

Company Registration Number: 08291601 (England & Wales)

London Academy of Excellence Tottenham
(A company limited by guarantee)

Annual report and financial statements

For the year ended 31 August 2023

London Academy of Excellence Tottenham
(A company limited by guarantee)

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London Academy of Excellence Tottenham
(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS

| | |
|--|--|
| Trustees | D Cullen M Duncan W Dorgu A Hartney N Hewlett R Hilsenrath I Karim (resigned 31 August 2023) J Lunnon F Jatta (appointed 8 November 2022) K Panja A Patel A Pettitt J Pheasant P Teulon A Webster (appointed 17 March 2023) F Maude (appointed 1 November 2022) |
| Company registered number | 08291601 |
| Company name | London Academy of Excellence Tottenham |
| Principal and registered office | 780 High Road Tottenham London N17 0BX |
| Key management personnel | J Balon, Headteacher P Martin, Business Director E Brown, Deputy Head (Pastrol) J Hoddy, Deputy Head (Academic) |
| Independent auditor | Buzzacott LLP 130 Wood Street London EC2V 6DL |
| Bankers | HSBC Bank plc 69 Pall Mall SW1Y 5EY |
| Solicitors | Browne Jacobson 15th Floor, 6 Bevis Marks London EC3A 7BA |

London Academy of Excellence Tottenham
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Trustees' report
For the year ended 31 August 2023

The Trustees (who are also Directors of the charity for the purpose of the Companies Act) present their annual report together with the audited financial statements and auditor's report of London Academy of Excellence Tottenham (the Academy) for the 1 September 2022 to 31 August 2023. The annual report serves the purposes of both a Trustees' report and a directors' report under company law.

The financial statements have been prepared in accordance with the accounting policies set out on pages 31 to 37 of the attached financial statements and comply with the Academy's Memorandum and Articles of Association, applicable laws and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

The Trust comprises a single Academy of the same name which opened on 1 September 2017.

STRUCTURE GOVERNANCE AND MANAGEMENT

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a. Constitution

The Academy Trust is a company limited by guarantee (registration number 08291601) and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Academy Trust. The Trustees of London Academy of Excellence Tottenham are also the directors of the company for the purposes of company law.

b. Members' liability

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

c. Trustees' indemnities

The Academy has opted into the risk protection arrangement (RPA) for Academy Trusts, which is a mechanism through which the cost of risks that materialise will be covered by government funds. Part of this mechanism protects Trustees and officers from claims arising from the negligent acts, errors or omissions occurring whilst on Academy business. The scheme provides unlimited cover on any one claim and the cost for the period was included in the total costs paid for the risk protection arrangement (RPA) for Academy Trusts.

d. Method of recruitment and appointment or election of Trustees

The management of the Academy is the responsibility of the Trustees who are elected and co-opted under the terms of the Memorandum of Association.

e. Policies adopted for the induction and training of Trustees

New Trustees follow an induction plan. As part of this induction, Trustees are provided with relevant information regarding the structure and performance of the Academy. Trustees also undertake a skills audit and are given relevant information about the governance structure of the Trust and given a Trustee mentor.

London Academy of Excellence Tottenham
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Trustees' report (continued)
For the year ended 31 August 2023

STRUCTURE GOVERNANCE AND MANAGEMENT (continued)

f. Organisational structure

The Board of Trustees is responsible for the appointment and appraisal of the Headteacher and is accountable to the Members of the Academy Trust and the Department for Education.

The Headteacher is responsible for all aspects of the day to day management and operations of the Academy Trust and is also the Accounting Officer.

Risk management

The Trustees have assessed the major risks to which the Academy is exposed, in particular those related to the operations and finances of the Academy, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

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

A remuneration committee, consisting of the Chair of Trustees and members from the Finance and Educational Standards and Performance committees, is responsible for the performance management of the Headteacher. The committee is also responsible for agreeing the Headteacher's recommendations regarding the performance management of the Senior Leadership Team. Pay for all senior leaders is set using the agreed LAE Tottenham pay scales, benchmarked against national teacher pay scales.

h. Trade union facility time

There were no employees who were relevant union officials during the period, so there was no time or percentage of the pay bill spent on facility time. There were no paid trade union activities during the year.

i. Connected organisations

The school is supported by its Principal Education Sponsor Highgate School and its Business Sponsor, Tottenham Hotspur Football Club. It also benefits from partnerships with eight further independent schools - Alleyn's, Chigwell, Haberdashers' Aske's Boys', Harrow, John Lyon, North London Collegiate, Mill Hill and St Dunstan's College.

OBJECTIVES AND ACTIVITIES

a. Objects and aims

The objects of the Academy Trust are to advance for the public benefit education in the United Kingdom by establishing, maintaining, carrying on, managing and developing a 16 to 19 Academy offering a curriculum appropriate to the needs of its students.

London Academy of Excellence Tottenham is the place for academic rigour. The school exists to provide the very best opportunities for our students with a particular focus on developing confident learners who achieve top A Level grades thus opening the door to the best further education available to them. Beyond this, we aim to ensure that once students access the most competitive courses at top universities, they have the confidence and resilience to feel that they belong.

London Academy of Excellence Tottenham
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Trustees' report (continued)
For the year ended 31 August 2023

OBJECTIVES AND ACTIVITIES (continued)

WE BELIEVE IN:

Academic Rigour - "the importance of intellectual challenge"
Social Responsibility - "acting for the benefit of others"

WE FOCUS ON:

- Aspiration
- Endeavour
- Community
- Reflection

OUR BELIEFS

We believe in:
...holding high ambitions
...working hard to achieve
...being rooted in Tottenham
...always seeking to improve

OUR ARTEFACTS

We create:
...a university driven curriculum containing demanding A Level subjects
...a culture which promotes learning as an intrinsic good
...partnerships with nine leading independent schools to support the very best academic outcomes possible
...a culture in which working hard is the norm
...a focus upon homework and independent study
...an authentically professional working environment
...a co-curriculum that reaches out beyond the school gates
...higher academic aspirations in the local community
...an authentic student leadership programme
...an environment which challenges comfort zones thereby developing confidence and resilience
...wide-ranging opportunities for creativity in and beyond the curriculum
...a pastoral system in a small school setting in which everyone's individual qualities are celebrated

London Academy of Excellence Tottenham
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Trustees' report (continued)
For the year ended 31 August 2023

OBJECTIVES AND ACTIVITIES (continued)

b. Activities for achieving objectives

The principal activities have been to continue to ensure a high quality of education and to ensure strong academic outcomes as evidenced by the A Level results of the fourth cohort. The Chrysalis East project has further developed with the aim to support more local young people achieve excellent academic outcomes.

c. Public benefit

The Trustees of the Academy have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission.

The Academy has operated in accordance with its funding agreement as a non-charging, not for profit organisation throughout the period in question.

STRATEGIC REPORT

Key achievements and performance

Review of activities

The school has continued to support students to achieve excellent academic outcomes. 38% of all grades achieved by students in 2022-23 were A* or A, very significantly above the national average of 27%. Destinations for these students continue to be strong with the majority taking up places at high ranking UK universities as well as an increasing number beginning apprenticeships or degree apprenticeships. Over 80% of leavers won places at Sutton Trust top 30 universities and notable successes include 19 on competitive medicine and dentistry programmes and 9 on high quality degree apprenticeships.

The pastoral culture within the school remains strong, with attendance in 2022-23 at 95%, well above the national average. Exclusion and retention data are excellent. In addition to the day to day operations of the school, the Chrysalis East project continues to work with local primary and secondary schools. Over 170 different projects were run by LAE Tottenham staff, reaching thousands of local students.

Student enrolment remained strong with over 600 students on roll in 2022-23. Expansion to 700 is expected in 2023-24.

A significant capital project was undertaken in Summer 2023 to provide a further enhanced library and year 13 study space, additional classrooms and specialist facilities for the delivery of a diversified curriculum, including for the first time A-levels in Music and Drama.

Key aims outlined in the 2023-24 school development plan are:

Develop students who will:

- display the habits of academic rigour, preparing them to thrive at LAET and beyond
- feel able to challenge views and understand disagreement
- see a range of achievement celebrated to develop an appreciation of different types of success
- show a sense of community and buy-in to the values of LAE Tottenham
- appreciate and make the most of the opportunities on offer

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Trustees' report (continued)
For the year ended 31 August 2023

STRATEGIC REPORT (continued)

Key achievements and performance (continued)

- consistently uphold professional standards

a. Key performance indicators

A number of KPI's are used by the Board of Trustees to monitor performance including the recruitment of students, academic progress, attendance and the examination results of the student's and students' further destinations. The Trustees also use the financial budgets as a KPI relating to the performance of leadership and management.

The main KPI for the Academy was to increase student recruitment. The Academy recruited 333 Year 12 students in 2022/23, compared to 290 in 2021/22. In 2023/24 the Academy recruited 377 students in Year 12 and had 699 students in total on roll, up from 608 in 22/23.

Student attainment was on target, attendance remained very strong at 96% and the retention of students was once again significantly above national average at 97%.

b. Going concern

After making appropriate enquiries and having successfully exceeded the target pupil numbers for 2022/23, the Board of Trustees has a reasonable expectation that the school will have adequate resources to continue in operational existence for the foreseeable future.

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

c. Investment policy

The Academy Trust has no investments.

Financial review

The primary sources of funding for the Academy Trust during the year was the General Annual Grant received from the ESFA and donations and capital grants both in cash and in kind.

The total income for the year was £8,572,000 (2022 – £7,058,000), of which £3,743,000 (2022 – £3,167,000) is General Annual Grant, £1,682,000 (2022 – £1,737,000) is other ESFA and Government Grants, and £2,000 (2022 – £7,000) is local authority grants. In 2023, there was income of £2,651,000 (2022 – £1,861,000) from donations and capital grants. This includes gifts-in-kind of £584,000 (2022 – £507,000), donations of £1,263,000 (2022 – £574,000) and £54,000 (2022 – £15,000) of other capital grants.

The operational surplus for the period, excluding the fixed assets fund and the pension reserve was £16,000 (2022 – operational surplus of £712,000).

At 31 August 2023, the Academy had total funds of £10,849,000. (2022 – £10,373,000). This comprised of £10,214,000 (2022 – £9,719,000) of restricted funds and £635,000 (2022 – £654,000) of unrestricted general fund balances. Included within restricted funds is the pension reserve balance, relating to the Local Government defined benefit scheme for non-teaching staff, which was in deficit by £ nil (2022 – £ nil) at 31 August 2023.

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Trustees' report (continued)
For the year ended 31 August 2023

STRATEGIC REPORT (continued)

The results for the period are shown on page 27.

The financial results for the year and the year-end position are considered by the Trustees to be satisfactory. Financial projections indicate that the Academy Trust has adequate resources to deliver its educational programme in 2023/24 and beyond. The Year 12 intake for 2023/24 was 377 students taking the total students enrolled to 699 at Autumn Census. The Trust continues to build reserves to ensure financial stability and liquidity and for future planned capital works.

In May 2023 the Trustees approved a program of capital works totalling £975,000 which took place over the summer and were completed in August 2023 in time for the school to reopen to students. The works spanned 5 separate zones and have successfully resulted in enhanced facilities for students and staff, specialist Music teaching and practice facilities, Computer Science classrooms and an overall capacity increase from 700 to 760 students.

Additional highly skilled teaching and operations staff were recruited to support the increased number of students and to replace a small number of staff who left at the end of the last academic year.

Income was received from Rokos Capital to fund the second full year of the Chrysalis East project in line with the funding agreement which was put in place to fully finance the programme for 5 years, and in addition a further £75,000 was received in 22/23 to cover the higher than originally anticipated inflationary increases. Further teaching and academic support staff were recruited and the work of the project grew in local schools.

Trading income from lettings and catering exceeded expectations and budget, although prices charged to students for food and drink have not increased in recent years to assist families with the cost of living crisis. Energy costs have risen significantly over the course of the last year, with the cost of electricity covered as part of the annual donation from Tottenham Hotspur Football Club. We continue to work hard to reduce our energy usage to mitigate the impact of rising costs and to reduce our impact on the environment.

The principal risks and uncertainties along with the strategy for mitigating them is covered in detail in the section below.

a. Reserves policy

Any reserves held will be in accordance with requirements laid down by the Department for Education. The restricted fixed assets reserves as at 31 August 2023 represents the completed build, which is leased, and furniture and equipment.

The Trustees review the cash reserve annually as part of the budget setting process. This review encompasses the nature of current and future income and expenditure streams. In normal circumstances, the Trustees have determined that the minimum level of free reserves should be in the range of £305,000 to £375,000. This is to ensure sufficient working capital to cover delays between spending and receipt of funds and to provide a cushion to deal with unexpected emergencies such as urgent maintenance. In addition, reserves are built-up to fund future capital projects such as the renewal of ICT equipment and fixtures and fittings along with investment in the school building to repair and enhance facilities. The Trust met its reserves target during the 2022/23 financial year.

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Trustees' report (continued)
For the year ended 31 August 2023

b. Principal risks and uncertainties

The Trustees consider that the Academy Trust's financial and internal controls are in compliance with the ESFA Academies Financial Handbook 2022.

The Trustees assess the principal long-term risks and uncertainties facing the Academy as follows:

- Students: Inability to recruit a viable number of suitably qualified students in the long term. We are mitigating this risk through regular reviews of our marketing & student recruitment strategy and through regular checks on recruitment KPI's.
- Grant income: A material decrease in income affecting provision resulting from the inability to recruit a viable number of students.
- Inflationary pressures: That costs will further increase without additional funding from central government
- Staff recruitment: Inability to attract and retain the required staff. We are mitigating this risk through benchmarking our salaries against comparator schools to ensure they are competitive, by utilising our networks to assist with advertising vacancies and through forward planning to allow sufficient time for several rounds of recruitment if required.
- The withdrawal or reduction in donors' financial input. This has been mitigated through the renegotiation of the funding agreement with the principal business sponsor, securing new donations from a range of sources, and through ensuring continued mutual benefit coming from the partnerships with the sponsors.

The Trust maintains a comprehensive risk register which is reviewed at each FRC Committee and is adopted by the Full Governing Board annually. As part of this risk management process, alongside the routine work of the FRC Committee, the safety and upkeep of the building is kept under constant review. The Trust maintains an Estates Strategic Plan to ensure the building is maintained in an excellent condition and is fit for purpose to deliver all academic and co-curricular programmes to a very high standard.

The Trustees are of the view that there is a formal ongoing process for identifying evaluating and managing the Academy Trust's significant risks that has been in place for the year ended 31 August 2023 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Trustees.

c. Future developments

The trustees continue to prioritise the academic success of the school, ensuring that it meets its aim to support disadvantaged students into the most competitive destinations. To this end, there is a specific focus on ensuring that academic outcomes are exceptional across all subjects and students receive the best support with university and apprenticeship applications. Trustees are also aware that the strong academic performance will allow the school to continue to grow and the characteristics of the intake will need to be monitored to ensure that the aims of the school are met.

Alongside this the trustees continue to monitor the outcomes of the Chrysalis East project, designed to support a larger number of local students to benefit from the LAET educational experience. The efficient use of these funds will continue to be monitored

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Trustees' report (continued)
For the year ended 31 August 2023

Fundraising

During the 2022/23 academic year the Trust continued to be provided with fundraising assistance by the Principal Education Sponsor, Highgate School and continued some limited direct fundraising activities itself. The majority of fundraising activities were however still carried out by Highgate School directly with the proceeds donated to the Trust.

We undertake fundraising activities via direct mail, telephone, community participation activities, fundraising events, solicitation of individuals, crowdfunding campaigns and email in line with the Fundraising Code of Practice set by the Fundraising Regulator.

Fundraising at LAE Tottenham is overseen by the Highgate School Development department, working in conjunction with their appointed fundraising consultants.

We are registered with the Fundraising Regulator and adhere to the standards of the Fundraising Code of Practice.

All our activities are open, fair, honest and legal. No formal complaints were received about fundraising activity in the year. Trustees receive regular reports regarding fundraising activity and performance.

Donations were made both in cash and kind by the Principal Education Sponsor Highgate School and the Principal Business Sponsor Tottenham Hotspur Football Club, in addition to support provided by other corporate and charitable partners.

The Trustees continue to work closely with the independent partner schools who have generously made donations from their own resources to support the delivery of the curriculum and co-curriculum at LAE Tottenham.

Fundraising activities may from time to time be carried out by partners to raise funds which are subsequently donated to the school. These will be carried out in line with their own policies.

Disclosure of information to auditor

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Trustees have taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

Auditor

The auditor, Buzzacott LLP, has indicated their willingness to continue in office. A formal tendering process will be carried out prior to appointing an auditor for 2023/24.

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 15 December 2023 and signed on its behalf by:

DocuSigned by:

6ED5A53E55DB427...
Rebecca Hilsenrath
Trustee

London Academy of Excellence Tottenham
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Governance Statement

Scope of responsibility

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

The Board of Trustees has delegated the day-to-day responsibility to the Principal, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between London Academy of Excellence Tottenham 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 5 times during the year.

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

| Trustee | Meetings attended | Out of a possible |
|--------------|-------------------|-------------------|
| D Cullen | 3 | 5 |
| M Duncan | 3 | 5 |
| W Dorgu | 4 | 5 |
| A Hartney | 4 | 5 |
| N Hewlett | 2 | 5 |
| R Hilsenrath | 5 | 5 |
| I Karim | 3 | 5 |
| J Lunnon | 3 | 5 |
| F Jatta | 2 | 4 |
| K Panja | 2 | 5 |
| A Patel | 4 | 5 |
| A Pettitt | 4 | 5 |
| J Pheasant | 5 | 5 |
| P Teulon | 3 | 5 |
| A Webster | 1 | 3 |
| F Maude | 3 | 4 |

The board met less than 6 times in 2022/23. It has maintained effective oversight of funds with fewer meetings by delegating certain areas to sub-committees, which are described on the following pages.

The Principal during the year under review was J Balon who was appointed in January 2017 as Principal Designate and formally became Principal in September 2017.

Conflicts of interest

The Trust has in place robust systems for managing conflicts of interest. All Trustees and senior staff are required to complete an annual declaration of interests form and a register of interests is maintained. This register is kept regularly under review and where necessary plans put in place to ensure conflicts are managed appropriately. In addition, at each meeting of the Trustees the first agenda item asks all those present to declare any interests in the relation to the agenda or any matters arising. Where any conflicts of interest arise Trustees are asked to leave the meeting for the discussion and have no part in the decision making process.

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Governance Statement (continued)

Governance (continued)

Finance, Resources and Compliance Committee (FRC)

The Finance, Resources and Compliance Committee is a committee of the main Board of Trustees. Its purpose is set out in the Terms of Reference and in general is to exercise the powers and duties of the Full Governing Body in respect of the financial administration of the Academy (including the oversight and management of audit and risk), except for those items specifically reserved for the Academy Trust and Full Governing Body and those delegated to other staff by the Principal.

For the period 2022/23 the main responsibility was the close monitoring of the school budget, the monitoring of risk, the oversight of audit and ensuring compliance with legislation and government guidance.

Attendance at meetings in the year was as follows:

| Trustee | Meetings attended | Out of a possible |
|---------------------|-------------------|-------------------|
| J Pheasant - Chair | 4 | 4 |
| D Cullen - Trustee | 2 | 4 |
| W Dorgu - Trustee | 2 | 4 |
| N Hewlett - Trustee | 1 | 4 |
| I Karim - Trustee | 1 | 4 |
| K Panja - Trustee | 2 | 4 |

The Education, Standards and Performance Committee (ESP)

The Education, Standards and Performance Committee is a committee of the main Board of Trustees. Its purpose is set out in the Terms of Reference and in general is to exercise the powers and duties of the Full Governing Body in respect of the curriculum offer and academic performance, except for those items specifically reserved for the Academy Trust and Full Governing Body and those delegated to other staff by the Principal.

For the period 2022/23 the main responsibility was the monitoring of academic attainment data, ensuring the provision of a full academic curriculum and the review of marketing and admissions data.

Attendance during the year at meetings was as follows:

| Trustee | Meetings attended | Out of a possible |
|---------------------|-------------------|-------------------|
| P Teulon - Chair | 3 | 3 |
| W Dorgu - Trustee | 2 | 3 |
| M Duncan - Trustee | 2 | 3 |
| A Hartney - Trustee | 2 | 3 |
| J Lunnon - Trustee | 3 | 3 |
| A Pettitt - Trustee | 3 | 3 |
| A Webster - Trustee | 2 | 2 |

Chrysalis East Committee

To oversee, on behalf of the Governing Board, the Chrysalis East strategy of London Academy of Excellence Tottenham and to drive forward the School's efforts to make a wider impact within the community whilst building a pipeline of potential student applicants from our named feeder schools. The programme should support the advancement of the London Academy of Excellence Tottenham's core aim: to offer a world-class education to those in the local area.

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Governance Statement (continued)

Governance (continued)

Attendance during the year at meetings was as follows:

| Trustee | Meetings attended | Out of a possible |
|---------------------|-------------------|-------------------|
| A Pettitt - Chair | 3 | 3 |
| T Hartney - Trustee | 3 | 3 |
| K Panja - Trustee | 2 | 3 |
| F Jatta - Trustee | 2 | 2 |
| A Webster - Trustee | 1 | 3 |

Review of value for money

As accounting officer, the Principal 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 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:

- Reviewing the curriculum offer and required staffing levels;
- Ensuring the Trust's procurement procedures are diligently followed to ensure products and services are procured at the most competitive rates;
- Utilising in-kind support from partners to deliver teaching, learning support and support services; and
- Ensuring an Estates Strategic plan is maintained in line with the DfE's Good Estates Management for Schools guidance to ensure the Trust's estate is proactively maintained to a high standard.

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 ongoing 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 current system of internal control has been in place at the London Academy of Excellence Tottenham for the year 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the 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.

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Governance Statement (continued)

The risk and control framework

The Academy's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. In particular, it includes:

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees;
- delegation of authority and segregation of duties;
- regular reviews by the Finance and General Purposes Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines; and
- identification and management of risks.

During the 2022/23 academic year Kreston Reeves were appointed to carry out a programme of internal checks on the Academy Trust's financial systems and they reported their findings to the Board through the Finance, Resources and Compliance Committee. In particular, the checks carried out in the current period included internal controls and the Local Government Pension Scheme processes and procedures. In addition, further internal scrutiny was carried out of non-financial controls in areas such as safeguarding and H&S.

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Governance Statement (continued)


Review of effectiveness

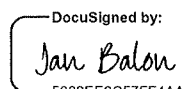
As accounting officer, the Principal has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the;
- the financial management and governance self-assessment process;
- the work of the executive managers within the Academy who have responsibility for the development and maintenance of the internal control framework; and
- the work of the external auditor;

The accounting officer has been advised of the outcome of their review of the systems of internal control and a plan to address areas for improvement is in place.

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

DocuSigned by:

6ED5A53E55DB427...
Rebecca Hilsenrath
Chair of Trustees

DocuSigned by:

5962EE9C57FF4AA...
Jan Balon
Accounting Officer

Date: 15 December 2023

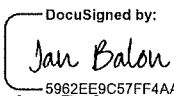
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Statement of Regularity, Propriety and Compliance

As Accounting Officer of London Academy of Excellence Tottenham, I have considered my responsibility to notify the Academy Trust's Board of Trustees and the ESFA of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, including for estates safety and management, under the funding agreement in place between the Academy Trust and the Secretary of State. 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 Trust's Board of Trustees are able to identify any material, irregular or improper use of funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust'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.

DocuSigned by:

5962EE9C57FF4AA...
Jan Balon
Accounting Officer
Date: 15 December 2023

London Academy of Excellence Tottenham
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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 and signed on its behalf by:

DocuSigned by:

6ED5A53E55DB427...
Rebecca Hilsenrath
Chair

Date: 15 December 2023

London Academy of Excellence Tottenham
(A company limited by guarantee)

Independent auditor's Report on the financial statements to the Members of London Academy of Excellence Tottenham

Opinion

We have audited the financial statements of London Academy of Excellence Tottenham (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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Academy in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

London Academy of Excellence Tottenham
(A company limited by guarantee)

Independent auditor's Report on the financial statements to the Members of London Academy of Excellence Tottenham (continued)

Other information

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

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

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

London Academy of Excellence Tottenham
(A company limited by guarantee)

Independent auditor's Report on the financial statements to the Members of London Academy of Excellence Tottenham (continued)

Auditor's 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 Auditor's 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:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charitable company through discussions with management, and from our knowledge of the academy trust sector;
- the identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit;
- we considered the legal and regulatory frameworks that are applicable to the charitable company and determined that the most significant are the Companies Act 2006, the Charities SORP 2019, the Academies Accounts Direction 2022 to 2023, the Academy Trust Handbook 2022, and the academy trust's funding agreement with the ESFA as well as legislation pertaining to safeguarding in the UK;
- we understood how the charitable company is complying with those legal and regulatory frameworks by making inquiries to management and those responsible for legal, compliance and governance procedures. We corroborated our inquiries through our review of the minutes of trustees' meetings and papers provided to the trustees
- we planned and carried out a separate limited assurance engagement in respect of regularity, propriety and compliance in accordance with the Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts issued by the ESFA, as set out in our separate independent reporting accountant's assurance report on regularity.

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management and those charged with governance as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

London Academy of Excellence Tottenham
(A company limited by guarantee)

Independent auditor's Report on the financial statements to the Members of London Academy of Excellence Tottenham (continued)

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- tested the authorisation of expenditure as part of our substantive testing thereon
- assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policies were indicative of potential bias; and
- used data analytics to identify any significant or unusual transactions and identify the rationale for them.;

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reviewing the minutes of trustees' meetings;
- enquiring of management and those charged with governance as to actual and potential litigation and claims;
- reviewing any available correspondence with Ofsted, ESFA and HMRC; and
- the work undertaken in relation to the limited assurance engagement in respect of regularity, propriety and compliance in accordance with the Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts issued by the ESFA, as set out in our separate independent reporting accountant's assurance report on regularity.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. International Standards on Auditing also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

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 Auditor's report.

London Academy of Excellence Tottenham
(A company limited by guarantee)

Independent auditor's Report on the financial statements to the Members of London Academy of Excellence Tottenham (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 Auditor's 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.

Buzzacott LLP

Hugh Swainson (Senior statutory auditor)

for and on behalf of

Buzzacott LLP

Statutory Auditor

130 Wood Street

London

EC2V 6DL

Date: 18 December 2023

London Academy of Excellence Tottenham
(A company limited by guarantee)

Independent Reporting Accountant's Assurance Report on Regularity to London Academy of Excellence Tottenham and the Education and Skills Funding Agency

In accordance with the terms of our engagement letter dated 15 May 2018 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 London Academy of Excellence Tottenham 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 London Academy of Excellence Tottenham and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to London Academy of Excellence Tottenham 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 London Academy of Excellence Tottenham and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of London Academy of Excellence Tottenham's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of London Academy of Excellence Tottenham's funding agreement with the Secretary of State for Education dated 20 August 2012 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.

London Academy of Excellence Tottenham
(A company limited by guarantee)

Independent Reporting Accountant's Assurance Report on Regularity to London Academy of Excellence Tottenham and the Education & Skills Funding Agency (continued)

Approach

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

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

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

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

The work undertaken to draw to our conclusion includes:

- An assessment of the risk of material irregularity and impropriety across all of the Academy Trust's activities;
- Further testing and review of the areas identified through the risk assessment including enquiry, identification of control processes and examination of supporting evidence across all areas identified as well as additional verification work where considered necessary; and
- Consideration of evidence obtained through the work detailed above and the work completed as part of our financial statements audit in order to support the regularity conclusion.

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
Buzzacott LLP

Statutory Auditor
130 Wood Street
London
EC2V 6DL

Date: 18 December 2023

London Academy of Excellence Tottenham
(A company limited by guarantee)

Statement of financial activities (incorporating income and expenditure account)
For the year ended 31 August 2023

| | Note | Unrestricted funds 2023 £000 | Restricted funds 2023 £000 | Restricted fixed asset funds 2023 £000 | Total funds 2023 £000 | Total funds 2022 £000 |
|--|------|---------------------------------------|-------------------------------------|--|--------------------------------|--------------------------------|
| Income from: | | | | | | |
| Donations and capital grants | 3 | 930 | 1,667 | 54 | 2,651 | 1,861 |
| Other trading activities | 4 | 452 | - | - | 452 | 283 |
| Investments | 6 | 4 | - | - | 4 | - |
| Charitable activities | | 2 | 5,463 | - | 5,465 | 4,914 |
| Total income | | 1,388 | 7,130 | 54 | 8,572 | 7,058 |
| Expenditure on: | | | | | | |
| Charitable activities: | 7 | | | | | |
| Academy educational operations | | 175 | 6,732 | 609 | 7,516 | 6,685 |
| . Chrysalis East | | - | 642 | - | 642 | 471 |
| Total expenditure | | 175 | 7,374 | 609 | 8,158 | 7,156 |
| Net income/(expenditure) | | 1,213 | (244) | (555) | 414 | (98) |
| Transfers between funds | 16 | (1,232) | 217 | 1,015 | - | - |
| Net movement in funds before other recognised gains | | (19) | (27) | 460 | 414 | (98) |
| Other recognised gains: | | | | | | |
| Actuarial gains on defined benefit pension schemes | 24 | - | 62 | - | 62 | 1,120 |
| Net movement in funds | | (19) | 35 | 460 | 476 | 1,022 |
| Total funds brought forward | | 654 | 518 | 9,201 | 10,373 | 9,351 |
| Total funds carried forward | | 635 | 553 | 9,661 | 10,849 | 10,373 |

The Statement of financial activities includes all gains and losses recognised in the year.
The notes on pages 27 to 55 form part of these financial statements.

London Academy of Excellence Tottenham
(A company limited by guarantee)
Registered number: 08291601

Balance sheet
As at 31 August 2023

| | Note | 2023 £000 | 2023 £000 | 2022 £000 | 2022 £000 |
|--|------|---------------|----------------------|--------------|----------------------|
| Fixed assets | | | | | |
| Tangible assets | 13 | | 9,661 | | 9,169 |
| | | | <u>9,661</u> | | <u>9,169</u> |
| Current assets | | | | | |
| Debtors | 14 | 4,068 | | 3,987 | |
| Cash at bank and in hand | | 1,949 | | 1,435 | |
| | | <u>6,017</u> | | <u>5,422</u> | |
| Creditors: amounts falling due within one year | 15 | (4,829) | | (4,218) | |
| Net current assets | | | <u>1,188</u> | | <u>1,204</u> |
| Total assets less current liabilities | | | <u>10,849</u> | | <u>10,373</u> |
| Defined benefit pension scheme asset | 24 | | - | | - |
| Total net assets | | | <u><u>10,849</u></u> | | <u><u>10,373</u></u> |
| Funds of the Academy | | | | | |
| Restricted funds: | | | | | |
| Fixed asset funds | 16 | 9,661 | | 9,201 | |
| Restricted income funds | 16 | 553 | | 518 | |
| Total restricted funds | 16 | <u>10,214</u> | | <u>9,719</u> | |
| Unrestricted income funds | 16 | | <u>635</u> | | <u>654</u> |
| Total funds | | | <u><u>10,849</u></u> | | <u><u>10,373</u></u> |

The financial statements on pages 24 to 55 were approved by the Trustees, and authorised for issue on 15 December 2023 and are signed on their behalf, by:

DocuSigned by:

 8ED5A53E55DB427...
R Hilsenrath
 Chair

The notes on pages 27 to 55 form part of these financial statements.

London Academy of Excellence Tottenham
(A company limited by guarantee)

Statement of cash flows
For the year ended 31 August 2023

| | Note | 2023 £000 | 2022 £000 |
|---|-------------|----------------------|----------------------|
| Cash flows from operating activities | | | |
| Net cash provided by operating activities | 18 | 1,557 | 824 |
| Cash flows from investing activities | 19 | (1,043) | (44) |
| Change in cash and cash equivalents in the year | | 514 | 780 |
| Cash and cash equivalents at the beginning of the year | | 1,435 | 655 |
| Cash and cash equivalents at the end of the year | 20, 21 | 1,949 | 1,435 |

The notes on pages 27 to 55 form part of these financial statements

London Academy of Excellence Tottenham
(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 (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2022 to 2023 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

London Academy of Excellence Tottenham meets the definition of a public benefit entity under FRS 102.

The financial statements are presented in sterling and are rounded to the nearest thousand pounds.

1.2 Going concern

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

In making their assessment, the Trustees have taken into account the current economic uncertainties, particularly in relation to inflation. The Trustees are satisfied that the current reserves position provides an adequate buffer to manage unexpected cost increases and that the Academy Trust will be able to meet liabilities as they fall due for at least one year from the date of approval of the financial statements. The Academy Trust's principal source of income (funding from the Education and Skills Funding Agency and Local Authority) has to date been protected by central and local government and there has been no indication to suggest that this position will change in the foreseeable future.

London Academy of Excellence Tottenham
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 August 2023

1. Accounting policies (continued)

1.3 Income

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

- **Grants**

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

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

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

- **Donations**

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

- **Other income**

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

Donated services and gifts in kind

Where services are provided to the Academy Trust as a donation that would normally be purchased from suppliers, this contribution is included in the financial statements as both income and expenditure at its estimated fair value based on the value of the contribution to the Academy Trust.

The value of seconded staff is recognised at the value payable as salary of a similar post-holder had they been directly employed in the period in which they are receivable as income, where the benefit to the Academy Trust can be reliably measured. Donated services including seconded staff are recognised as donations in the period when those services are provided.

Where the donated good is a fixed asset, it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the Academy's accounting policies.

London Academy of Excellence Tottenham
(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.

- **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 expenditure is stated net of recoverable VAT

All resources expended are inclusive of irrecoverable VAT.

1.5 Interest receivable

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

1.6 Tangible fixed assets

Assets costing £5,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

London Academy of Excellence Tottenham
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 August 2023

1. Accounting policies (continued)

1.6 Tangible fixed assets (continued)

Depreciation is provided on the following bases:

| | |
|------------------------------|---|
| Long-term leasehold property | - Over the life of the lease (35 years) |
| Furniture and equipment | - 20% straight line |
| Computer equipment | - 25% straight line |

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

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

1.7 Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments were valued at the amount prepaid.

The Academy's leasehold property is held on a 35-year lease, and the annual rental cost increases over the lifetime of the lease. A debtor is recognised in these financial statements, to match the creditor for the annualised rent payable as described below. This is to account for the fact that the ESFA have agreed to fund the lease for the entire lease term, in accordance with a Memorandum of Understanding dated 10 May 2016.

1.8 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.

1.9 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

The Academy has a leasehold property on a 35-year lease, and the annual rental cost increases over the life of the lease. A creditor is recognised in these financial statements, to annualise the rent payable over the lifetime of the lease.

Leased assets

Rentals under operating leases are charged on a straight-line basis over the lease term.

London Academy of Excellence Tottenham
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 August 2023

1. Accounting policies (continued)

1.10 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.

Taxation

The Academy Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Academy Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

The Academy Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Academy Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

London Academy of Excellence Tottenham
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 August 2023

1. Accounting policies (continued)

1.11 Pensions

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

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

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

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

1.12 Fund accounting

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

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

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

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

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2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 24, 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.

Estimating the useful economic life of tangible fixed assets for the purpose of calculating depreciation; and Estimating the value of donated goods and services.

Critical areas of judgment:

In taking their decision as to whether the Academy Trust is a going concern for the purposes of these financial statements, they have assumed that the major donors will continue to provide support into 2022/23. This assumption is supported by all relevant discussions to date.

Agency arrangements

The Academy Trust acts as an agent in distributing 16-19 bursary funds and free school meal funding from the ESFA. Payments received from the ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the Trust does not have control over the charitable application of the funds. The Trust can use a proportion of the allocation towards its own administration costs and this is recognised in the statement of financial activities. The funds received and paid and any balances held are disclosed in note 28.

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3. Income from donations and capital grants

| | Un restricted funds 2023 £000 | Restricted funds 2023 £000 | Restricted fixed asset funds 2023 £000 | Total funds 2023 £000 |
|-------------------|---|-------------------------------------|--|--------------------------------|
| Donations | | | | |
| Gifts-in-kind | - | 584 | - | 584 |
| Chrysalis East | - | 750 | - | 750 |
| Other donations | 930 | 333 | - | 1,263 |
| Subtotal | 930 | 1,667 | - | 2,597 |
| Capital Grants | - | - | 54 | 54 |
| Subtotal | - | - | 54 | 54 |
| Total 2023 | 930 | 1,667 | 54 | 2,651 |

The Academy Trust has received donated services as gifts-in-kind. These have included a donation of £584,000 in the form of seconded staff from the Lead Education Sponsor (2022 – £507,000). Gifts-in-kind have been recognised in line with the accounting policy, on the basis of the value of the gift to the Trust, which is the amount the Trust would reasonably expect to pay in the open market for an alternative item that would provide a benefit to the Trust equivalent to the donated item. Valuable contributions are also made in the form of governance and strategic support which cannot be quantified.

| | Unrestricted funds 2022 £000 | Restricted funds 2022 £000 | Restricted fixed asset funds 2022 £000 | Total funds 2022 £000 |
|-------------------|---------------------------------------|-------------------------------------|--|--------------------------------|
| Donations | | | | |
| Gifts-in-kind | - | 507 | - | 507 |
| Chrysalis East | - | 765 | - | 765 |
| Other donations | 164 | 410 | - | 574 |
| Capital Grants | - | - | 15 | 15 |
| Total 2022 | 164 | 1,682 | 15 | 1,861 |

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Notes to the financial statements
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4. Income from other trading activities

| | Un restricted funds 2023 £000 | Total funds 2023 £000 |
|----------------------|--|--|
| Hire of Facilities | 126 | 126 |
| Miscellaneous income | 6 | 6 |
| Catering Income | 294 | 294 |
| Trip Income | 26 | 26 |
| | <hr/> | <hr/> |
| Total 2023 | 452 | 452 |
| | <hr/> <hr/> | <hr/> <hr/> |
| | <i>Unrestricted funds 2022 £000</i> | <i>Total funds 2022 £000</i> |
| Hire of facilities | 63 | 63 |
| Miscellaneous income | 14 | 14 |
| Catering income | 195 | 195 |
| Trip income | 11 | 11 |
| | <hr/> | <hr/> |
| <i>Total 2022</i> | 283 | 283 |
| | <hr/> <hr/> | <hr/> <hr/> |

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Notes to the financial statements
For the year ended 31 August 2023

5. Funding for the Academy's charitable activities

| | Un restricted funds 2023 £000 | Restricted funds 2023 £000 | Total funds 2023 £000 |
|---|---|-------------------------------------|--------------------------------|
| Direct costs | | | |
| DfE/ESFA grants | | | |
| General Annual Grant (GAG) | - | 3,743 | 3,743 |
| Other DfE/ESFA grants | | | |
| Others | - | 1,718 | 1,718 |
| | - | 5,461 | 5,461 |
| Other Government grants | | | |
| Local authority grants | - | 2 | 2 |
| | - | 2 | 2 |
| Other income from the academy trust's educational operations | 2 | - | 2 |
| | 2 | 5,463 | 5,465 |

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Notes to the financial statements
For the year ended 31 August 2023

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

| | <i>Unrestricted funds 2022 £000</i> | <i>Restricted funds 2022 £000</i> | <i>Total funds 2022 £000</i> |
|---|---|---|--|
| Direct costs | | | |
| DfE/ESFA grants | | | |
| General Annual Grant (GAG) | - | 3,167 | 3,167 |
| Other DfE/ESFA grants | | | |
| Others | - | 1,737 | 1,737 |
| | - | 4,904 | 4,904 |
| Other Government grants | | | |
| Local authority grants | - | 7 | 7 |
| | - | 7 | 7 |
| Other income from the academy trust's educational operations | 3 | - | 3 |
| | 3 | 4,911 | 4,914 |
| | 3 | 4,911 | 4,914 |

6. Investment income

| | <i>Un restricted funds 2023 £000</i> | <i>Total funds 2023 £000</i> | <i>Total funds 2022 £000</i> |
|---------------------|--|--|--|
| Interest receivable | 4 | 4 | - |

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Notes to the financial statements
For the year ended 31 August 2023

7. Expenditure

| | Staff Costs | Premises | Other | Total |
|-------------------------------|--------------------|-----------------|--------------|--------------|
| | 2023 | 2023 | 2023 | 2023 |
| | £000 | £000 | £000 | £000 |
| Direct costs | 3,618 | 609 | 241 | 4,468 |
| Allocated support costs | 763 | 1,754 | 531 | 3,048 |
| Chrysalis East - Direct costs | 572 | - | - | 572 |
| Allocated support costs | - | - | 70 | 70 |
| | 4,953 | 2,363 | 842 | 8,158 |
| | Staff Costs | Premises | Other | Total |
| | 2022 | 2022 | 2022 | 2022 |
| | £000 | £000 | £000 | £000 |
| Direct costs: | | | | |
| Direct costs | 2,999 | 434 | 171 | 3,604 |
| Allocated support costs | 959 | 1,692 | 430 | 3,081 |
| Chrysalis East - Direct costs | 413 | - | - | 413 |
| Allocated support costs | - | - | 58 | 58 |
| | 4,371 | 2,126 | 659 | 7,156 |

8. Analysis of expenditure by activities

| | Direct costs | Support costs | Total funds |
|--|---------------------|----------------------|--------------------|
| | 2023 | 2023 | 2023 |
| | £000 | £000 | £000 |
| Academy Trust's educational operations | 4,468 | 3,048 | 7,516 |
| Chrysalis East costs | 572 | 70 | 642 |
| | 5,040 | 3,118 | 8,158 |

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Notes to the financial statements
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8. Analysis of expenditure by activities (continued)

| | <i>Direct costs</i> | <i>Support costs</i> | <i>Total funds</i> |
|--|---------------------|----------------------|--------------------|
| | <i>2022</i> | <i>2022</i> | <i>2022</i> |
| | <i>£000</i> | <i>£000</i> | <i>£000</i> |
| Academy Trust's educational operations | 3,604 | 3,081 | 6,685 |
| Chrysalis East costs | 413 | 58 | 471 |
| | <u>4,017</u> | <u>3,139</u> | <u>7,156</u> |

Analysis of support costs

| | Support costs | Chrysalis East Support costs | Total funds |
|---------------------|----------------------|-------------------------------------|--------------------|
| | 2023 | 2023 | 2023 |
| | £000 | £000 | £000 |
| Staff costs | 763 | - | 763 |
| Chrysalis East | - | 70 | 70 |
| Premises costs | 1,754 | - | 1,754 |
| Technology costs | 93 | - | 93 |
| Other support costs | 403 | - | 403 |
| Governance costs | 35 | - | 35 |
| | <u>3,048</u> | <u>70</u> | <u>3,118</u> |

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Notes to the financial statements
For the year ended 31 August 2023

8. Analysis of expenditure by activities (continued)

Analysis of support costs (continued)

| | <i>Support costs</i> | <i>Chrysaliss East Support costs</i> | <i>Total funds</i> |
|---------------------|----------------------|--------------------------------------|--------------------|
| | <i>2022</i> | <i>2022</i> | <i>2022</i> |
| | <i>£000</i> | <i>£000</i> | <i>£000</i> |
| Staff costs | 959 | - | 959 |
| Chrysalis East | - | 58 | 58 |
| Premises costs | 1,692 | - | 1,692 |
| Technology costs | 81 | - | 81 |
| Other support costs | 318 | - | 318 |
| Governance costs | 31 | - | 31 |
| | <u>3,081</u> | <u>58</u> | <u>3,139</u> |

9. Net income/(expenditure)

Net income/(expenditure) for the year includes:

| | 2023 | 2022 |
|---------------------------------------|--------------|--------------|
| | £000 | £000 |
| Operating lease rentals | 1,260 | 1,180 |
| Depreciation of tangible fixed assets | 455 | 434 |
| Loss on disposal of fixed assets | 154 | - |
| Fees paid to auditor for: | | |
| - audit | 17 | 15 |
| - other services | 3 | 3 |
| | <u>1,889</u> | <u>1,632</u> |

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Notes to the financial statements
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10. Staff

a. Staff costs

Staff costs during the year were as follows:

| | 2023 | <i>2022</i> |
|--------------------------------|--------------------------|--------------------------|
| | £000 | <i>£000</i> |
| Wages and salaries | 3,283 | <i>2,575</i> |
| Social security costs | 337 | <i>268</i> |
| Pension costs | 693 | <i>906</i> |
| | <hr/> 4,313 | <hr/> <i>3,749</i> |
| Agency staff costs | 56 | <i>115</i> |
| Gifts-in-kind – seconded staff | 584 | <i>507</i> |
| | <hr/> 4,953 <hr/> | <hr/> <i>4,371</i> <hr/> |

b. Staff numbers

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

| | 2023 | <i>2022</i> |
|----------------|-----------------------|-----------------------|
| | No. | <i>No.</i> |
| Teachers | 40 | <i>35</i> |
| Administration | 38 | <i>30</i> |
| Management | 7 | <i>6</i> |
| | <hr/> 85 <hr/> | <hr/> <i>71</i> <hr/> |

c. Higher paid staff

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

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Notes to the financial statements
For the year ended 31 August 2023

10. Staff (continued)

c. Higher paid staff (continued)

| | 2023 | <i>2022</i> |
|---------------------------------|--------------|--------------|
| | No. | <i>No.</i> |
| In the band £60,001 - £70,000 | 3 | <i>1</i> |
| In the band £70,001 - £80,000 | 1 | <i>1</i> |
| In the band £80,001 - £90,000 | 1 | <i>-</i> |
| In the band £100,001 - £110,000 | - | <i>1</i> |
| In the band £110,001 - £120,000 | 1 | <i>-</i> |
| | ===== | <i>=====</i> |

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 £335,206 (2022 - 448,144).

11. Trustees' remuneration and expenses

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

12. Trustees' and Officers' insurance

In accordance with normal industry practice the Academy Trust has purchased indemnity cover through participation in the government's Risk Protection Arrangement (RPA) Scheme to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust business. The scheme provided unlimited cover on any one claim for the year ended 31 August 2023 and the charge for indemnity cover was included as part of a single payment for comprehensive cover.

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Notes to the financial statements
For the year ended 31 August 2023

13. Tangible fixed assets

| | Freehold property £000 | Furniture and equipment £000 | Computer equipment £000 | Total £000 |
|--------------------------|------------------------------|---------------------------------------|-------------------------------|---------------|
| Cost or valuation | | | | |
| At 1 September 2022 | 13,148 | 191 | 924 | 14,263 |
| Additions | 1,008 | 38 | 55 | 1,101 |
| Disposals | (207) | - | - | (207) |
| At 31 August 2023 | 13,949 | 229 | 979 | 15,157 |
| Depreciation | | | | |
| At 1 September 2022 | 4,257 | 82 | 755 | 5,094 |
| Charge for the year | 352 | 34 | 69 | 455 |
| On disposals | (53) | - | - | (53) |
| At 31 August 2023 | 4,556 | 116 | 824 | 5,496 |
| Net book value | | | | |
| At 31 August 2023 | 9,393 | 113 | 155 | 9,661 |
| At 31 August 2022 | 8,891 | 109 | 169 | 9,169 |

14. Debtors

| | 2023 £000 | 2022 £000 |
|--------------------------------|--------------|--------------|
| Due within one year | | |
| Trade debtors | 49 | 37 |
| Other debtors | 3,795 | 3,738 |
| Prepayments and accrued income | 122 | 130 |
| VAT recoverable | 102 | 82 |
| | 4,068 | 3,987 |

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Notes to the financial statements
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15. Creditors: Amounts falling due within one year

| | 2023 | 2022 |
|---|--------------|--------------|
| | £000 | £000 |
| Trade creditors | 141 | 73 |
| Other taxation and social security | 81 | 68 |
| Other creditors | 95 | 62 |
| Lease rental accrued | 3,795 | 3,738 |
| Accruals and deferred income | 717 | 277 |
| Accruals and deferred income above includes the following deferred income balance: | 4,829 | 4,218 |
| | 2023 | 2022 |
| | £000 | £000 |
| Deferred income at 1 September 2022 | 214 | 182 |
| Resources deferred during the year | (214) | (182) |
| Amounts released from previous periods | 211 | 214 |
| Deferred income at 31 August 2023 | 211 | 214 |

The Academy Trust pays rent on its long-leasehold property (see note 25 disclosing the financial commitment). The cash payments on the lease are lower in the early years and therefore a rent accrual is included in the financial statements in order to spread the costs over the life of the lease. The ESFA is committed to funding the lease and an equivalent debtor is also included in note 14.

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Notes to the financial statements
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16. Statement of funds

| | Balance at 1 September 2022 £000 | Income £000 | Expenditure £000 | Transfers in/out £000 | Gains/ (Losses) £000 | Balance at 31 August 2023 £000 |
|--|---|----------------|---------------------|-----------------------------|----------------------------|---|
| Unrestricted funds | | | | | | |
| General Funds | 654 | 1,388 | (175) | (1,232) | - | 635 |
| Restricted general funds | | | | | | |
| . General Annual Grant | 44 | 3,743 | (3,994) | 207 | - | - |
| . Chrysalis East | 294 | 750 | (641) | 10 | - | 413 |
| . Other grants | 180 | 2,600 | (2,640) | - | - | 140 |
| . Other covid funding | - | 37 | (37) | - | - | - |
| Pension reserve | - | - | (62) | - | 62 | - |
| | 518 | 7,130 | (7,374) | 217 | 62 | 553 |
| Restricted fixed asset funds | | | | | | |
| . DfE/ESFA capital grants | 8,883 | 54 | (589) | 1,015 | - | 9,363 |
| . Donated fixed assets | 60 | - | (11) | - | - | 49 |
| . Capital expenditure from GAG | 186 | - | (6) | - | - | 180 |
| . Private sector capital sponsorship | 72 | - | (3) | - | - | 69 |
| | 9,201 | 54 | (609) | 1,015 | - | 9,661 |
| Total Restricted funds | 9,719 | 7,184 | (7,983) | 1,232 | 62 | 10,214 |
| Total funds | 10,373 | 8,572 | (8,158) | - | 62 | 10,849 |

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16. Statement of funds (continued)

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

Other restricted general funds consist of donations received in the year under review. The donations are restricted to supporting LAE Tottenham's mission and have been applied for the funding of specific staff posts, co-curricular provision and widening participation programmes.

Capital transfers relate to capital expenditure being funded from GAG.

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

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Notes to the financial statements
For the year ended 31 August 2023

16. Statement of funds (continued)

| | <i>Balance at 1 September 2021 £000</i> | <i>Income £000</i> | <i>Expenditure £000</i> | <i>Transfers in/out £000</i> | <i>Gains/ (Losses) £000</i> | <i>Balance at 31 August 2022 £000</i> |
|--------------------------------------|---|------------------------|-----------------------------|--------------------------------------|-------------------------------------|---|
| Unrestricted funds | | | | | | |
| General Funds | 362 | 450 | (115) | (43) | - | 654 |
| Restricted general funds | | | | | | |
| . General Annual Grant | - | 3,167 | (3,123) | - | - | 44 |
| . Chrysalis East | - | 765 | (471) | - | - | 294 |
| . Other grants | 98 | 2,661 | (2,579) | - | - | 180 |
| Pension reserve | (686) | - | (434) | - | 1,120 | - |
| | (588) | 6,593 | (6,607) | - | 1,120 | 518 |
| Restricted fixed asset funds | | | | | | |
| . DfE/ESFA capital grants | 9,282 | 15 | (414) | - | - | 8,883 |
| . Donated fixed assets | 71 | - | (11) | - | - | 60 |
| . Capital expenditure from GAG | 149 | - | (6) | - | - | 143 |
| . Private sector capital sponsorship | 75 | - | (3) | 43 | - | 115 |
| | 9,577 | 15 | (434) | 43 | - | 9,201 |
| Total Restricted funds | 8,989 | 6,608 | (7,041) | 43 | 1,120 | 9,719 |
| Total funds | 9,351 | 7,058 | (7,156) | - | 1,120 | 10,373 |

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17. Analysis of net assets between funds

Analysis of net assets between funds - current year

| | Unrestricted funds 2023 £000 | Restricted funds 2023 £000 | Restricted fixed asset funds 2023 £000 | Total funds 2023 £000 |
|-------------------------------|---|---|---|--|
| Tangible fixed assets | - | - | 9,661 | 9,661 |
| Current assets | 635 | 5,382 | - | 6,017 |
| Creditors due within one year | - | (4,829) | - | (4,829) |
| Total | 635 | 553 | 9,661 | 10,849 |

Analysis of net assets between funds - prior year

| | <i>Unrestricted funds 2022 £000</i> | <i>Restricted funds 2022 £000</i> | <i>Restricted fixed asset funds 2022 £000</i> | <i>Total funds 2022 £000</i> |
|-------------------------------|---|---|---|--|
| Tangible fixed assets | - | - | 9,169 | 9,169 |
| Current assets | 654 | 4,736 | 32 | 5,422 |
| Creditors due within one year | - | (4,218) | - | (4,218) |
| Total | 654 | 518 | 9,201 | 10,373 |

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

| | 2023 | 2022 |
|--|--------------|-------------|
| | £000 | £000 |
| Net income/(expenditure) for the year (as per Statement of financial activities) | 414 | (98) |
| Adjustments for: | | |
| Depreciation | 455 | 434 |
| Capital grants from DfE and other capital income | (54) | (15) |
| Interest receivable | (4) | - |
| Defined benefit pension scheme cost less contributions payable | 64 | 419 |
| Defined benefit pension scheme finance cost | (2) | 15 |
| (Increase)/decrease in debtors | (81) | 32 |
| Increase in creditors | 611 | 37 |
| Loss on disposal | 154 | - |
| Net cash provided by operating activities | 1,557 | 824 |

19. Cash flows from investing activities

| | 2023 | 2022 |
|--|----------------|-------------|
| | £000 | £000 |
| Dividends, interest and rents from investments | 4 | - |
| Purchase of tangible fixed assets | (1,101) | (59) |
| Capital grants from DfE Group | 54 | 15 |
| Net cash used in investing activities | (1,043) | (44) |

20. Analysis of cash and cash equivalents

| | 2023 | 2022 |
|--|--------------|--------------|
| | £000 | £000 |
| Cash in hand and at bank | 1,949 | 1,435 |
| Total cash and cash equivalents | 1,949 | 1,435 |

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Notes to the financial statements
For the year ended 31 August 2023

21. Analysis of changes in net debt

| | At 1 September 2022 £000 | Cash flows £000 | At 31 August 2023 £000 |
|--------------------------|-----------------------------------|--------------------|---------------------------------|
| Cash at bank and in hand | 1,435 | 514 | 1,949 |
| | <u>1,435</u> | <u>514</u> | <u>1,949</u> |

22. Capital Commitments

There were no Capital Commitments contracted for, but not provided in the financial statements at 31 August 2023 - £nil - (2022 - £28,000)

23. Contingent liabilities

The Academy Trust had no contingent liabilities at 31 August 2023 (2022 - £none)

24. Pension and similar obligations

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

Prior to 31 August 2023, latest actuarial valuation of the TPS related to the period ended 31 March 2016 and of the LGPS 31 March 2022. A further valuation of the TPS scheme, relating to the period ended 31 March 2020 was published in October 2023.

Contributions amounting to £73,382 were payable to the schemes at 31 August 2023 (2022 - £56,706) 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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24. Pension and similar obligations (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 actuarial valuation of the TPS which applied during the year ended 31 August 2023 was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

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

The latest actuarial TPS valuation results, as at 31 March 2020, were released in October 2023. The valuation result is due to be implemented from 1 April 2024, from this date employer contribution rates will increase to 28.68% (including a 0.08% administration levy).

The employer's pension costs paid to TPS in the year amounted to £563,969 (2022 - £457,783).

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 £255,000 (2022 - £199,000), of which employer's contributions totalled £186,000 (2022 - £145,000) and employees' contributions totalled £69,000 (2022 - £54,000).

As described in note 24 the LGPS obligation relates to the employees of the Academy, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Academy at the balance sheet date.

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

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Notes to the financial statements
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24. Pension and similar obligations (continued)

Principal actuarial assumptions

| | 2023 | 2022 |
|--|-------------|-------------|
| | % | % |
| Rate of increase in salaries | 4.0 | 4.1 |
| Rate of increase for pensions in payment/inflation | 3.0 | 3.1 |
| Discount rate for scheme liabilities | 5.2 | 4.3 |

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

| | 2023 | 2022 |
|-----------------------------|-------------|-------------|
| | Years | Years |
| <i>Retiring today</i> | | |
| Males | 21.2 | 21.5 |
| Females | 24.0 | 24.0 |
| <i>Retiring in 20 years</i> | | |
| Males | 22.0 | 22.9 |
| Females | 25.4 | 25.8 |

Sensitivity analysis

| | 2023 | 2022 |
|---------------------|-------------|-------------|
| | £000 | £000 |
| Discount rate +0.1% | 31 | 30 |
| Discount rate -0.1% | (31) | (31) |

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Notes to the financial statements
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24. Pension and similar obligations (continued)

Share of scheme assets

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

| | At 31 August 2023 £000 | <i>At 31 August 2022 £000</i> |
|-------------------------------------|---|---------------------------------------|
| Equities | 855 | 615 |
| Corporate bonds | 195 | 145 |
| Property | 147 | 118 |
| Other | 24 | 27 |
| Less: liabilities | (929) | (843) |
| Asset cap * | (292) | (62) |
| Total market value of assets | - | - |

* The pension value has been capped at £nil given the uncertainty regarding recoverability.

The actual return on scheme assets was £65,000 (2022 - £18,000).

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

| | 2023 £000 | 2022 £000 |
|---|----------------------|----------------------|
| Current service cost | (250) | (564) |
| Interest income | 44 | 13 |
| Interest cost | (42) | (28) |
| Total amount recognised in the Statement of financial activities | (248) | (579) |

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

| | 2023 £000 | 2022 £000 |
|------------------------|----------------------|----------------------|
| At 1 September | 843 | 1,397 |
| Current service cost | 250 | 564 |
| Interest cost | 42 | 28 |
| Employee contributions | 69 | 54 |
| Actuarial (gain) loss | (275) | (1,200) |
| At 31 August | 929 | 843 |

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24. Pension and similar obligations (continued)

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

| | 2023 | 2022 |
|---------------------------|--------------|-------------|
| | £000 | £000 |
| At 1 September | 905 | 711 |
| Expected return on assets | 17 | (18) |
| Interest income | 44 | 13 |
| Employer contributions | 186 | 145 |
| Employee contributions | 69 | 54 |
| At 31 August | 1,221 | 905 |

25. Financial commitments

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

| | 2023 | 2022 |
|--|---------------|---------------|
| | £000 | £000 |
| Operating leases | | |
| Not later than 1 year | 1,260 | 1,209 |
| Later than 1 year and not later than 5 years | 3,660 | 5,150 |
| Later than 5 years | 18,640 | 18,531 |
| | 23,560 | 24,890 |

26. 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 he/she ceases to be a member.

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27. 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.

The following related party transactions took place in the year:

During the year, aggregate Trustee donations were £nil (2022 – £nil).

During the year, donations totalling £1,416,000 including gift-in-kind services (2022 – £746,818) were received from sponsors, where Trustees of London Academy of Excellence Tottenham were also Trustees or senior management. Lettings income of £6,000 was also received from a sponsor in the year (2022 – £8,016).

During the year, payments to the Trust's business sponsor, Tottenham Hotspur Football Club (THFC) were £150,860 (2022 – £124,876) for its share of costs including electricity and waste collection, and security costs. Due to their nature, these were provided at cost. £nil was outstanding at the year-end (2022 – £nil). The Trust has complied with the requirements of the Academies Financial Handbook in connection with these transactions.

As detailed in note 25, the Trust has a financial commitment of £23,560,000 (2022 - £24,890,000) relating to its premises. This is funded by the ESFA under an agreement dated 17 June 2014 between the academy trust, the ESFA and TH Property Limited, which is connected to the academy trust's sponsor. Total expenditure during the year was £1,260,000 under this agreement (2022 - £1,180,000).

In addition, the academy trust incurred service charge expenditure of £71,617 (2022 - £60,572) to TP Property Limited. As at 31 August 2023, the academy trust owed TH Property Limited £nil (2022 - £nil).

The Academy Trust did not enter into any other related party transactions in the year (2022 – none).

28. Agency arrangements

The Academy Trust distributes 16-19 bursary funds and free school meal funding to students as an agent for the ESFA. In the accounting period ending 31 August 2023 the Academy disbursed £112,778 (2022 – £66,460). The Academy received £135,672 (2022 – £98,579) during the year and an amount of £96,424 (2022 – £73,530) is included in other creditors relating to undistributed funds that is repayable to the ESFA.