		
Males	21.5	21.9
Females	25.2	24.4
Retiring in 20 years		
Males	21.2	22.9
Females	25.6	26.0

Sensitivity analysis

	2023 £000	2022 £000
Discount rate +0.1%	97	(94)
Discount rate -0.1%	(97)	94
Mortality assumption - 1 year increase	194	188
Mortality assumption - 1 year decrease	(194)	(188)
CPI rate +0.1%	97	94
CPI rate -0.1%	(97)	(94)

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22. Pension commitments (continued)

Share of scheme assets

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

	At 31 August 2023 £	At 31 August 2022 £
Equities	2,612,000	2,237,000
Corporate bonds	1,229,000	1,029,000
Property	718,000	671,000
Cash and other liquid assets	563,000	537,000
Total market value of assets	5,122,000	4,474,000

The actual return on scheme assets was £(135,000) (2022 - £(294,000)).

The amounts recognised in the Statement of Financial Activities are as follows:

	2023 £	2022 £
Current service cost	373,000	820,000
Interest income	196,000	76,000
Interest cost	(207,000)	(128,000)
Total amount recognised in the Statement of Financial Activities	362,000	768,000

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

	2023 £	2022 £
At 1 September	4,701,000	7,327,000
Current service cost	373,000	820,000
Interest cost	207,000	128,000
Employee contributions	86,000	83,000
Actuarial gains	(135,000)	(3,577,000)
Benefits paid	(110,000)	(80,000)
At 31 August	5,122,000	4,701,000

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22. Pension commitments (continued)

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

	2023 £	2022 £
At 1 September	4,474,000	4,452,000
Interest income	196,000	76,000
Actuarial gains/(losses)	158,000	(370,000)
Employer contributions	318,000	313,000
Employee contributions	86,000	83,000
Benefits paid	(110,000)	(80,000)
At 31 August	<u>5,122,000</u>	<u>4,474,000</u>

23. Operating lease commitments

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

	2023 £	2022 £
Not later than 1 year	299,933	353,832
Later than 1 year and not later than 5 years	681,389	848,171
Later than 5 years	2,205,966	2,343,822
	<u>3,187,288</u>	<u>3,545,825</u>

24. 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 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 cease to be a Member.

25. Related party transactions

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

No related party transactions took place in the period of account, other than certain Trustees' remuneration and expenses already disclosed in note 11.

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26. Post balance sheet events

On 1 December 2023, the Academy transferred its operations, assets and liabilities to Scholars Education Trust.