LEICESTER HIGH SCHOOL CHARITABLE TRUST LIMITED

England & Wales · Charity number 503982

Details

Other names	PORTLAND HOUSE SCHOOL TRUST LIMITED, LEICESTER HIGH SCHOOL, LEICESTER HIGH SCHOOL FOR GIRLS
Status	Registered
Legal form	Charitable company
Company number	01204450
Registered	1975-06-17
Register	View on the Charity Commission register

Contact

Address	Leicester High School For Girls 454 London Road Leicester LE2 2PP
Phone	01162705338
Email	enquiries@leicesterhigh.co.uk
Website	www.leicesterhigh.co.uk

Activities

Objects: "TO PROMOTE AND PROVIDE FOR THE ADVANCEMENT OF EDUCATION BASED ON CHRISTIAN PRINCIPLES ACCORDING TO THE DOCTRINES OF THE CHURCH OF ENGLAND AND IN CONNECTION THEREWITH TO CONDUCT, CARRY ON, ACQUIRE AND DEVELOP IN THE UNITED KINGDOM OR ELSEWHERE ANY BOARDING OR DAY COLLEGE OR COLLEGES SCHOOL OR SCHOOLS FOR THE EDUCATION OF STUDENTS AND CHILDREN OF EITHER SEX OR BOTH SEXES." FOR FURTHER DETAILS SEE MEMORANDUM OF ASSOCIATION.

Activities: Education of girls aged 3 years to 18 years

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Classification

- **How:** Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services
- **What:** Education/training
- **Who:** Children/young People

Geography

- Leicester City
- Leicestershire

Finances

Period end	Income	Expenditure	Assets	Employees
2025-07-30	-	-	-	-
2024-07-31	£3,946,192	£3,884,904	£4,365,051	87
2023-07-31	£3,826,233	£3,753,362	£4,305,290	90
2022-07-31	£3,732,416	£3,693,853	£4,227,947	90
2021-07-31	£3,617,782	£3,546,065	£4,212,675	93
2020-07-31	£3,828,750	£3,860,233	£4,491,200	95

Trustees

Name	Role	Appointed
Jane Carroll	Chair	2024-08-12
Dhara Bhogaita		2024-07-23
Dimple Chandarana		2024-05-24
MARY NEILSON		
Paul Robert Hitchcock		2023-12-04
Priya Raithatha		2024-07-04
Priyal Hasmukhbhai Tank		2026-04-30
Ruth Jolin		2024-09-09
Susan Siesage		2016-05-23

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LEICESTER HIGH SCHOOL CHARITABLE TRUST LIMITED

England & Wales - Charity number 503982

Accounts

Charity Registration No. 503982

Company Registration No. 01204450 (England and Wales)

LEICESTER HIGH SCHOOL CHARITABLE TRUST LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2024

SOMERBYS LIMITED
CHARTERED ACCOUNTANTS
30 NELSON STREET
LEICESTER
LE1 7BA

LEICESTER HIGH SCHOOL CHARITABLE TRUST LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Governors	Mrs M Neilson	
	Mrs S Siesage BA (Hons) PGCE MBA NPQH	
	Mrs J E Carroll BA (Hons) PG Cert (Chair)	
	Mrs H Mistry BSC (Hons)	
	Mrs C Flinders ACMA CBMA	
	Mrs D Chandarana LLB (Hons)	(Appointed 24 May 2024)
	Mr P Hitchcock	(Appointed 4 December 2023)
	Miss D Bhogaita BSC (Hons)	(Appointed 23 July 2024)
	Miss P Raitatha	(Appointed 4 July 2024)
Secretary and Bursar	Ms S Shaw	(Appointed 29 August 2023)
Headmaster	Mr A Whelpdale BA PGCE NPQH	
Charity number	503982	
Company number	01204450	
Registered office	454 London Road Leicester LE2 2PP	
Auditor	Somerbys Limited 30 Nelson Street Leicester LE1 7BA	
Bankers	HSBC Plc 2-6 Gallowtree Gate Leicester LE1 1DA	
	Handelsbanken Provincial House 37 New Walk Leicester LE1 6TU	
Solicitors	Shakespeare Martineau LLP One Colton Square Leicester LE1 1QH	

LEICESTER HIGH SCHOOL CHARITABLE TRUST LIMITED

CONTENTS

	Page
Governors' report	1 - 8
Statement of Governors' responsibilities	9
Independent auditor's report	10 - 12
Statement of financial activities	13 - 14
Balance sheet	15
Statement of cash flows	16
Notes to the financial statements	17 - 29

LEICESTER HIGH SCHOOL CHARITABLE TRUST LIMITED

GOVERNORS' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 JULY 2024

The Governors, who are also Directors and Trustees of the Trust, present their report and audited financial statements for the year ended 31 July 2024.

Reference and administrative information

The Trust is a charitable company founded in 1975, with the liability of its members limited to £1 each by guarantee.

The Trust's Governors, Officers and principal address are as listed within the legal and administrative information at the front of this document. Particulars of the Trust's professional advisers are also given within this information.

Objectives and activities

The Trust's objective and principal activity continues to be the promotion of girls' education, based on Christian principles according to the doctrines of the Church of England, and remain unchanged from previous years.

Aims and intended impact

At the School, through its teaching, the Trust aims:

To provide an exceptional and 'boutique' all-round education which will prepare our students for happy and fulfilling lives, and, therefore, during their years with us creating memories that will last a life-time.

- to create a friendly, caring community where every individual is valued
- to develop intellectual curiosity, academic excellence and a life-long love of learning
- to discover and nurture individual talents, creativity and self-belief
- to develop personal values of respect, acceptance, understanding and determination to succeed

Objectives for the year

The Trust's main objective continued to be to educate the school's pupils to an excellent academic standard as achieved by the School in previous years. The Governing Body has the following strategic targets:

a. **Finance** – to secure the long term health and viability of the school by developing a strategic plan to realise and secure the school's aims and objectives and by regular monitoring of its financial position with appropriate responsive action where required.

b. **Estates** – to maintain and develop the school site, and its facilities, to provide a high quality educational experience for all stakeholders.

c. **Educational experience** – to continue to be committed to providing a broad, high quality experience for students from the early years to the sixth form and beyond, adding value throughout the School.

d. **Responding to demographic change** – to respond to demographic change to ensure the school is best placed to continue to meet its aims.

The Governors have paid due regard to guidance issued by the Charity Commission in deciding what activities the Trust should undertake.

Principal activities of the year

The primary focus was, as always, on the continual achievement of high performance in all areas of the curriculum: academic, pastoral, sporting and expressive arts – alongside a continuing commitment to development, especially leadership, service and responsibility. Another equally important focus has been to widen further access to the education provided by the School, and to develop an aspirational culture.

In a bid to maintain and improve our high academic performance, there has been a continued emphasis on Teaching and Learning, ensuring that pedagogical methods are varied and highly effective. One of our aims has been to strengthen our commitment to those identified as highly able and those who are on the SEND Register, and this commitment has been reflected in the CPD offered to staff in both of these important areas.

As a School, we value the extra-curricular trips and visits that we are able to offer our students; all of which enrich student experience, and create memories that last a life-time. Our enrichment provision has been significantly reviewed with a member of staff leading the initiative. The Enrichment Programme, has been developed to cover five major areas: physical activity and sport, creativity and expression, stem, environment and community and personal development and wellbeing. We are always keen to broaden our students' perspectives, build resilience and develop a wide appreciation of the world. Trips and visits play a significant part in the life of the School, and enhance the LHS experience.

As a School, we are proud of our diverse community which reflects the multi-ethnic demograph of the city of Leicester. However, we recognise that with an issue as important as diversity and inclusion there is always more work to be done.

Heads of Department are reviewing their curriculum in a bid to be fully inclusive, and mark key dates such as Black History and Pride months. Former students have been invited to meet with the Headmaster and share their stories in relation to their experiences at Leicester High School. Governors have taken steps to improve the diversity of their body. All employment opportunities are advertised on the BAME website. The School is also actively engaging with key figures in the area of race-relations to further develop our commitment to equality, diversity and inclusivity. One example being: Dr Liam McCarthy, from Leicester University, joined us in School to give a lecture on Ugandan Asians in Leicester to students and parents.

Student numbers at the beginning of the academic year (2023/2024) were 85 in the Juniors and 225 in the Seniors. Number decreased throughout the year by 6 pupils, remaining static at 304 pupils. The school held in-person events, including the Open Morning and Sixth Form Open Evening. Attendance at events was encouraging with several expressions of interest in received.

Strategic report

The description under the headings "Achievements and performance" and "Financial review" meet the company law requirements for the Governors to present a strategic report.

Achievements and performance

The students achieved excellent results in the 2024 public examinations. At A Level, we celebrated 97.1% A* to E pass-rate: 71% of all A Levels grades were A* to B, with 50.79% of all grades A* to A. The A Level results were a true reflection of the cohort's ability, significantly above the national average for independent schools and some of the best results gained in a decade. The School appeared in the Telegraphs top 100 schools in the country.

At GCSE, the 9-4 pass rate was 100%. The 9-7 pass rate was 82.7%. The results overall highlighted the School's continued success and considerable positive added-value at this level. The School results were the best results in Leicestershire and Rutland, recognised by the Telegraph with a place in the top 50 schools in the country.

The GCSE and A Level results reflect the hard work and application of both students and staff, and demonstrate the strength of our dedicated teaching staff, as well as the significant added value achieved by all academic departments.

Fundraising performance

During the year the School received grants and donations as set out in note 3 of the financial statements.

Public benefit

The Governing Body are committed to offering bursary support to students whose families would not otherwise be in a position to pay full School fees. Bursary support of up to 80% of fees is currently offered; 34 students (2023: 32 students) received bursary support in the year and 2 students received 100% support from external benefactors.

44 students (2023: 46 students) received academic/music scholarships in the year.

We continued to make strenuous efforts with our marketing to ensure that as many parents as possible are aware of our scholarships and bursary support. We also continue to liaise with local charities in a bid to increase the number of scholarships and bursaries that we are able to offer.

The School has developed a comprehensive programme of working with the community which provides mutual benefit. We are committed to the further development of this activity which includes developing and building on links with local primary schools, through measures including our series of Saturday Masterclasses which take place every half term. These sessions are designed for Year 5 girls from maintained primary schools across the city and the county. The sessions are provided free of charge and have encouraged over 500 students from approx. 45 Primary schools to visit the School and benefit from subject taster sessions.

Local primary schools are invited to the annual production, and Post 16 students from local maintained schools are invited to our International Women's' Day careers conference.

Year 9 drama productions toured local primary schools in February 2024. More recently, external parents (not involved with the school) have been invited to the annual UCAS information evening for parents.

The school provides a 'stay and play' weekly meeting for parents and their children for which there is no charge.

The School continues to develop links with local nurseries, including offering of the School's facilities and staff.

Within the wider community, the School links with local businesses and the Young Enterprise scheme. Our Outreach programme has included LHS members of staff visiting local primary schools to deliver KS2 assemblies and lead part of the curriculum: most noticeably History, Science and Maths.

The School offers its facilities to hire at a competitive rate to local groups within the community that promote the education of young people.

External lettings used by academic groups, performing arts, yoga and art clubs. The halls and tennis courts are also used for holiday clubs. In addition, our facilities are used for ad hoc meetings and children's parties, as the site provides a contained and safe environment with good parking facilities.

Financial review

The Independent School Sector is facing a number of unprecedented challenges resulting from evolving political and economic threats. The Governors are continuing to monitor the impact on the School very closely.

Net fees received for the year were £3,678,376 (2023: £3,535,460).

Despite pupil numbers being marginally down from the previous year, fee increases kept at an affordable level, and with careful budgeting and planning, the net increase in income resulted in a £61,288 surplus (2023: £72,871 surplus). However, this surplus excludes the £1,527 actuarial loss on the ISPS defined benefit scheme in the year (2023: £4,472 actuarial gain). The actual net movement in funds was £59,761.

In view of the above identified challenges and threats, this is considered by the Governors to be appropriate, and this amount is likely to be spent during the 2024/24 financial year on the priority spending matters mentioned, or referred to, below in this Report.

At the year end, funds stand at £4,365,051 (2023: £4,305,290).

The cash held in the Charity at the financial year end is lower than the opening date.

The Governors have pro-actively monitored cash flow in detail throughout the year and the School is in a much better position than was first forecast, largely due to careful monitoring of our costs and the recovery of debts.

The School will continue to invest prudently in buildings, refurbishments and resources for its future development, including in particular, IT, staff and improved site security. The Board will ensure that any surplus income will be put back into the School.

Going concern

We have prepared a number of scenarios that consider our cash position, sources of income and planned expenditure. This includes costs impacted by the current economic and political environment. These scenarios consider reduced pupil numbers, the impact of VAT, delayed fee payment and potential bad debts as well as impact on costs surrounding the economic climate. Sensitivity around these assumptions has also been considered in our forecasting. Results of this cash flow and sensitivity analysis indicate that the cash reserves of the charity are adequate to meet the charity's obligations as they fall due.

Having regard to the above, the trustees believe it appropriate to adopt the going concern basis of accounting in preparing the financial statements.

Reserves policy

The School aims to hold enough reserves to cover at least one term's operating costs plus capital repayments due on the loan, at any month end during a financial year. Reserves are those considered to be readily available cash balances. In the year ended 31 July 2024 the target cash sum, fell marginally short. The Governors continue to monitor the position.

Risk management

The Governors have assessed the major operational and financial risks, to which the Trust is exposed, paying particular attention to the current economic and political landscape and what is changing in the independent school's' sector. The Governors have updated the risk register for this, and are satisfied that adequate controls are in place to mitigate its exposure to these risks. This register is maintained and reviewed by the Board annually, but more frequently under the current pressures.

The Board continues to review the school's estate and is committed to the maintenance and provision of high-quality educational facilities. The key objective is to maintain pupil numbers which will ensure the continued provision of a high-quality educational experience for the students.

The School became a phased withdrawal school with effect from September 2022. This now means that any teacher who started after 1 September 2022 will have joined the new Defined Contribution Scheme with flexible benefits, along with any current teachers who decided to join this scheme. Any current teacher who had decided to continue to contribute to the Teachers Pension Scheme will bear the cost of any future rises in contributions, which mitigates the risk to the School.

Insurance

The cost of Governors' liability and professional indemnity insurance taken out by the Trust in the year amounted to £411 (2023: £417); the level of cover was £2,000,000.

Structure, governance and management

Governing document

The Trust is governed by its Articles of Association, last amended on 18 May 2011. The document was reviewed in November 2019; no changes were considered necessary.

Governing Body

Governors are appointed in accordance with the Articles of Association.

All Governors are Directors of the Company and Trustees of the Charity.

Recruitment and training of Governors

New Governors are appointed on recommendation from the Appointments Committee who consider the skills, knowledge and experience required on the Board. The Board maintains a balance of both education and business skills. All new Governors are inducted into the workings of the school and also of the company as a registered charity. Training is provided annually through a range of external and internal programmes. The school is a member of AGBIS (Association of Governing Bodies of Independent Schools) who provide support and training on matters of governance.

LEICESTER HIGH SCHOOL CHARITABLE TRUST LIMITED

GOVERNORS' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 JULY 2024

The Governors, who are also the directors for the purpose of company law, and who served during the year were:

Mrs J E Carroll BA (Hons) PG Cert (Chair of Governors)	
Mr M Dunkley LLB (Hons) (Chair)	(Resigned 31 December 2023)
Mrs M Neilson	
Mrs S Siesage BA (Hons) PGCE MBA NPQH	
Mrs D Chandarana LLB (Hons)	(Appointed 24 May 2024)
Mr P Hitchcock	(Appointed 4 December 2023)
Ms C Salmon BA (Hons)	(Resigned 4 March 2024)
Mrs M Khangura Chartered MCIPD, LLM (Hons)	(Appointed 29 August 2024) (Resigned 14 June 2024)
Miss D Bhogaita	(Appointed 23 July 2024)
Mrs C Flinders ACMA CBMA	
Mrs H Mistry BSC (Hons)	
Miss P Raitatha	(Appointed 4 July 2024)

None of the Governors has any beneficial interest in the company. All of the Governors are members of the company and guarantee to contribute £1 in the event of a winding up.

Organisational structure

The Board of Governors administers the Trust and meets at least four times throughout the year. To assist in this process, sub-committees of Finance and Estates, Education, Remuneration and Appointments also meet regularly throughout the year. Powers are delegated to the Headmaster and Bursar for the day to day running of the school.

Group structure and relationships

The Trust has two wholly owned, dormant subsidiaries as follows:

- Leicester High School For Girls Limited
- Portland House Limited

Employee involvement

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment within the Trust continues and that the appropriate training is arranged. It is the policy of the Trust that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

Auditor

A resolution proposing that Somerbys Limited be reappointed as Auditor of the Trust will be put to the Annual General Meeting.

Disclosure of information to Auditor

Each of the Governors has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

On behalf of the Board of Governors

Mrs J E Carroll BA (Hons) PG Cert (Chair)
26 March 2025

LEICESTER HIGH SCHOOL CHARITABLE TRUST LIMITED

STATEMENT OF GOVERNORS' RESPONSIBILITIES

FOR THE YEAR ENDED 31 JULY 2024

The Governors, who are also the Directors of Leicester High School Charitable Trust Limited for the purpose of company law, are responsible for preparing the Governors' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Governors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Trust and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these accounts, the Governors are required to:

- select suitable accounting policies and then apply them consistently;

- observe the methods and principles in the Charities SORP;

- make judgements and 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 accounts; and

- prepare the accounts on the going concern basis unless it is inappropriate to presume that the Trust will continue in operation.

The Governors are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Trust and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

LEICESTER HIGH SCHOOL CHARITABLE TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF LEICESTER HIGH SCHOOL CHARITABLE TRUST LIMITED

Opinion

We have audited the financial statements of Leicester High School Charitable Trust Limited (the 'Trust') for the year ended 31 July 2024 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 July 2024 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.

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 Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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 Governors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

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 Governors 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Governors' report for the financial year for which the financial statements are prepared, which includes the directors' report and the strategic report prepared for the purposes of company law, is consistent with the financial statements; and
- the strategic report and the directors' report included within the Governors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Governors' 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 Governors

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

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the accounts 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 accounts.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

The risk of not detecting a material misstatement resulting from error is considered to be low. The risk of not detecting a material misstatement resulting from fraud is higher, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

In the context of Leicester High School Charitable Trust Limited, we have identified specific laws and regulations, such as the Independent Schools Standards; Education Act 2002; Education Regulations 2014; Protection of Children Act 1999 and general commercial laws and regulations, such as: Companies Act 2006; Charities Act 2011; Charity Commission guidance; Health and Safety legislation; GDPR and employment law.

Our understanding of the legal and regulatory framework applicable to Leicester High School Charitable Trust Limited and how the charitable company has complied with its obligations has been obtained by enquiry of management and those charged with governance.

As part of our enquiries we have discussed policies and procedures on compliance with laws and regulations and whether any instances of non compliance have occurred.

Our understanding of the charitable company's policies and procedures on fraud risk has been obtained through enquiry with management as to the control activities, operational systems in place and whether there is knowledge of any actual, suspected or alleged fraud.

We consider that the audit team collectively had the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations. During our audit work there were no significant instances of non-compliance identified.

In response to the audit risks identified in respect of irregularity and fraud, we have undertaken the following procedures:

- Enquiry of management, and those charged with governance around actual and potential litigation and claims.
- Enquiry of management to identify any instances of non-compliance with laws and regulations.
- Enquiry of management to identify any subsequent events that have occurred after the year end relating to this financial year.
- Reviewing legal expenses during and after the year end for evidence of non-compliance with laws and regulations.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

A further description of our responsibilities for the audit of the accounts is located on the Financial Reporting Council's website at: http://www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's Report.

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and regulations made under that Act. Our audit work has been undertaken so that we might state to the charitable company'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 charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.

Marcus Dockerty FCA FCCA (Senior Statutory Auditor)
for and on behalf of Somerbys Limited

Chartered Accountants
Statutory Auditor

26 March 2025

30 Nelson Street
Leicester
LE1 7BA

LEICESTER HIGH SCHOOL CHARITABLE TRUST LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 JULY 2024

Current financial year

	Notes	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Total 2023 £
Income and endowments from:					
Donations and legacies	3	1,500	12,209	13,709	10,792
Income from charitable activities	4	3,924,371	-	3,924,371	3,807,462
Investments	5	8,112	-	8,112	3,979
Other income	6	-	-	-	4,000
Total income		3,933,983	12,209	3,946,192	3,826,233
Expenditure on:					
Expenditure on charitable activities	7	3,812,725	12,209	3,824,934	3,699,060
Finance costs		59,970	-	59,970	54,302
Total resources expended		3,872,695	12,209	3,884,904	3,753,362
Net income for the year/ Net incoming resources		61,288	-	61,288	72,871
Other recognised gains and losses					
Actuarial (loss)/gain on defined benefit pension schemes		(1,527)	-	(1,527)	4,472
Net movement in funds		59,761	-	59,761	77,343
Fund balances at 1 August 2023		4,305,290	-	4,305,290	4,227,947
Fund balances at 31 July 2024		4,365,051	-	4,365,051	4,305,290

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

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

LEICESTER HIGH SCHOOL CHARITABLE TRUST LIMITED

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 JULY 2024

Prior financial year

	Notes	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Income and endowments from:				
Donations and legacies	3	2,675	8,117	10,792
Income from charitable activities	4	3,807,462	-	3,807,462
Investments	5	3,979	-	3,979
Other income	6	4,000	-	4,000
Total income		3,818,116	8,117	3,826,233
Expenditure on:				
Expenditure on charitable activities	7	3,690,943	8,117	3,699,060
Finance costs		54,302	-	54,302
Total resources expended		3,745,245	8,117	3,753,362
Net income for the year/ Net incoming resources		72,871	-	72,871
Other recognised gains and losses				
Actuarial (loss)/gain on defined benefit pension schemes		4,472	-	4,472
Net movement in funds		77,343	-	77,343
Fund balances at 1 August 2022		4,227,947	-	4,227,947
Fund balances at 31 July 2023		4,305,290	-	4,305,290

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

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

LEICESTER HIGH SCHOOL CHARITABLE TRUST LIMITED

BALANCE SHEET

AS AT 31 JULY 2024

	Notes	2024 £	2024 £	2023 £	2023 £
Fixed assets					
Tangible assets	13		4,957,598		4,942,697
Current assets					
Debtors	15	354,203		388,090	
Cash at bank and in hand		717,461		744,148	
		1,071,664		1,132,238	
Creditors: amounts falling due within one year	16	(373,493)		(373,079)	
Net current assets			698,171		759,159
Total assets less current liabilities			5,655,769		5,701,856
Creditors: amounts falling due after more than one year	17		(1,290,718)		(1,396,566)
Net assets			4,365,051		4,305,290
Income funds					
Unrestricted funds			4,365,051		4,305,290
			4,365,051		4,305,290

The accounts were approved by the Governors on 26 March 2025

J. Carroll

Mrs J E Carroll BA (Hons) PG Cert (Chair)

Company Registration No. 01204450

LEICESTER HIGH SCHOOL CHARITABLE TRUST LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 JULY 2024

	Notes	2024 £	2024 £	2023 £	2023 £
Cash flows from operating activities					
Cash generated from operations	24		113,250		16,683
Investing activities					
Purchase of tangible fixed assets		(47,417)		(24,890)	
Investment income received		8,112		3,979	
Net cash used in investing activities			(39,305)		(20,911)
Financing activities					
Repayment of bank loans		(100,632)		(98,247)	
Net cash used in financing activities			(100,632)		(98,247)
Net decrease in cash and cash equivalents			(26,687)		(102,475)
Cash and cash equivalents at beginning of year			744,148		846,623
Cash and cash equivalents at end of year			717,461		744,148

1 Accounting policies

1.1 Accounting convention

These accounts have been prepared in accordance with FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", "Accounting and Reporting by Charities" the Statement of Recommended Practice for charities applying FRS102, the Companies Act 2006 and UK Generally Accepted Accounting Practice as it applies from 1 January 2015. The charity is a Public Benefit Entity as defined by FRS102.

The accounts have been prepared under the historical cost convention.

The Trust has taken advantage of the exemptions provided by Section 405 of the Companies Act 2006 not to prepare group accounts as the subsidiary undertakings are not material for the purpose of giving a true and fair view. The financial statements present information about the charity as an individual company and not about its group.

1.2 Going concern

At the time of approving the financial statements, the Governors have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future and they continue to adopt the going concern basis of accounting in preparing the financial statements. The Governors have considered a period of 12 months from the date of approval of the accounts. Further information on the matters that the Governors have considered is included within the Trustees Report.

1.3 Charitable funds

Designated funds comprise funds which have been set aside at the discretion of the Governors for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Unrestricted funds are available at the discretion of the Trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts.

1.4 Incoming resources

Donations are accounted for as and when the entitlement arises, the amount can be quantified and the economic benefit to the school is considered probable.

Fees receivable are accounted for in the year in which the service is provided after deducting bursaries, scholarships and other remissions granted by the school.

Investment income is accounted for on an accruals basis.

1.5 Resources expended

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

1 **Accounting policies** **(Continued)**

Expenditure is summarised under functional headings on a direct cost basis or apportioned according to management estimates of the amount attributable to that activity in the year, either by reference to staff time or space occupied, as appropriate.

Governance costs comprise the costs of running the Trust, including strategic planning for its future development, internal and external audit, and all the costs of complying with constitutional and statutory requirements, such as the costs of Board and Committee meetings and of preparing statutory accounts and satisfying public accountability.

1.6 Tangible fixed assets

Tangible fixed assets other than freehold land and buildings are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Fixtures, fittings & equipment	3-8 years
Motor vehicles	3 years

Fixed assets under £1,000 in value are not capitalised but treated as revenue expenditure in the year of purchase.

Freehold land and buildings are included at valuation, all gains and losses arising on the valuation of the properties are shown in the statement of financial activities.

The carrying values of the freehold land and buildings are reviewed annually for impairment. If events or changes in circumstances indicate that the carrying value may not be recoverable, the value of the freehold land and buildings will be adjusted through the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the Trust reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment.

1.8 Financial instruments

The Trust has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Trust's balance sheet when the Trust becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

1 Accounting policies **(Continued)**

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

1.9 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

2 Critical accounting estimates and judgements

In the application of the Trust's accounting policies, the Governors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements

There are no critical judgements (apart from those involving estimates) in applying the Trust's accounting policies.

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets.

Freehold Property

The Trust carries its freehold property at fair value at each reporting end date, with changes in fair value being recognised in the statement of financial activities.

3 Donations and legacies

	Unrestricted funds £	Restricted funds £	Total 2024 £	Total 2023 £
Miscellaneous donations	-	12,209	12,209	8,292
Donated deposits from leaving pupils	1,500	-	1,500	2,500
	1,500	12,209	13,709	10,792

4 Income from charitable activities

	School fees	Less: total bursaries, grants and allowances	School trips/ meals and other income	Total 2024	Total 2023
	2024	2024	2024		
	£	£	£	£	£
Income for the year	4,086,932	(408,556)	245,995	3,924,371	3,807,462

5 Income from investments

	Unrestricted funds 2024	Unrestricted funds 2023
	£	£
Other income	8,112	3,979

6 Other income

	Total Unrestricted funds	
	2024	2023
	£	£
Interest received on Insurance Claim	-	4,000

7 Expenditure on charitable activities

	Teaching	Premises	Welfare	Support costs of schooling	Total 2024	Total 2023
	£	£	£	£	£	£
Staff costs	2,346,465	173,454	86,710	296,566	2,903,195	2,854,509
Depreciation	-	32,516	-	-	32,516	33,458
Other costs	234,686	279,606	68,887	262,948	846,127	781,955
	2,581,151	485,576	155,597	559,514	3,781,838	3,669,922
Governance costs	-	-	-	43,096	43,096	29,138
	2,581,151	485,576	155,597	602,610	3,824,934	3,699,060

8 Net movement in funds

	2024	2023
	£	£
The net movement in funds is stated after charging/(crediting):		
Depreciation of owned tangible fixed assets	32,516	33,458

9 Auditor's remuneration

Governance costs includes payments to the auditor of £6,600 (2023: £6,480) in respect of audit fees.

10 Governors

During the year £555 (2023: £270) of expenses were reimbursed or paid for on behalf of one Governor in respect of travel expenses and subscriptions. No remuneration was paid to Governors in the year.

11 Employees

Number of employees

The average number of employees during the year was:

	2024	2023
Teaching	38	40
Non-teaching	49	50
	87	90

Employment costs	2024	2023
	£	£
Wages and salaries	2,305,877	2,256,211
Social security costs	211,644	215,318
Other pension costs	385,674	382,980
	2,903,195	2,854,509

The number of employees whose annual remuneration (excluding pension contributions) was £60,000 or more were:

	2024	2023
	Number	Number
Between £60,000 and £70,000	2	2
Between £90,000 and £100,000	-	1
Between £100,000 and £110,000	1	-

Remuneration and benefits paid to key management personnel totalled £284,830 (2023: £274,794) for the year.

Of the employees whose emoluments exceed £60,000, 3 (2023: 3) have retirement benefits accruing under defined benefit pension schemes.

12 Taxation

The Trust's activities fall within the exemptions from income tax and corporation tax conferred to registered charities.

13 Tangible fixed assets

	Land and buildings	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£
Cost or valuation				
At 1 August 2023	4,850,000	1,825,351	30,831	6,706,182
Additions	-	47,417	-	47,417
At 31 July 2024	4,850,000	1,872,768	30,831	6,753,599
Depreciation				
At 1 August 2023	-	1,732,654	30,831	1,763,485
Depreciation charged in the year	-	32,516	-	32,516
At 31 July 2024	-	1,765,170	30,831	1,796,001
Carrying amount				
At 31 July 2024	4,850,000	107,598	-	4,957,598
At 31 July 2023	4,850,000	92,697	-	4,942,697

Freehold land and buildings were valued on 16 September 2021 by Aitchison Raffety, Chartered Surveyors, on an existing use value at £4,850,000. The valuation included modular buildings that had previously been separately capitalised and subject to annual depreciation. At 31 July 2021 the modular buildings were transferred into the heading of land and buildings and as from 1 August 2021 the modular buildings have no longer been depreciated and will instead be subject to periodic valuation reviews along with the land and buildings generally. The Governors consider that the valuation received is appropriate as at 31 July 2024.

The historical cost of the freehold land and buildings is £6,447,292 (2023: £6,447,292).

The net book amount in respect of land included in freehold land and buildings is £1,050,000 (2023: £1,050,000).

All assets are used directly for charitable purpose except for a small proportion of the buildings and equipment which are used in the administration of the school.

14 Fixed asset investments

The Trust holds 100% (2 shares) of the £1 ordinary share capital of two dormant companies as follows:

Leicester High School for Girls Limited
Portland House Limited

The shares have been valued at £Nil as the companies have been dormant since incorporation.

15 Debtors

	2024	2023
Amounts falling due within one year:	£	£
Trade debtors	265,402	243,446
Prepayments and accrued income	88,801	144,644
	354,203	388,090

16 Creditors: amounts falling due within one year

	2024	2023
	£	£
Loans and overdrafts	104,460	101,244
Taxation and social security	48,992	52,400
Fees received in advance	8,312	5,877
Trade creditors	27,108	29,253
Other creditors	111,376	102,048
Accruals and deferred income	73,245	82,257
	373,493	373,079

Bank borrowings are secured against the freehold land and buildings.

Included in other creditors due within one year are repayable deposits of £14,000 (2023: £13,750) made by parents which are normally repayable when the pupil leaves the school.

Deferred income relates to income received for school trips that are planned to occur in the next school year and will be recognised upon the date the trips take place.

17 Creditors: amounts falling due after more than one year

	2024	2023
	£	£
Bank loans	1,214,968	1,318,816
Repayable deposits	75,750	77,750
	1,290,718	1,396,566
Loan maturity analysis		
In more than one year but not more than two years	833,643	121,325
In more than two years but not more than five years	105,600	903,266
In more than five years	275,725	294,225
	1,214,968	1,318,816

Bank borrowings are secured against the freehold land and buildings.

18 Guarantee

The Trust, being a company limited by guarantee, has no share capital.

Every member of the Trust is liable, on winding up, contributing an amount not exceeding £1 towards the liabilities of the Trust.

At 31 July 2024 guarantees to the value of £9 (2023: £7) could be exercised.

19 Restricted funds

	At 1 August 2023 £	Incoming resources £	Resources expended £	At 31 July 2024 £
Donation towards sixth form scholarship	-	12,059	(12,059)	-
Donation towards bursary fund	-	150	(150)	-
	-	12,209	(12,209)	-

Previous year:	At 1 August 2022 £	Incoming resources £	Resources expended £	At 31 July 2023 £
Donation towards sixth form scholarship	-	7,967	(7,967)	-
Donation towards bursary fund	-	150	(150)	-
	-	8,117	8,117	-

20 Analysis of net assets between funds

	Unrestricted £	Restricted £	Total £
Fund balances at 31 July 2024 are represented by:			
Tangible assets	4,957,598	-	4,957,598
Current assets	698,171	-	698,171
Long term liabilities	(1,290,718)	-	(1,290,718)
	4,365,051	-	4,365,051

21 Operating lease commitments

At the reporting end date the Trust had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2024	2023
	£	£
Within one year	35,653	22,504
Between two and five years	69,607	40,952
In over five years	2,049	-
	107,309	63,456

22 Related party transactions

There were no disclosable related party transactions during the year (2023: none).

23 Analysis of changes in net (debt)/funds

	At 1 August 2023	Cash flows	At 31 July 2024
	£	£	£
Cash at bank and in hand	744,148	(26,687)	717,461
Loans falling due within one year	(101,244)	(3,216)	(104,460)
Loans falling due after more than one year	(1,318,816)	103,848	(1,214,968)
	(675,912)	73,945	(601,967)

24 Cash generated from operations

	2024	2023
	£	£
Surplus for the year	61,288	72,871
Adjustments for:		
Investment income recognised in statement of financial activities	(8,112)	(3,979)
Depreciation and impairment of tangible fixed assets	32,516	33,458
Difference between pension charge and cash contributions	(1,527)	4,472
Movements in working capital:		
Decrease/(increase) in debtors	33,887	(56,327)
(Decrease) in creditors	(4,805)	(33,812)
Cash generated from operations	113,247	16,683

25 Pension and other post-retirement benefit commitments

The Teachers' Pension Scheme

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £332,558 (2023: £331,200) and at the year-end £16,336 (2023: £24,345) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2020 and the Valuation Report, which was published in October 2023.

Following the McCloud judgement, the remedy proposed that when benefits become payable, eligible members can select to receive them from either the reformed or legacy schemes for the period 1 April 2015 to 31 March 2022. The actuaries have assumed that members are likely to choose the option that provides them with the greater benefits, and in preparing the 2020 valuation have valued the 'greater value' benefits for groups of relevant members.

The employer contribution rate for the TPS is 28.6%, and employers are also required to pay a scheme administartion levy of 0.08% giving a total employer contribution rate of 28.68%.

25 Pension and other post-retirement benefit commitments **(Continued)**

The Independent Schools' Pension Scheme

The School participates in the scheme, a multi-employer scheme which provides benefits to some 61 non-associated employers. The scheme is a defined benefit scheme in the UK. It is not possible for the School to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore the School is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out with an effective date of 30 September 2020. This actuarial valuation was certified on 22 December 2021 and showed assets of £201.1m, liabilities of £256.3m and a deficit of £55.2m. To eliminate this funding shortfall, the trustees and the participating employers have agreed that additional contributions will be paid, in combination from all employers, to the scheme as follows:

Deficit contributions

From 1 September 2022 to 30 June 2032: £2,687,000 per annum
(payable monthly and increasing by 3% on each 1st September)

Note that the scheme's previous valuation was carried out with an effective date of 30 September 2017. This valuation showed assets of £149.4m, liabilities of £187.6m and a deficit of £38.2m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

From 1 September 2019 to 30 April 2030: £2,387,357 per annum
(payable monthly and increasing by 3% on each 1st September)

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the scheme liabilites.

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

25 Pension and other post-retirement benefit commitments **(Continued)**

PRESENT VALUES OF PROVISION

	31 July 2024 £	31 July 2023 £	31 July 2022 £
Present value of provision	40,176	41,740	49,681

RECONCILIATION OF OPENING AND CLOSING PROVISIONS

	31 July 2024 £	31 July 2023 £
Provision at start of period	41,740	49,681
Unwinding of the discount factor (interest expense)	2,216	1,525
Deficit contribution paid	(5,307)	(4,994)
Remeasurements - impact of any change in assumptions	1,527	(4,472)
Remeasurements - amendments to the contribution schedule	-	-
Provision at end of period	40,176	41,740

INCOME AND EXPENDITURE IMPACT

	31 July 2024 £	31 July 2023 £
Interest expense	2,216	1,525
Remeasurements – impact of any change in assumptions	1,527	(4,472)
Remeasurements - amendments to the contribution schedule	-	-
Contributions paid in respect of future service	-	-
Costs recognised in income and expenditure account	17,839	19,853

25 Pension and other post-retirement benefit commitments **(Continued)**

ASSUMPTIONS

	31 July 2024 % per annum	31 July 2023 % per annum	31 July 2022 % per annum
Rate of discount	4.63	5.70	3.24

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

The following schedule details the deficit contributions agreed between the School and the scheme at each year end period:

DEFICIT CONTRIBUTIONS SCHEDULE

Year ending	31 July 2024 £	31 July 2023 £	31 July 2022 £
Year 1	5,466	5,307	4,994
Year 2	5,630	5,466	5,307
Year 3	5,799	5,630	5,466
Year 4	5,973	5,799	5,630
Year 5	6,152	5,973	5,799
Year 6	6,337	6,152	5,973
Year 7	6,527	6,337	6,152
Year 8	6,161	6,527	6,337
Year 9	-	6,161	6,527
Year 10	-	-	6,161
Year 11	-	-	-
Year 12	-	-	-
Year 13	-	-	-
Year 14	-	-	-
Year 15	-	-	-
Year 16	-	-	-
Year 17	-	-	-
Year 18	-	-	-
Year 19	-	-	-
Year 20	-	-	-

The School must recognise a liability measured as the present value of the contributions payable that arise from the deficit recovery agreement and the resulting expense in the income and expenditure account i.e. the unwinding of the discount rate as a finance cost in the period in which it arises.

It is these contributions that have been used to derive the balance sheet liability.

LEICESTER HIGH SCHOOL CHARITABLE TRUST LIMITED

England & Wales - Charity number 503982

Accounts

Charity Registration No. 503982

Company Registration No. 01204450 (England and Wales)

LEICESTER HIGH SCHOOL CHARITABLE TRUST LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2023

SOMERBYS LIMITED
CHARTERED ACCOUNTANTS
30 NELSON STREET
LEICESTER
LE1 7BA

LEICESTER HIGH SCHOOL CHARITABLE TRUST LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Governors	Mrs M Neilson	
	Mr M Dunkley LLB (Hons)	
	Mrs S Siesage BA (Hons) PGCE MBA NPQH	
	Mrs J E Carroll BA (Hons) PG Cert (Chair)	
	Ms C Salmon BA (Hons)	
	Mrs H Mistry BSC (Hons)	(Appointed 4 January 2023)
	Mrs C Flinders ACMA CBMA	(Appointed 4 January 2023)
	Ms M K Khangura Chartered MCIPD, LLM (Hons), BSc.(Hons)	(Appointed 29 August 2023)
Secretary and Bursar	Ms S Shaw	(Appointed 29 August 2023)
Headmaster	Mr A Whelpdale BA PGCE NPQH	
Charity number	503982	
Company number	01204450	
Registered office	454 London Road Leicester LE2 2PP	
Auditor	Somerbys Limited 30 Nelson Street Leicester LE1 7BA	
Bankers	HSBC Plc 2-6 Gallowtree Gate Leicester LE1 1DA	
	Handelsbanken Provincial House 37 New Walk Leicester LE1 6TU	
Solicitors	Shakespeare Martineau LLP One Colton Square Leicester LE1 1QH	

LEICESTER HIGH SCHOOL CHARITABLE TRUST LIMITED

CONTENTS

	Page
Governors' report	1 - 7
Statement of Governors' responsibilities	8
Independent auditor's report	9 - 11
Statement of financial activities	12 - 13
Balance sheet	14
Statement of cash flows	15
Notes to the financial statements	16 - 28

LEICESTER HIGH SCHOOL CHARITABLE TRUST LIMITED

GOVERNORS' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 JULY 2023

The Governors, who are also Directors and Trustees of the Trust, present their report and audited financial statements for the year ended 31 July 2023.

Reference and administrative information

The Trust is a charitable company founded in 1975, with the liability of its members limited to £1 each by guarantee.

The Trust's Governors, Officers and principal address are as listed within the legal and administrative information at the front of this document. Particulars of the Trust's professional advisers are also given within this information.

Objectives and activities

The Trust's objective and principal activity continues to be the promotion of girls' education, based on Christian principles according to the doctrines of the Church of England, and remain unchanged from previous years.

Aims and intended impact

At the School, through its teaching, the Trust aims:

To provide an exceptional and 'boutique' all-round education which will prepare our students for happy and fulfilling lives, and, therefore, during their years with us creating memories that will last a life-time.

- to create a friendly, caring community where every individual is valued
- to develop intellectual curiosity, academic excellence and a life-long love of learning
- to discover and nurture individual talents, creativity and self-belief
- to develop personal values of respect, acceptance, understanding and determination to succeed

Objectives for the year

The Trust's main objective continued to be to educate the school's pupils to an excellent academic standard as achieved by the School in previous years. The Governing Body has the following strategic targets:

a. **Finance** – to secure the long term health and viability of the school by developing a strategic plan to realise and secure the school's aims and objectives and by regular monitoring of its financial position with appropriate responsive action where required.

b. **Estates** – to maintain and develop the school site, and its facilities, to provide a high quality educational experience for all stakeholders.

c. **Educational experience** – to continue to be committed to providing a broad, high quality experience for students from the early years to the sixth form and beyond.

d. **Responding to demographic change** – to respond to demographic change to ensure the school is best placed to continue to meet its aims.

The Governors have paid due regard to guidance issued by the Charity Commission in deciding what activities the Trust should undertake.

Principal activities of the year

The primary focus was, as always, on the continual achievement of high performance in all areas of the curriculum: academic, pastoral, sporting and expressive arts – alongside a continuing commitment to development, especially leadership, service and responsibility. Another equally important focus has been to widen further access to the education provided by the School, and to develop an aspirational culture.

In a bid to maintain and improve our high academic performance, there has been a continued emphasis on Teaching and Learning, ensuring that pedagogical methods are varied and highly effective. One of our aims has been to strengthen our commitment to those identified as highly able and those who are on the SEND Register, and this commitment has been reflected in the CPD offered to staff in both of these important areas.

As a School, we value the extra-curricular trips and visits that we are able to offer our students; all of which enrich student experience, and create memories that last a life-time. Our enrichment provision has been significantly reviewed with a member of staff leading the initiative. The Enrichment Programme, launched in January 2022, has been developed to cover five major areas: physical activity and sport, creativity and expression, stem, environment and community and personal development and wellbeing. We are always keen to broaden our students' perspectives, build resilience and develop a wide appreciation of the world. Trips and visits play a significant part in the life of the School, and it has been most satisfying to see this part of School life return to the curriculum.

As a School, we are proud of our diverse community which reflects the multi-ethnic demograph of the city of Leicester. However, we recognise that with an issue as important as diversity and inclusion there is always more work to be done.

Leicester High School believes that Black Lives Matter, and embraces the underlying tenets of the movement, and is working to further ensure equality in all areas of school life. Heads of Department are reviewing their curriculum; a dedicated blog post is released every half term to update the wider Leicester High School community on progress made and initiatives actioned. Former students have been invited to meet with the Headmaster and share their stories in relation to their experiences at Leicester High School. Governors are looking into improving the diversity of their body. All employment opportunities are advertised on the BAME website. The School is also actively engaging with key figures in the area of race-relations to further develop our commitment to equality, diversity and inclusivity. One example being: Dr Liam McCarthy, from Leicester University, joined us in School to give a lecture on Ugandan Asians in Leicester to students and parents.

Student numbers at the beginning of the academic year (2022/2023) were 72 in the Juniors and 230 in the Seniors. We continued to recruit throughout the year, making a net gain of twelve students and ending the academic year at 314. The school held in-person events, including the Open Morning and Sixth Form Open Evening. Attendance at events was encouraging with several expressions of interest in received.

Strategic report

The description under the headings "Achievements and performance" and "Financial review" meet the company law requirements for the Governors to present a strategic report.

Achievements and performance

The students achieved excellent results in the 2023 public examinations. At A Level, we celebrated 100% A* to E pass-rate: 80% of all A Levels grades were A* to B, with 60% of all grades A* to A. 100% of students have gone to their first-choice university. The A Level results were a true reflection of the cohort's ability, significantly above the national average for independent schools and some of the best results gained in a decade. The School appeared in the Telegraphs top 50 schools in the country.

At GCSE, the 9-4 pass rate was 98%. The 9-7 pass rate was 64%. The results overall highlighted the School's continued success and considerable positive added-value at this level.

The GCSE and A Level results reflect the hard work and application of both students and staff, and demonstrate the strength of our dedicated teaching staff, as well as the significant added value achieved by all academic departments.

Fundraising performance

During the year the School received grants and donations as set out in note 3 of the financial statements.

Additionally, during the year, the school has raised funds for its chosen charities: Crisis, Marie Curie, The Alice Ruggles Trust, Rainbows, Young Minds, Children in Need, Place2Be, McMillan Cancer Support and the Turkey/Syria Earthquake Appeal raising £6,600 in total. Pupils have also supported cultural activities.

Public benefit

The Governing Body are committed to offering bursary support to students whose families would not otherwise be in a position to pay full school fees. Bursary support of up to 100% of fees is currently offered; 32 students (2022: 34 students) received bursary support in the year and 2 students received 100% support from external benefactors.

46 students (2022: 48 students) received academic/music scholarships in the year.

We continued to make strenuous efforts with our marketing to ensure that as many parents as possible are aware of our scholarships and bursary support. We also continue to liaise with local charities in a bid to increase the number of scholarships and bursaries that we are able to offer.

The School has developed a comprehensive programme of working with the community which provides mutual benefit. We are committed to the further development of this activity which includes developing and building on links with local primary schools, through measures including our series of Saturday Masterclasses which take place every half term. These sessions are designed for Year 5 girls from maintained primary schools across the city and the county. The sessions are provided free of charge and have encouraged over 500 students from approx. 45 Primary schools to visit the School and benefit from subject taster sessions.

Local primary schools are invited to the annual production, and Post 16 students from local maintained schools are invited to our International Women's' Day careers conference and our annual Oxbridge Information Evening.

Year 9 drama productions toured local primary schools in February 2023. More recently, external parents (not involved with the school) have been invited to the annual UCAS information evening for parents.

The school provides a 'stay and play' weekly meeting for parents and their children for which there is no charge.

The School continues to develop links with local nurseries, including offering of the School's facilities and staff.

Within the wider community, the School links with local businesses and the Young Enterprise scheme.

During the Autumn Term 2021, the Headmaster visited close to twenty primary schools to encourage closer working relationships. Several of these schools sought the expertise of subject specialist teachers, who assisted with the creation of a programme of study for that particular primary school.

The School offers its facilities to hire at a competitive rate to local groups within the community that promote the education of young people.

External lettings used by academic groups, performing arts, yoga and art clubs. The halls and tennis courts are also used for holiday clubs. In addition, our facilities are used for ad hoc meetings and children's parties, as the site provides a contained and safe environment with good parking facilities.

Financial review

The Independent School Sector is facing a number of unprecedented challenges resulting from evolving political and economic threats. The Governors are continuing to monitor the impact on the School very closely.

Net fees received for the year were £3,535,460 (2022: £3,501,286).

Despite pupil numbers being marginally down from the previous year, fee increases kept at an affordable level, and with careful budgeting and planning, the net increase in income resulted in a £72,871 surplus (2022: £38,563 surplus). However, this surplus excludes the £4,472 actuarial gain on the ISPS defined benefit scheme in the year (2022: £23,291 actuarial loss). The actual net movement in funds was £77,343.

In view of the above identified challenges and threats, this is considered by the Governors to be appropriate, and this amount is likely to be spent during the 2023/24 financial year on the priority spending matters mentioned, or referred to, below in this Report.

At the year end, funds stand at £4,305,290 (2022: £4,227,947).

The cash held in the Charity at the financial year end is lower than the opening date.

The Governors have pro-actively monitored cash flow in detail throughout the year and the School is in a much better position than was first forecast, largely due to careful monitoring of our costs and the recovery of debts.

The School will continue to invest prudently in buildings, refurbishments and resources for its future development, including in particular, IT, staff and improved site security. The Board will ensure that any surplus income will be put back into the School.

Going concern

We have prepared a number of scenarios that consider our cash position, sources of income and planned expenditure. This includes costs impacted by the current economic and political environment. These scenarios consider reduced pupil numbers, delayed fee payment and potential bad debts as well as impact on costs surrounding the economic climate. Sensitivity around these assumptions has also been considered in our forecasting. Results of this cash flow and sensitivity analysis indicate that the cash reserves of the charity are adequate to meet the charity's obligations as they fall due.

Having regard to the above, the trustees believe it appropriate to adopt the going concern basis of accounting in preparing the financial statements.

Reserves policy

The School aims to hold enough reserves to cover at least one term's operating costs plus capital repayments due on the loan, at any month end during a financial year. Reserves are those considered to be readily available cash balances. In the year ended 31 July 2023 the target cash sum, fell marginally short. The Governors continue to monitor the position.

Risk management

The Governors have assessed the major operational and financial risks, to which the Trust is exposed, paying particular attention to the current economic and political landscape. The proposed changes by some political parties to actively introduce measures that would result in additional costs or taxes in the sector. The Governors have updated the risk register for this, and are satisfied that adequate controls are in place to mitigate its exposure to these risks. This register is maintained and reviewed by the Board regularly and more frequently under the current pressures.

The Board continues to review the school's estate and is committed to the maintenance and provision of high-quality educational facilities. The key objective is to maintain pupil numbers which will ensure the continued provision of a high-quality educational experience for the students.

The School became a phased withdrawal school with effect from September 2022. This now means that any teacher who started after 1 September 2022 will have joined the new Defined Contribution Scheme with flexible benefits, along with any current teachers who decided to join this scheme. Any current teacher who had decided to continue to contribute to the Teachers Pension Scheme will bear the cost of any future rises in contributions, which mitigates the risk to the School.

Insurance

The cost of Governors' liability and professional indemnity insurance taken out by the Trust in the year amounted to £417 (2022: £1,134); the level of cover was £2,000,000.

Structure, governance and management

Governing document

The Trust is governed by its Articles of Association, last amended on 18 May 2011. The document was reviewed in November 2019; no changes were considered necessary.

Governing Body

Governors are appointed in accordance with the Articles of Association.

All Governors are Directors of the Company and Trustees of the Charity.

Recruitment and training of Governors

New Governors are appointed on recommendation from the Appointments Committee who consider the skills, knowledge and experience required on the Board. The Board maintains a balance of both education and business skills. All new Governors are inducted into the workings of the school and also of the company as a registered charity. Training is provided annually through a range of external and internal programmes. The school is a member of AGBIS (Association of Governing Bodies of Independent Schools) who provide support and training on matters of governance.

The Governors, who are also the directors for the purpose of company law, and who served during the year were:

Mrs M Neilson	
Mr J A Allen FCA	(Resigned 5 December 2022)
Mr T Leah BA(Hons) PGCE NPQH	(Resigned 26 September 2022)
Mr M Dunkley LLB (Hons) (Chair)	
Mrs S Siesage BA (Hons) PGCE MBA NPQH	
Mrs J E Carroll BA (Hons) PG Cert	
Ms C Salmon BA (Hons)	
Mrs H Mistry BSC (Hons)	(Appointed 4 January 2023)
Mrs C Flinders ACMA CBMA	(Appointed 4 January 2023)

None of the Governors has any beneficial interest in the company. All of the Governors are members of the company and guarantee to contribute £1 in the event of a winding up.

Organisational structure

The Board of Governors administers the Trust and meets at least four times throughout the year. To assist in this process, sub-committees of Finance and Estates, Education, Remuneration and Appointments also meet regularly throughout the year. Powers are delegated to the Headmaster and Bursar for the day to day running of the school.

Group structure and relationships

The Trust has two wholly owned, dormant subsidiaries as follows:

- Leicester High School For Girls Limited
- Portland House Limited

Employee involvement

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment within the Trust continues and that the appropriate training is arranged. It is the policy of the Trust that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

Auditor

A resolution proposing that Somerbys Limited be reappointed as Auditor of the Trust will be put to the Annual General Meeting.

Disclosure of information to Auditor

Each of the Governors has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

On behalf of the Board of Governors

Mr M Dunkley LLB (Hons)
4 December 2023

LEICESTER HIGH SCHOOL CHARITABLE TRUST LIMITED

STATEMENT OF GOVERNORS' RESPONSIBILITIES

FOR THE YEAR ENDED 31 JULY 2023

The Governors, who are also the Directors of Leicester High School Charitable Trust Limited for the purpose of company law, are responsible for preparing the Governors' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Governors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Trust and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these accounts, the Governors are required to:

- select suitable accounting policies and then apply them consistently;

- observe the methods and principles in the Charities SORP;

- make judgements and 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 accounts; and

- prepare the accounts on the going concern basis unless it is inappropriate to presume that the Trust will continue in operation.

The Governors are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Trust and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

LEICESTER HIGH SCHOOL CHARITABLE TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF LEICESTER HIGH SCHOOL CHARITABLE TRUST LIMITED

Opinion

We have audited the financial statements of Leicester High School Charitable Trust Limited (the 'Trust') for the year ended 31 July 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 July 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.

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 Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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 Governors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

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 Governors 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Governors' report for the financial year for which the financial statements are prepared, which includes the directors' report and the strategic report prepared for the purposes of company law, is consistent with the financial statements; and
- the strategic report and the directors' report included within the Governors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Governors' 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 Governors

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

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the accounts 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 accounts.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

The risk of not detecting a material misstatement resulting from error is considered to be low. The risk of not detecting a material misstatement resulting from fraud is higher, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

In the context of Leicester High School Charitable Trust Limited, we have identified specific laws and regulations, such as the Independent Schools Standards; Education Act 2002; Education Regulations 2014; Protection of Children Act 1999 and general commercial laws and regulations, such as: Companies Act 2006; Charities Act 2011; Charity Commission guidance; Health and Safety legislation; GDPR and employment law.

Our understanding of the legal and regulatory framework applicable to Leicester High School Charitable Trust Limited and how the charitable company has complied with its obligations has been obtained by enquiry of management and those charged with governance.

As part of our enquiries we have discussed policies and procedures on compliance with laws and regulations and whether any instances of non compliance have occurred.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF LEICESTER HIGH SCHOOL CHARITABLE TRUST LIMITED

Our understanding of the charitable company's policies and procedures on fraud risk has been obtained through enquiry with management as to the control activities, operational systems in place and whether there is knowledge of any actual, suspected or alleged fraud.

We consider that the audit team collectively had the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations. During our audit work there were no significant instances of non-compliance identified.

In response to the audit risks identified in respect of irregularity and fraud, we have undertaken the following procedures:

- Enquiry of management, and those charged with governance around actual and potential litigation and claims.
- Enquiry of management to identify any instances of non-compliance with laws and regulations.
- Enquiry of management to identify any subsequent events that have occurred after the year end relating to this financial year.
- Reviewing legal expenses during and after the year end for evidence of non-compliance with laws and regulations.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

A further description of our responsibilities for the audit of the accounts is located on the Financial Reporting Council's website at: http://www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's Report.

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and regulations made under that Act. Our audit work has been undertaken so that we might state to the charitable company'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 charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.

Marcus Dockerty FCA FCCA (Senior Statutory Auditor)
for and on behalf of Somerbys Limited

Chartered Accountants
Statutory Auditor

4 December 2023
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30 Nelson Street
Leicester
LE1 7BA

LEICESTER HIGH SCHOOL CHARITABLE TRUST LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 JULY 2023

Current financial year

	Notes	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Total 2022 £
Income and endowments from:					
Donations and legacies	3	2,675	8,117	10,792	15,927
Income from charitable activities	4	3,807,462	-	3,807,462	3,716,023
Investments	5	3,979	-	3,979	466
Other income	6	4,000	-	4,000	-
Total income		3,818,116	8,117	3,826,233	3,732,416
Expenditure on:					
Expenditure on charitable activities	7	3,690,943	8,117	3,699,060	3,654,549
Finance costs		54,302	-	54,302	39,304
Total resources expended		3,745,245	8,117	3,753,362	3,693,853
Net income for the year/ Net incoming resources		72,871	-	72,871	38,563
Other recognised gains and losses					
Actuarial gain/(loss) on defined benefit pension schemes		4,472	-	4,472	(23,291)
Net movement in funds		77,343	-	77,343	15,272
Fund balances at 1 August 2022		4,227,947	-	4,227,947	4,212,675
Fund balances at 31 July 2023		4,305,290	-	4,305,290	4,227,947

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

LEICESTER HIGH SCHOOL CHARITABLE TRUST LIMITED

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 JULY 2023

Prior financial year

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Income and endowments from:				
Donations and legacies	3	2,281	13,646	15,927
Income from charitable activities	4	3,716,023	-	3,716,023
Investments	5	466	-	466
Total income		3,718,770	13,646	3,732,416
Expenditure on:				
Expenditure on charitable activities	7	3,640,903	13,646	3,654,549
Finance costs		39,304	-	39,304
Total resources expended		3,680,207	13,646	3,693,853
Net income for the year/ Net incoming resources		38,563	-	38,563
Other recognised gains and losses				
Actuarial gain/(loss) on defined benefit pension schemes		(23,291)	-	(23,291)
Net movement in funds		15,272	-	15,272
Fund balances at 1 August 2021		4,212,675	-	4,212,675
Fund balances at 31 July 2022		4,227,947	-	4,227,947

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

LEICESTER HIGH SCHOOL CHARITABLE TRUST LIMITED

BALANCE SHEET

AS AT 31 JULY 2023

	Notes	2023 £	2023 £	2022 £	2022 £
Fixed assets					
Tangible assets	12		4,942,697		4,951,265
Current assets					
Debtors	14	388,090		331,763	
Cash at bank and in hand		744,148		846,623	
		1,132,238		1,178,386	
Creditors: amounts falling due within one year	15	(373,079)		(404,767)	
Net current assets			759,159		773,619
Total assets less current liabilities			5,701,856		5,724,884
Creditors: amounts falling due after more than one year	16		(1,396,566)		(1,496,937)
Net assets			4,305,290		4,227,947
Income funds					
Unrestricted funds			4,305,290		4,227,947
			4,305,290		4,227,947

The accounts were approved by the Governors on 4 December 2023

Mr M Dunkley LLB (Hons)

Company Registration No. 01204450

LEICESTER HIGH SCHOOL CHARITABLE TRUST LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 JULY 2023

	Notes	2023 £	2023 £	2022 £	2022 £
Cash flows from operating activities					
Cash generated from operations	22		16,683		42,079
Investing activities					
Purchase of tangible fixed assets		(24,890)		(29,157)	
Investment income received		3,979		466	
Net cash used in investing activities			(20,911)		(28,691)
Financing activities					
Repayment of bank loans		(98,247)		(96,532)	
Net cash used in financing activities			(98,247)		(96,532)
Net decrease in cash and cash equivalents			(102,475)		(83,144)
Cash and cash equivalents at beginning of year			846,623		929,767
Cash and cash equivalents at end of year			744,148		846,623

1 Accounting policies

1.1 Accounting convention

These accounts have been prepared in accordance with FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", "Accounting and Reporting by Charities" the Statement of Recommended Practice for charities applying FRS102, the Companies Act 2006 and UK Generally Accepted Accounting Practice as it applies from 1 January 2015. The charity is a Public Benefit Entity as defined by FRS102.

The accounts have been prepared under the historical cost convention.

The Trust has taken advantage of the exemptions provided by Section 405 of the Companies Act 2006 not to prepare group accounts as the subsidiary undertakings are not material for the purpose of giving a true and fair view. The financial statements present information about the charity as an individual company and not about its group.

1.2 Going concern

At the time of approving the financial statements, the Governors have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future and they continue to adopt the going concern basis of accounting in preparing the financial statements. The Governors have considered a period of 12 months from the date of approval of the accounts. Further information on the matters that the Governors have considered is included within the Trustees Report.

1.3 Charitable funds

Designated funds comprise funds which have been set aside at the discretion of the Governors for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Unrestricted funds are available at the discretion of the Trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts.

1.4 Incoming resources

Donations are accounted for as and when the entitlement arises, the amount can be quantified and the economic benefit to the school is considered probable.

Fees receivable are accounted for in the year in which the service is provided after deducting bursaries, scholarships and other remissions granted by the school.

Investment income is accounted for on an accruals basis.

1.5 Resources expended

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

1 **Accounting policies** **(Continued)**

Expenditure is summarised under functional headings on a direct cost basis or apportioned according to management estimates of the amount attributable to that activity in the year, either by reference to staff time or space occupied, as appropriate.

Governance costs comprise the costs of running the Trust, including strategic planning for its future development, internal and external audit, and all the costs of complying with constitutional and statutory requirements, such as the costs of Board and Committee meetings and of preparing statutory accounts and satisfying public accountability.

1.6 Tangible fixed assets

Tangible fixed assets other than freehold land and buildings are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Fixtures, fittings & equipment	3-8 years
Motor vehicles	3 years

Fixed assets under £1,000 in value are not capitalised but treated as revenue expenditure in the year of purchase.

Freehold land and buildings are included at valuation, all gains and losses arising on the valuation of the properties are shown in the statement of financial activities.

The carrying values of the freehold land and buildings are reviewed annually for impairment. If events or changes in circumstances indicate that the carrying value may not be recoverable, the value of the freehold land and buildings will be adjusted through the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the Trust reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment.

1.8 Financial instruments

The Trust has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Trust's balance sheet when the Trust becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

1 Accounting policies **(Continued)**

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

1.9 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

2 Critical accounting estimates and judgements

In the application of the Trust's accounting policies, the Governors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements

There are no critical judgements (apart from those involving estimates) in applying the Trust's accounting policies.

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets.

Freehold Property

The Trust carries its freehold property at fair value at each reporting end date, with changes in fair value being recognised in the statement of financial activities.

3 Donations and legacies

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Miscellaneous donations	175	8,117	8,292	13,677
Donated deposits from leaving pupils	2,500	-	2,500	2,250
	2,675	8,117	10,792	15,927

4 Income from charitable activities

	School fees	Less: total bursaries, grants and allowances	School trips/ meals and other income	Total 2023	Total 2022
	2023	2023	2023		
	£	£	£	£	£
Income for the year	3,900,455	(364,995)	272,002	3,807,462	3,716,023

5 Investments

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
Bank interest received	3,979	466

6 Other income

	Unrestricted funds	Total
	2023	2022
	£	£
Interest received on Insurance Claim	4,000	-

7 Expenditure on charitable activities

	Teaching	Premises	Welfare	Support costs of schooling	Total 2023	Total 2022
	£	£	£	£	£	£
Staff costs	2,291,781	161,680	78,277	322,771	2,854,509	2,870,650
Depreciation	-	33,458	-	-	33,458	45,524
Other costs	237,993	277,082	62,926	203,954	781,955	691,710
	2,529,774	472,220	141,203	526,725	3,669,922	3,607,884
Governance costs	-	-	-	29,138	29,138	46,665
	2,529,774	472,220	141,203	555,863	3,699,060	3,654,549

8 Auditor's remuneration

Governance costs includes payments to the auditor of £6,480 (2022: £6,360) in respect of audit fees.

9 Governors

During the year £270 (2022: £864) of expenses were reimbursed to two Governors in respect of travel expenses. No remuneration was paid to Governors in the year.

10 Employees

Number of employees

The average number of employees during the year was:

	2023	2022
Teaching	40	41
Non-teaching	50	49
	90	90

Employment costs	2023	2022
	£	£
Wages and salaries	2,256,211	2,257,654
Social security costs	215,318	218,038
Other pension costs	382,980	394,958
	2,854,509	2,870,650

The number of employees whose annual remuneration (excluding pension contributions) was £60,000 or more were:

	2023 Number	2022 Number
Between £60,000 and £70,000	2	1
Between £90,000 and £100,000	1	1

Remuneration and benefits paid to key management personnel totalled £274,794 (2022: £265,023) for the year.

Of the employees whose emoluments exceed £60,000, 3 (2022: 2) have retirement benefits accruing under defined benefit pension schemes.

11 Taxation

The Trust's activities fall within the exemptions from income tax and corporation tax conferred to registered charities.

12 Tangible fixed assets

	Land and buildings	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£
Cost or valuation				
At 1 August 2022	4,850,000	1,800,461	30,831	6,681,292
Additions	-	24,890	-	24,890
At 31 July 2023	4,850,000	1,825,351	30,831	6,706,182
Depreciation				
At 1 August 2022	-	1,699,196	30,831	1,730,027
Depreciation charged in the year	-	33,458	-	33,458
At 31 July 2023	-	1,732,654	30,831	1,763,485
Carrying amount				
At 31 July 2023	4,850,000	92,697	-	4,942,697
At 31 July 2022	4,850,000	101,265	-	4,951,265

Freehold land and buildings were valued on 16 September 2021 by Aitchison Raffety, Chartered Surveyors, on an existing use value at £4,850,000. The valuation included modular buildings that had previously been separately capitalised and subject to annual depreciation. At 31 July 2021 the modular buildings were transferred into the heading of land and buildings and as from 1 August 2021 the modular buildings have no longer been depreciated and will instead be subject to periodic valuation reviews along with the land and buildings generally. The Governors consider that the valuation received is appropriate as at 31 July 2023.

The historical cost of the freehold land and buildings is £6,447,292 (2022: £6,447,292).

The net book amount in respect of land included in freehold land and buildings is £1,050,000 (2022: £1,050,000).

All assets are used directly for charitable purpose except for a small proportion of the buildings and equipment which are used in the administration of the school.

13 Fixed asset investments

The Trust holds 100% (2 shares) of the £1 ordinary share capital of two dormant companies as follows:

Leicester High School for Girls Limited
Portland House Limited

The shares have been valued at £Nil as the companies have been dormant since incorporation.

14 Debtors

	2023	2022
Amounts falling due within one year:	£	£
Trade debtors	243,446	232,114
Prepayments and accrued income	144,644	99,649
	388,090	331,763

15 Creditors: amounts falling due within one year

	2023	2022
	£	£
Loans and overdrafts	101,244	98,870
Taxation and social security	52,400	55,449
Fees received in advance	5,877	6,168
Trade creditors	29,253	42,068
Other creditors	102,048	119,684
Accruals and deferred income	82,257	82,528
	373,079	404,767

Bank borrowings are secured against the freehold land and buildings.

Included in other creditors due within one year are repayable deposits of £13,750 (2022: £13,500) made by parents which are normally repayable when the pupil leaves the school.

Deferred income relates to income received for school trips that are planned to occur in the next school year and will be recognised upon the date the trips take place.

16 Creditors: amounts falling due after more than one year

	2023	2022
	£	£
Bank loans	1,318,816	1,419,437
Repayable deposits	77,750	77,500
	1,396,566	1,496,937
Loan maturity analysis		
In more than one year but not more than two years	121,325	101,244
In more than two years but not more than five years	903,266	988,151
In more than five years	294,225	330,042
	1,318,816	1,419,437

Bank borrowings are secured against the freehold land and buildings.

17 Guarantee

The Trust, being a company limited by guarantee, has no share capital.

Every member of the Trust is liable, on winding up, contributing an amount not exceeding £1 towards the liabilities of the Trust.

At 31 July 2023 guarantees to the value of £7 (2022: £7) could be exercised.

18 Restricted funds

	Movement in funds			Movement in funds		
	Incoming resources	Resources expended	Balance at 1 August 2022	Incoming resources	Resources expended	Balance at 31 July 2023
	£	£	£	£	£	£
Donation towards sixth form scholarship	12,526	(12,526)	-	7,967	(7,967)	-
Donation towards bursary fund	120	(120)	-	150	(150)	-
Donation towards drama and music subjects	1,000	(1,000)	-	-	-	-
	13,646	(13,646)	-	8,117	(8,117)	-

19 Analysis of net assets between funds

	Unrestricted	Restricted	Total
	£	£	£
Fund balances at 31 July 2023 are represented by:			
Tangible assets	4,942,697	-	4,942,697
Current assets	759,159	-	759,159
Long term liabilities	(1,396,566)	-	(1,396,566)
	4,305,290	-	4,305,290

20 Operating lease commitments

At the reporting end date the Trust had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2023	2022
	£	£
Within one year	22,504	19,518
Between two and five years	40,952	13,757
	63,456	33,275

21 Related party transactions

There were no disclosable related party transactions during the year (2022: none).

22 Cash generated from operations

	2023	2022
	£	£
Surplus for the year	72,871	38,563
Adjustments for:		
Investment income recognised in statement of financial activities	(3,979)	(466)
Depreciation and impairment of tangible fixed assets	33,458	45,524
Difference between pension charge and cash contributions	4,472	(23,291)
Movements in working capital:		
Increase in debtors	(56,327)	(56,015)
(Decrease)/increase in creditors	(33,812)	37,764
Cash generated from operations	16,683	42,079

23 Analysis of changes in net (debt)/funds

	At 1 August 2022	Cash flows	At 31 July 2023
	£	£	£
Cash at bank and in hand	846,623	(102,475)	744,148
Loans falling due within one year	(98,870)	(2,374)	(101,244)
Loans falling due after more than one year	(1,419,437)	100,621	(1,318,816)
	(671,684)	(4,228)	(675,912)

24 Pension and other post-retirement benefit commitments

The Teachers' Pension Scheme

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £331,200 (2022: £346,848) and at the year-end £24,345 (2022: £28,327) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2020 and the Valuation Report, which was published in October 2023.

Following the McCloud judgement, the remedy proposed that when benefits become payable, eligible members can select to receive them from either the reformed or legacy schemes for the period 1 April 2015 to 31 March 2022. The actuaries have assumed that members are likely to choose the option that provides them with the greater benefits, and in preparing the 2020 valuation have valued the 'greater value' benefits for groups of relevant members.

The valuation confirmed that the employer contribution rate for the TPS would increase from 23.6% to 28.6% from 1 April 2024. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 28.68%.

24 Pension and other post-retirement benefit commitments **(Continued)**

The Independent Schools' Pension Scheme

The School participates in the scheme, a multi-employer scheme which provides benefits to some 61 non-associated employers. The scheme is a defined benefit scheme in the UK. It is not possible for the School to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore the School is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out with an effective date of 30 September 2020. This actuarial valuation was certified on 22 December 2021 and showed assets of £201.1m, liabilities of £256.3m and a deficit of £55.2m. To eliminate this funding shortfall, the trustees and the participating employers have agreed that additional contributions will be paid, in combination from all employers, to the scheme as follows:

Deficit contributions

From 1 September 2022 to 30 June 2032: £2,687,000 per annum
(payable monthly and increasing by 3% on each 1st September)

Note that the scheme's previous valuation was carried out with an effective date of 30 September 2017. This valuation showed assets of £149.4m, liabilities of £187.6m and a deficit of £38.2m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

From 1 September 2019 to 30 April 2030: £2,387,357 per annum
(payable monthly and increasing by 3% on each 1st September)

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the scheme liabilites.

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

24 Pension and other post-retirement benefit commitments **(Continued)**

PRESENT VALUES OF PROVISION

	31 July 2023 £	31 July 2022 £	31 July 2021 £
Present value of provision	41,740	49,681	29,211

RECONCILIATION OF OPENING AND CLOSING PROVISIONS

	31 July 2023 £	31 July 2022 £
Provision at start of period	49,681	29,211
Unwinding of the discount factor (interest expense)	1,525	288
Deficit contribution paid	(4,994)	(3,109)
Remeasurements - impact of any change in assumptions	(4,472)	(5,649)
Remeasurements - amendments to the contribution schedule	-	28,940
Provision at end of period	41,740	49,681

INCOME AND EXPENDITURE IMPACT

	31 July 2023 £	31 July 2022 £
Interest expense	1,525	288
Remeasurements – impact of any change in assumptions	(4,472)	(5,649)
Remeasurements - amendments to the contribution schedule	-	28,940
Costs recognised in income and expenditure account	19,853	20,941

24 Pension and other post-retirement benefit commitments **(Continued)**

ASSUMPTIONS

	31 July 2023 % per annum	31 July 2022 % per annum	31 July 2021 % per annum
Rate of discount	5.70	3.24	1.04

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

The following schedule details the deficit contributions agreed between the School and the scheme at each year end period:

DEFICIT CONTRIBUTIONS SCHEDULE

Year ending	**31 July 2023 £**	**31 July 2022 £**	**31 July 2021 £**
Year 1	5,307	4,994	3,109
Year 2	5,466	5,307	3,202
Year 3	5,630	5,466	3,299
Year 4	5,799	5,630	3,397
Year 5	5,973	5,799	3,499
Year 6	6,152	5,973	3,604
Year 7	6,337	6,152	3,713
Year 8	6,527	6,337	3,824
Year 9	6,161	6,527	2,952
Year 10	-	6,161	-
Year 11	-	-	-
Year 12	-	-	-
Year 13	-	-	-
Year 14	-	-	-
Year 15	-	-	-
Year 16	-	-	-
Year 17	-	-	-
Year 18	-	-	-
Year 19	-	-	-
Year 20	-	-	-

The School must recognise a liability measured as the present value of the contributions payable that arise from the deficit recovery agreement and the resulting expense in the income and expenditure account i.e. the unwinding of the discount rate as a finance cost in the period in which it arises.

It is these contributions that have been used to derive the balance sheet liability.

LEICESTER HIGH SCHOOL CHARITABLE TRUST LIMITED

England & Wales - Charity number 503982

Accounts

Charity Registration No. 503982

Company Registration No. 01204450 (England and Wales)

LEICESTER HIGH SCHOOL CHARITABLE TRUST LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2022

SOMERBYS LIMITED
CHARTERED ACCOUNTANTS
30 NELSON STREET
LEICESTER
LE1 7BA

LEICESTER HIGH SCHOOL CHARITABLE TRUST LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Governors	Mrs M Neilson	
	Mr J A Allen FCA	
	Mr M Dunkley LLB (Hons) TEP (Chair)	
	Mrs S Siesage BA (Hons) PGCE MBA NPQH	
	Mrs J E Carroll BA (Hons) PG Cert (Vice Chair)	(Appointed 10 September 2021)
	Ms C Salmon BA (Hons)	(Appointed 11 October 2021)
Secretary and Bursar	E Mackay	
Headmaster	Mr A Whelpdale BA PGCE NPQH	
Charity number	503982	
Company number	01204450	
Registered office	454 London Road Leicester LE2 2PP	
Auditor	Somerbys Limited 30 Nelson Street Leicester LE1 7BA	
Bankers	HSBC Plc 2-6 Gallowtree Gate Leicester LE1 1DA	
	Handelsbanken Provincial House 37 New Walk Leicester LE1 6TU	
Solicitors	Shakespeare Martineau LLP Two Colton Square Leicester LE1 1QH	

LEICESTER HIGH SCHOOL CHARITABLE TRUST LIMITED

CONTENTS

	Page
Governors' report	1 - 7
Statement of Governors' responsibilities	8
Independent auditor's report	9 - 11
Statement of financial activities	12 - 13
Balance sheet	14
Statement of cash flows	15
Notes to the financial statements	16 - 28

LEICESTER HIGH SCHOOL CHARITABLE TRUST LIMITED

GOVERNORS' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 JULY 2022

The Governors, who are also Directors and Trustees of the Trust, present their report and audited financial statements for the year ended 31 July 2022.

Reference and administrative information

The Trust is a charitable company founded in 1975, with the liability of its members limited to £1 each by guarantee.

The Trust's Governors, Officers and principal address are as listed within the legal and administrative information at the front of this document. Particulars of the Trust's professional advisers are also given within this information.

Objectives and activities

The Trust's objective and principal activity continues to be the promotion of girls' education, based on Christian principles according to the doctrines of the Church of England, and remain unchanged from previous years.

Aims and intended impact

At the School, through its teaching, the Trust aims:

To provide an exceptional and 'boutique' all-round education which will prepare our students for happy and fulfilling lives, and, therefore, during their years with us creating memories that will last a life-time.

- to create a friendly, caring community where every individual is valued
- to develop intellectual curiosity, academic excellence and a life-long love of learning
- to discover and nurture individual talents, creativity and self-belief
- to develop personal values of respect, acceptance, understanding and determination to succeed

Objectives for the year

The Trust's main objective continued to be to educate the school's pupils to an excellent academic standard as achieved by the School in previous years. The Governing Body has the following strategic targets:

a. **Finance** – to secure the long term health and viability of the school by developing a strategic plan to realise and secure the school's aims and objectives and by regular monitoring of its financial position with appropriate responsive action where required.

a. **Estates** – to maintain and develop the school site, and its facilities, to provide a high quality educational experience for all stakeholders.

a. **Educational experience** – to continue to be committed to providing a broad, high quality experience for students from the early years to the sixth form and beyond.

a. **Responding to demographic change** – to respond to demographic change to ensure the school is best placed to continue to meet its aims.

The Governors have paid due regard to guidance issued by the Charity Commission in deciding what activities the Trust should undertake.

Principal activities of the year

The primary focus was, as always, on the continual achievement of high performance in all areas of the curriculum: academic, pastoral, sporting and expressive arts – alongside a continuing commitment to development, especially leadership, service and responsibility. Another equally important focus has been to widen further access to the education provided by the School, and to develop an aspirational culture. These aims have continued to be developed and actioned despite the unprecedented times of post COVID-19.

In a bid to maintain and improve our high academic performance, there has been a continued emphasis on Teaching and Learning, ensuring that pedagogical methods are varied and highly effective. One of our aims has been to strengthen our commitment to those identified as highly able and those who are on the SEND Register, and this commitment has been reflected in the CPD offered to staff in both of these important areas.

The pastoral care we offer our students is a strength of the School, and continued to be so during the last academic year. All students who were self-isolating, or ill, were personally contacted by their pastoral Head of Year. The Headmaster similarly contacted members of staff who were absent for reasons connected to Covid-19. The School nurse played a significant part in supporting our community.

Innovative systems were put in place during lockdown and these have continued to be embedded in to the life of the School. A paperless tracking and reporting system has been created which was trialled at the end of the Summer Term. In a bid to satisfy all parents, the School now operates a hybrid approach to parents' evenings: on-line and in person. The School is committed to creating innovative opportunities to bring parents in to School: there was a Daughter/Parent Tennis Competition and a Daughter/Parent Badminton Competition scheduled for the Autumn Term 2021 and Spring Term 2022 (respectively). The success of these events will ensure their continuity.

Our members of staff have learnt much from the pandemic, and digital skills, in particular, have been developed and hugely improved as a tool to enhance classroom teaching. In addition, the Headmaster, in consultation with all stakeholders of the School, has created a new Vision for Leicester High, which has been promoted and embedded throughout the School since September 2021.This now feeds into the SDP and the annual Action Plan, which is reviewed in consultation with the Governing Body.

As a School, we value the extra-curricular trips and visits that we are able to offer our students; all of which enrich student experience, and create memories that last a life-time. Our enrichment provision has been significantly reviewed with a member of staff leading the initiative. The Enrichment Programme, launched in January 2022, has been developed to cover five major areas: physical activity and sport, creativity and expression, stem, environment and community and personal development and wellbeing. We are always keen to broaden our students' perspectives, build resilience and develop a wide appreciation of the world. Trips and visits play a significant part in the life of the School, and it has been most satisfying to see this part of School life return to the curriculum.

As a School, we are proud of our diverse community which reflects the multi-ethnic demograph of the city of Leicester. However, we recognise that with an issue as important as diversity and inclusion there is always more work to be done.

Leicester High School believes that Black Lives Matter, and embraces the underlying tenets of the movement, and is working to further ensure equality in all areas of school life. Heads of Department are reviewing their curriculum; a dedicated blog post is released every half term to update the wider Leicester High School community on progress made and initiatives actioned. Former students have been invited to meet with the Headmaster and share their stories in relation to their experiences at Leicester High School. Governors are looking into improving the diversity of their body. All employment opportunities are advertised on the BAME website. The School is also actively engaging with key figures in the area of race-relations to further develop our commitment to equality, diversity and inclusivity. One example being: Dr Liam McCarthy, from Leicester University, joined us in School to give a lecture on Ugandan Asians in Leicester to students and parents.

Student numbers at the beginning of the academic year (2021/2022) were 83 in the Juniors and 226 in the Seniors. We continued to recruit throughout the year, making a net gain of ten students and ending the academic year at 319. 2021/2022 saw a cautious return to in-person events, including the Open Morning and Sixth Form Open Evening. We finished the year with encouraging interest in the Juniors which had been hit particularly hard by the timings of both the 2020 and 2021 lockdowns.

Strategic report

The description under the headings "Achievements and performance" and "Financial review" meet the company law requirements for the Governors to present a strategic report.

Achievements and performance

The students achieved excellent results in the 2022 public examinations. At A level, we celebrated 100% A* to D pass-rate: 90% of all A Levels grades were A* to B, with 68% of all grades A* to A. 96% of students have gone to their first-choice university. The A levels results were a true reflection of the cohort's ability, significantly above the national average and some of the best results gained in a decade. The School appeared in the top 100 schools in the country.

At GCSE, the 9-4 pass rate was 99%. The 9-7 pass rate was 75%, with 35% of all GCSE's awarded the top grade (9). The results overall highlighted the School's continued success and considerable positive added-value at this level. These results again confirm the School's place in the top 100 Independent Schools for GCSE.

The GCSE and A Level results reflect the hard work and application of both students and staff, and demonstrate the strength of our dedicated teaching staff.

The public examination results were very similar to the TAGS and CAGs, once again confirming the rigorous approach the School adopted when creating grades based on hard evidence throughout the process.

Fundraising performance

During the year the School received grants and donations as set out in note 3 of the financial statements.

Public benefit

The Governing Body are committed to offering bursary support to students whose families would not otherwise be in a position to pay full school fees. Bursary support of up to 100% of fees is currently offered; 34 students (2021: 41 students) received bursary support in the year and 3 students received 100% support from external benefactors.

48 students (2021: 42 students) received academic/music scholarships in the year.

We continued to make strenuous efforts with our marketing to ensure that as many parents as possible are aware of our scholarships and bursary support. We also continue to liaise with local charities in a bid to increase the number of scholarships and bursaries that we are able to offer.

The School has developed a comprehensive programme of working with the community which provides mutual benefit. We are committed to the further development of this activity which includes developing and building on links with local primary schools, through measures including our series of Saturday Masterclasses which take place every half term. These sessions are designed for Year 5 girls from maintained primary schools across the city and the county. The sessions are provided free of charge and have encouraged over 500 students from approx. 45 Primary schools to visit the School and benefit from subject taster sessions. This programme was interrupted due to COVID, but have since been reinstated, and continue to be successful and well attended. The Science Department also offer Science Superstars sessions which run for five weeks in the Summer Term, after School, which allows girls from local primaries to gain a more in-depth introduction to a science topic.

Our Partnerships Officer continues to develop links with local nurseries, including offering of the School's facilities and staff, including the School Nurse who will provide talks on relevant health matters.

Within the wider community, the School links with local businesses through its popular Shop Local discount scheme, and Young Enterprise scheme.

During the Autumn Term 2021, the Headmaster visited close to twenty primary schools to encourage closer working relationships. Several of these schools sought the expertise of subject specialist teachers, who assisted with the creation of a programme of study for that particular primary school.

The School offers its facilities to hire at a competitive rate to local groups within the community that promote the education of young people.

External lettings started again in 2021/22 (after the pandemic), used by academic groups, performing arts, yoga and art clubs. The halls and newly refurbished tennis courts are also used for holiday clubs. In addition, our facilities are used for ad hoc meetings and children's parties, as the site provides a contained and safe environment with good parking facilities.

Financial review

The Independent School Sector is facing a number of unprecedented challenges resulting from evolving political and economic threats. The Governors are continuing to monitor the impact on the School very closely.

Pupil numbers were slightly lower than the previous year, recruitment impacted by Covid 19.

Net fees received for the year were £3,501,286 (2021: £3,453,326).

Despite pupil numbers being marginally down from the previous year, fee increases kept at an affordable level, and with careful budgeting and planning, the net increase in income resulted in a £38,563 surplus (2021: £71,717 surplus). However, this surplus excludes the £23,291 actuarial loss on the ISPS defined benefit scheme in the year. The actual net movement in funds was £15,272.

In view of the above identified challenges and threats, this is considered by the Governors to be appropriate, and this amount is likely to be spent during the 2022/23 financial year on the priority spending matters mentioned, or referred to, below in this Report.

At the year end, funds stand at £4,227,947 (2021: £4,212,675).

The cash held in the Charity at the financial year end is lower than the opening date.

The Governors have pro-actively monitored cash flow in detail throughout the year and the School is in a much better position than was first forecast, largely due to careful monitoring of our costs and the recovery of debts.

The School will continue to invest prudently in buildings, refurbishments and resources for its future development, including in particular, IT, staff and improved site security. The Board will ensure that any surplus income will be put back into the School.

Going concern

We have prepared a number of scenarios that consider our cash position, sources of income and planned expenditure. This includes costs impacted by the current economic and political environment. These scenarios consider reduced pupil numbers, delayed fee payment and potential bad debts as well as impact on costs surrounding the economic climate. Sensitivity around these assumptions has also been considered in our forecasting. Results of this cash flow and sensitivity analysis indicate that the cash reserves of the charity are adequate to meet the charity's obligations as they fall due.

Having regard to the above, the trustees believe it appropriate to adopt the going concern basis of accounting in preparing the financial statements.

Reserves policy

The School aims to hold enough reserves to cover at least one term's operating costs plus capital repayments due on the loan, at any month end during a financial year. Reserves are those considered to be readily available cash balances. In the year ended 31 July 2022 the target cash sum, fell marginally short. The Governors continue to monitor the position.

Risk management

The Governors have assessed the major operational and financial risks, to which the Trust is exposed, paying particular attention to the current economic and political landscape and what is changing in the independent school's' sector. The Governors have updated the risk register for this, and are satisfied that adequate controls are in place to mitigate its exposure to these risks. This register is maintained and reviewed by the Board annually, but more frequently under the current pressures.

The Board continues to review the school's estate and is committed to the maintenance and provision of high-quality educational facilities. The key objective is to maintain pupil numbers which will ensure the continued provision of a high-quality educational experience for the students.

Due to the potential increase in future Teachers Pensions contributions in April 2024, the School started a consultation process during the previous financial year (2020/2021). The School completed this consultation in 2021/2022 and as a consequence became a phased withdrawal school with effect from September 2022. Any new teacher starting after 1 September 2022 will join the new Defined Contribution Scheme with flexible benefits. Any current teacher who has decided to continue to contribute to the Teachers Pension Scheme will bear the cost of any future rises in contributions, which mitigates the risk to the School.

Insurance

The cost of Governors' liability and professional indemnity insurance taken out by the Trust in the year amounted to £1,134 (2021: £1,123); the level of cover was £2,000,000.

Structure, governance and management

Governing document

The Trust is governed by its Articles of Association, last amended on 18 May 2011. The document was reviewed in November 2019; no changes were considered necessary.

Governing Body

Governors are appointed in accordance with the Articles of Association.

All Governors are Directors of the Company and Trustees of the Charity.

Recruitment and training of Governors

New Governors are appointed on recommendation from the Appointments Committee who consider the skills, knowledge and experience required on the Board. The Board maintains a balance of both education and business skills. All new Governors are inducted into the workings of the school and also of the company as a registered charity. Training is provided annually through a range of external and internal programmes. The school is a member of AGBIS (Association of Governing Bodies of Independent Schools) who provide support and training on matters of governance.

The Governors, who are also the directors for the purpose of company law, and who served during the year were:

Mrs M Neilson	
Mr J A Allen FCA	
Mr T Leah BA(Hons) PGCE NPQH (Vice Chair)	(Resigned 26 September 2022)
Mr M Dunkley LLB (Hons) TEP (Chair)	
Mrs S Siesage BA (Hons) PGCE MBA NPQH	
Mrs J E Carroll BA (Hons) PG Cert (Vice Chair)	(Appointed 10 September 2021)
Ms C Salmon BA (Hons)	(Appointed 11 October 2021)

None of the Governors has any beneficial interest in the company. All of the Governors are members of the company and guarantee to contribute £1 in the event of a winding up.

Organisational structure

The Board of Governors administers the Trust and meets at least four times throughout the year. To assist in this process, sub-committees of Finance and Estates, Education, Remuneration and Appointments also meet regularly throughout the year. Powers are delegated to the Headmaster and Bursar for the day to day running of the school.

Group structure and relationships

The Trust has two wholly owned, dormant subsidiaries as follows:

- Leicester High School For Girls Limited
- Portland House Limited

Employee involvement

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment within the Trust continues and that the appropriate training is arranged. It is the policy of the Trust that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

Auditor

A resolution proposing that Somerbys Limited be reappointed as Auditor of the Trust will be put to the Annual General Meeting.

Disclosure of information to Auditor

Each of the Governors has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

On behalf of the Board of Governors

Mr M Dunkley LLB (Hons) TEP (Chair)
5 December 2022

LEICESTER HIGH SCHOOL CHARITABLE TRUST LIMITED

STATEMENT OF GOVERNORS' RESPONSIBILITIES

FOR THE YEAR ENDED 31 JULY 2022

The Governors, who are also the Directors of Leicester High School Charitable Trust Limited for the purpose of company law, are responsible for preparing the Governors' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Governors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Trust and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these accounts, the Governors are required to:

- select suitable accounting policies and then apply them consistently;

- observe the methods and principles in the Charities SORP;

- make judgements and 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 accounts; and

- prepare the accounts on the going concern basis unless it is inappropriate to presume that the Trust will continue in operation.

The Governors are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Trust and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

LEICESTER HIGH SCHOOL CHARITABLE TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF LEICESTER HIGH SCHOOL CHARITABLE TRUST LIMITED

Opinion

We have audited the financial statements of Leicester High School Charitable Trust Limited (the 'Trust') for the year ended 31 July 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 July 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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 Governors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

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 Governors 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Governors' report for the financial year for which the financial statements are prepared, which includes the directors' report and the strategic report prepared for the purposes of company law, is consistent with the financial statements; and
- the strategic report and the directors' report included within the Governors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Governors' 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 Governors

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

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the accounts 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 accounts.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

The risk of not detecting a material misstatement resulting from error is considered to be low. The risk of not detecting a material misstatement resulting from fraud is higher, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

In the context of Leicester High School Charitable Trust Limited, we have identified specific laws and regulations, such as the Independent Schools Standards; Education Act 2002; Education Regulations 2014; Protection of Children Act 1999 and general commercial laws and regulations, such as: Companies Act 2006; Charities Act 2011; Charity Commission guidance; Health and Safety legislation; GDPR and employment law.

Our understanding of the legal and regulatory framework applicable to Leicester High School Charitable Trust Limited and how the charitable company has complied with its obligations has been obtained by enquiry of management and those charged with governance.

As part of our enquiries we have discussed policies and procedures on compliance with laws and regulations and whether any instances of non compliance have occurred.

Our understanding of the charitable company's policies and procedures on fraud risk has been obtained through enquiry with management as to the control activities, operational systems in place and whether there is knowledge of any actual, suspected or alleged fraud.

We consider that the audit team collectively had the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations. During our audit work there were no significant instances of non-compliance identified.

In response to the audit risks identified in respect of irregularity and fraud, we have undertaken the following procedures:

- Enquiry of management, and those charged with governance around actual and potential litigation and claims.
- Enquiry of management to identify any instances of non-compliance with laws and regulations.
- Enquiry of management to identify any subsequent events that have occurred after the year end relating to this financial year.
- Reviewing legal expenses during and after the year end for evidence of non-compliance with laws and regulations.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

A further description of our responsibilities for the audit of the accounts is located on the Financial Reporting Council's website at: http://www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's Report.

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and regulations made under that Act. Our audit work has been undertaken so that we might state to the charitable company'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 charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.

6 December 2022

Marcus Dockerty FCA FCCA (Senior Statutory Auditor)
for and on behalf of Somerbys Limited

Chartered Accountants
Statutory Auditor

30 Nelson Street
Leicester
LE1 7BA

LEICESTER HIGH SCHOOL CHARITABLE TRUST LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 JULY 2022

Current financial year

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Total 2021 £
Income and endowments from:					
Donations and legacies	3	2,281	13,646	15,927	14,677
Income from charitable activities	4	3,716,023	-	3,716,023	3,524,625
Investments	5	466	-	466	122
Other income	6	-	-	-	78,358
Total income		3,718,770	13,646	3,732,416	3,617,782
Expenditure on:					
Expenditure on charitable activities	7	3,640,903	13,646	3,654,549	3,504,633
Finance costs		39,304	-	39,304	41,432
Total resources expended		3,680,207	13,646	3,693,853	3,546,065
Net income for the year/ Net incoming resources		38,563	-	38,563	71,717
Other recognised gains and losses					
Revaluation of tangible fixed assets		-	-	-	(350,242)
Actuarial loss on defined benefit pension schemes		(23,291)	-	(23,291)	-
Net movement in funds		15,272	-	15,272	(278,525)
Fund balances at 1 August 2021		4,212,675	-	4,212,675	4,491,200
Fund balances at 31 July 2022		4,227,947	-	4,227,947	4,212,675

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

LEICESTER HIGH SCHOOL CHARITABLE TRUST LIMITED

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 JULY 2022

Prior financial year

	Notes	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Income and endowments from:				
Donations and legacies	3	2,001	12,676	14,677
Income from charitable activities	4	3,524,625	-	3,524,625
Investments	5	122	-	122
Other income	6	78,358	-	78,358
Total income		3,605,106	12,676	3,617,782
Expenditure on:				
Expenditure on charitable activities	7	3,491,957	12,676	3,504,633
Finance costs		41,432	-	41,432
Total resources expended		3,533,389	12,676	3,546,065
Net incoming resources		71,717	-	71,717
Other recognised gains and losses				
Revaluation of tangible fixed assets		(350,242)	-	(350,242)
Net movement in funds		(278,525)	-	(278,525)
Fund balances at 1 August 2020		4,491,200	-	4,491,200
Fund balances at 31 July 2021		4,212,675	-	4,212,675

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

LEICESTER HIGH SCHOOL CHARITABLE TRUST LIMITED

BALANCE SHEET

AS AT 31 JULY 2022

	Notes	2022 £	2022 £	2021 £	2021 £
Fixed assets					
Tangible assets	12		4,951,265		4,967,632
Current assets					
Debtors	14	331,763		275,748	
Cash at bank and in hand		846,623		929,767	
		1,178,386		1,205,515	
Creditors: amounts falling due within one year	15	(404,767)		(364,994)	
Net current assets			773,619		840,521
Total assets less current liabilities			5,724,884		5,808,153
Creditors: amounts falling due after more than one year	16		(1,496,937)		(1,595,478)
Net assets			4,227,947		4,212,675
Income funds					
Unrestricted funds			4,227,947		4,212,675
			4,227,947		4,212,675

The accounts were approved by the Governors on 5 December 2022

Mr M Dunkley LLB (Hons) TEP (Chair)

Company Registration No. 01204450

LEICESTER HIGH SCHOOL CHARITABLE TRUST LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 JULY 2022

	Notes	2022 £	2022 £	2021 £	2021 £
Cash flows from operating activities					
Cash generated from operations	22		42,079		154,129
Investing activities					
Purchase of tangible fixed assets		(29,157)		(40,196)	
Interest received		466		122	
Net cash used in investing activities			(28,691)		(40,074)
Financing activities					
Repayment of bank loans		(96,532)		(78,595)	
Net cash used in financing activities			(96,532)		(78,595)
Net (decrease)/increase in cash and cash equivalents			(83,144)		35,460
Cash and cash equivalents at beginning of year			929,767		894,307
Cash and cash equivalents at end of year			846,623		929,767

1 Accounting policies

1.1 Accounting convention

These accounts have been prepared in accordance with FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", "Accounting and Reporting by Charities" the Statement of Recommended Practice for charities applying FRS102, the Companies Act 2006 and UK Generally Accepted Accounting Practice as it applies from 1 January 2015. The charity is a Public Benefit Entity as defined by FRS102.

The accounts have been prepared under the historical cost convention.

The Trust has taken advantage of the exemptions provided by Section 405 of the Companies Act 2006 not to prepare group accounts as the subsidiary undertakings are not material for the purpose of giving a true and fair view. The financial statements present information about the charity as an individual company and not about its group.

1.2 Going concern

At the time of approving the financial statements, the Governors have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future and they continue to adopt the going concern basis of accounting in preparing the financial statements. The Governors have considered a period of 12 months from the date of approval of the accounts. Further information on the matters that the Governors have considered is included within the Trustees Report.

1.3 Charitable funds

Designated funds comprise funds which have been set aside at the discretion of the Governors for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Unrestricted funds are available at the discretion of the Trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts.

1.4 Incoming resources

Donations are accounted for as and when the entitlement arises, the amount can be quantified and the economic benefit to the school is considered probable.

Fees receivable are accounted for in the year in which the service is provided after deducting bursaries, scholarships and other remissions granted by the school.

Investment income is accounted for on an accruals basis.

1.5 Resources expended

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

1 **Accounting policies** **(Continued)**

Expenditure is summarised under functional headings on a direct cost basis or apportioned according to management estimates of the amount attributable to that activity in the year, either by reference to staff time or space occupied, as appropriate.

Governance costs comprise the costs of running the Trust, including strategic planning for its future development, internal and external audit, and all the costs of complying with constitutional and statutory requirements, such as the costs of Board and Committee meetings and of preparing statutory accounts and satisfying public accountability.

1.6 Tangible fixed assets

Tangible fixed assets other than freehold land and buildings are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Fixtures, fittings & equipment	3-8 years
Motor vehicles	3 years

Fixed assets under £1,000 in value are not capitalised but treated as revenue expenditure in the year of purchase.

Freehold land and buildings are included at valuation, all gains and losses arising on the valuation of the properties are shown in the statement of financial activities.

The carrying values of the freehold land and buildings are reviewed annually for impairment. If events or changes in circumstances indicate that the carrying value may not be recoverable, the value of the freehold land and buildings will be adjusted through the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the Trust reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment.

1.8 Financial instruments

The Trust has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Trust's balance sheet when the Trust becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

1 Accounting policies **(Continued)**

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

1.9 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

2 Critical accounting estimates and judgements

In the application of the Trust's accounting policies, the Governors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements

There are no critical judgements (apart from those involving estimates) in applying the Trust's accounting policies.

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets.

Freehold Property

The Trust carries its freehold property at fair value at each reporting end date, with changes in fair value being recognised in the statement of financial activities.

3 Donations and legacies

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Miscellaneous donations	31	13,646	13,677	12,676
Donated deposits from leaving pupils	2,250	-	2,250	1,750
Gift Aid	-	-	-	251
	2,281	13,646	15,927	14,677

4 Income from charitable activities

	School fees	Less: total bursaries, grants and allowances	School trips/meals and other income	Total 2022	Total 2021
	£	£	£	£	£
Income for the year	3,872,336	(371,050)	214,737	3,716,023	3,524,625

5 Investments

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Bank interest received	466	122

6 Other income

	Total	Unrestricted funds
	2022	2021
	£	£
Job Retention Scheme Grant	-	78,358

7 Expenditure on charitable activities

	Teaching	Premises	Welfare	Support costs of schooling	Total 2022	Total 2021
	£	£	£	£	£	£
Staff costs	2,321,159	148,269	73,318	327,904	2,870,650	2,904,556
Depreciation	-	45,524	-	-	45,524	58,626
Other costs	210,078	243,538	48,067	190,027	691,710	493,955
	2,531,237	437,331	121,385	517,931	3,607,884	3,457,137
Governance costs	-	-	-	46,665	46,665	47,496
	2,531,237	437,331	121,385	564,596	3,654,549	3,504,633

8 Auditor's remuneration

Governance costs includes payments to the auditor of £6,360 (2021: £6,240) in respect of audit fees.

9 Governors

During the year £864 (2021: £351) of expenses were reimbursed to two Governors in respect of travel expenses. No remuneration was paid to Governors in the year.

10 Employees

Number of employees

The average number of employees during the year was:

	2022	2021
Teaching	41	43
Non-teaching	49	50
	90	93

Employment costs	2022	2021
	£	£
Wages and salaries	2,257,654	2,289,651
Social security costs	218,038	214,387
Other pension costs	394,958	400,518
	2,870,650	2,904,556

The number of employees whose annual remuneration (excluding pension contributions) was £60,000 or more were:

	2022 Number	2021 Number
Between £60,000 and £70,000	1	1
Between £90,000 and £100,000	1	1

Remuneration and benefits paid to key management personnel totalled £265,023 (2021: £268,987) for the year.

Of the employees whose emoluments exceed £60,000, 2 (2021: 2) have retirement benefits accruing under defined benefit pension schemes.

11 Taxation

The Trust's activities fall within the exemptions from income tax and corporation tax conferred to registered charities.

12 Tangible fixed assets

	Land and buildings	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£
Cost or valuation				
At 1 August 2021	4,850,000	1,771,304	30,831	6,652,135
Additions	-	29,157	-	29,157
At 31 July 2022	4,850,000	1,800,461	30,831	6,681,292
Depreciation				
At 1 August 2021	-	1,653,672	30,831	1,684,503
Depreciation charged in the year	-	45,524	-	45,524
At 31 July 2022	-	1,699,196	30,831	1,730,027
Carrying amount				
At 31 July 2022	4,850,000	101,265	-	4,951,265
At 31 July 2021	4,850,000	117,632	-	4,967,632

Freehold land and buildings were valued on 16 September 2021 by Aitchison Raffety, Chartered Surveyors, on an existing use value at £4,850,000. The valuation included modular buildings that had previously been separately capitalised and subject to annual depreciation. At 31 July 2021 the modular buildings were transferred into the heading of land and buildings and as from 1 August 2021 the modular buildings have no longer been depreciated and will instead be subject to periodic valuation reviews along with the land and buildings generally. The Governors consider that the valuation received is appropriate as at 31 July 2022.

The historical cost of the freehold land and buildings is £6,447,292 (2021: £6,447,292).

The net book amount in respect of land included in freehold land and buildings is £1,050,000 (2021: £1,050,000).

All assets are used directly for charitable purpose except for a small proportion of the buildings and equipment which are used in the administration of the school.

13 Fixed asset investments

The Trust holds 100% (2 shares) of the £1 ordinary share capital of two dormant companies as follows:

Leicester High School for Girls Limited
Portland House Limited

The shares have been valued at £Nil as the companies have been dormant since incorporation.

14 Debtors

Amounts falling due within one year:	2022 £	2021 £
Trade debtors	232,114	194,314
Prepayments and accrued income	99,649	81,434
	331,763	275,748

15 Creditors: amounts falling due within one year

	2022 £	2021 £
Loans and overdrafts	98,870	96,611
Taxation and social security	55,449	51,104
Fees received in advance	6,168	15,616
Trade creditors	42,068	33,939
Other creditors	119,684	97,369
Accruals and deferred income	82,528	70,355
	404,767	364,994

Bank borrowings are secured against the freehold land and buildings.

Included in other creditors due within one year are repayable deposits of £13,500 (2021 - £14,050) made by parents which are normally repayable when the pupil leaves the school.

Deferred income relates to income received for school trips that are planned to occur in the next school year and will be recognised upon the date the trips take place.

16 Creditors: amounts falling due after more than one year

	2022 £	2021 £
Bank loans	1,419,437	1,518,228
Repayable deposits	77,500	77,250
	1,496,937	1,595,478
Loan maturity analysis		
In more than one year but not more than two years	101,244	98,870
In more than two years but not more than five years	988,151	1,053,765
In more than five years	330,042	365,593
	1,419,437	1,518,228

Bank borrowings are secured against the freehold land and buildings.

17 Guarantee

The Trust, being a company limited by guarantee, has no share capital.

Every member of the Trust is liable, on winding up, contributing an amount not exceeding £1 towards the liabilities of the Trust.

At 31 July 2022 guarantees to the value of £7 (2021: £5) could be exercised.

18 Restricted funds

	Movement in funds			Movement in funds		
	Incoming resources	Resources expended	Balance at 1 August 2021	Incoming resources	Resources expended	Balance at 31 July 2022
	£	£	£	£	£	£
Donation towards sixth form scholarship	12,526	(12,526)	-	12,526	(12,526)	-
Donation towards bursary fund	150	(150)	-	120	(120)	-
Donation towards drama and music subjects	-	-	-	1,000	(1,000)	-
	12,676	(12,676)	-	13,646	(13,646)	-

19 Analysis of net assets between funds

	Unrestricted	Restricted	Total
	£	£	£
Fund balances at 31 July 2022 are represented by:			
Tangible assets	4,951,265	-	4,951,265
Current assets	773,619	-	773,619
Long term liabilities	(1,496,937)	-	(1,496,937)
	4,227,947	-	4,227,947

20 Operating lease commitments

At the reporting end date the Trust had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2022	2021
	£	£
Within one year	19,518	15,570
Between two and five years	13,757	13,950
	33,275	29,520

21 Related party transactions

There were no disclosable related party transactions during the year (2021 - none).

22 Cash generated from operations

	2022	2021
	£	£
Surplus/(deficit) for the year	38,563	71,717
Adjustments for:		
Investment income recognised in statement of financial activities	(466)	(122)
Depreciation and impairment of tangible fixed assets	45,524	58,626
Difference between pension charge and cash contributions	(23,291)	-
Movements in working capital:		
(Increase)/decrease in debtors	(56,015)	26,155
Increase/(decrease) in creditors	37,764	(2,247)
Cash generated from operations	42,079	154,129

23 Analysis of changes in net (debt)/funds

	At 1 August 2021	Cash flows	At 31 July 2022
	£	£	£
Cash at bank and in hand	929,767	(83,144)	846,623
Loans falling due within one year	(96,611)	(2,259)	(98,870)
Loans falling due after more than one year	(1,518,228)	98,791	(1,419,437)
	(685,072)	13,388	(671,684)

24 Pension and other post-retirement benefit commitments

The Teachers' Pension Scheme

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £346,848 (2021: £353,652) and at the year-end £28,327 (2021: £30,126) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2016 and the Valuation Report, which was published in March 2019, confirmed that the employer contribution rate for the TPS would increase from 16.4% to 23.6% from 1 September 2019. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%.

The 31 March 2016 Valuation Report was prepared in accordance with the benefits set out in the scheme regulations and under the approach specified in the Directions, as they applied at 5 March 2019. However, the assumptions were considered and set by the Department for Education prior to the ruling in the 'McCloud/Sargeant case'. This case has required the courts to consider cases regarding the implementation of the 2015 reforms to Public Service Pensions including the Teachers' Pensions.

On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied. The government announced on 4 February 2021 that it intends to proceed with a deferred choice underpin under which members will be able to choose either legacy or reformed scheme benefits in respect of their service during the period between 1 April 2015 and 31 March 2022 at the point they become payable.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020, and a consultation was launched on 24 June on proposed changes to the cost control mechanism following a review by the Government Actuary. Following a public consultation, the Government have accepted three key proposals recommended by the Government Actuary, and are aiming to implement these changes in time for the 2020 valuations.

The 2016 cost control valuations have since been completed in January 2022, and the results indicated that there would be no changes to benefits or member contributions required. The results of the cost cap valuation are not used to set the employer contribution rate, and HM Treasury has confirmed that any changes to the employer contribution rate resulting from the 2020 valuations will take effect in April 2024.

Until the 2020 valuation is completed it is not possible to conclude on any financial impact or future changes to the contribution rates of the TPS. Accordingly, no provision for any additional past benefit pension costs is included in these financial statements.

The Independent Schools' Pension Scheme

The School participates in the scheme, a multi-employer scheme which provides benefits to some 61 non-associated employers. The scheme is a defined benefit scheme in the UK. It is not possible for the School to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

24 Pension and other post-retirement benefit commitments **(Continued)**

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore the School is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out with an effective date of 30 September 2020. This actuarial valuation was certified on 22 December 2021 and showed assets of £201.1m, liabilities of £256.3m and a deficit of £55.2m. To eliminate this funding shortfall, the trustees and the participating employers have agreed that additional contributions will be paid, in combination from all employers, to the scheme as follows:

Deficit contributions

From 1 September 2022 to 30 June 2032:	£2,687,000 per annum
(payable monthly and increasing by 3% on each 1st September)	

Note that the scheme's previous valuation was carried out with an effective date of 30 September 2017. This valuation showed assets of £149.4m, liabilities of £187.6m and a deficit of £38.2m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

From 1 September 2019 to 30 April 2030:	£2,387,357 per annum
(payable monthly and increasing by 3% on each 1st September)	

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the scheme liabilites.

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

24 Pension and other post-retirement benefit commitments **(Continued)**

PRESENT VALUES OF PROVISION

	31 July 2022	31 July 2021	31 July 2020
	£	£	£
Present value of provision	49,681	29,211	32,232

RECONCILIATION OF OPENING AND CLOSING PROVISIONS

	31 July 2022	31 July 2021
	£	£
Provision at start of period	29,211	32,232
Unwinding of the discount factor (interest expense)	288	257
Deficit contribution paid	(3,109)	(3,019)
Remeasurements - impact of any change in assumptions	(5,649)	(259)
Remeasurements - amendments to the contribution schedule	28,940	-
Provision at end of period	49,681	29,211

INCOME AND EXPENDITURE IMPACT

	31 July 2022	31 July 2021
	£	£
Interest expense	288	257
Remeasurements – impact of any change in assumptions	(5,649)	(259)
Remeasurements - amendments to the contribution schedule	28,940	-
Costs recognised in income and expenditure account	20,941	20,104

24 Pension and other post-retirement benefit commitments **(Continued)**

ASSUMPTIONS

	31 July 2022 % per annum	31 July 2021 % per annum	31 July 2020 % per annum
Rate of discount	3.24	1.04	0.84

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

The following schedule details the deficit contributions agreed between the School and the scheme at each year end period:

DEFICIT CONTRIBUTIONS SCHEDULE

Year ending	31 July 2022 £	31 July 2021 £	31 July 2020 £
Year 1	4,994	3,109	3,019
Year 2	5,307	3,202	3,109
Year 3	5,466	3,299	3,202
Year 4	5,630	3,397	3,299
Year 5	5,799	3,499	3,397
Year 6	5,973	3,604	3,499
Year 7	6,152	3,713	3,604
Year 8	6,337	3,824	3,713
Year 9	6,527	2,952	3,824
Year 10	6,161	-	2,952
Year 11	-	-	-
Year 12	-	-	-
Year 13	-	-	-
Year 14	-	-	-
Year 15	-	-	-
Year 16	-	-	-
Year 17	-	-	-
Year 18	-	-	-
Year 19	-	-	-
Year 20	-	-	-

The School must recognise a liability measured as the present value of the contributions payable that arise from the deficit recovery agreement and the resulting expense in the income and expenditure account i.e. the unwinding of the discount rate as a finance cost in the period in which it arises.

It is these contributions that have been used to derive the balance sheet liability.

LEICESTER HIGH SCHOOL CHARITABLE TRUST LIMITED

England & Wales - Charity number 503982

Accounts

Charity Registration No. 503982

Company Registration No. 01204450 (England and Wales)

LEICESTER HIGH SCHOOL CHARITABLE TRUST LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2021

SOMERBYS LIMITED
CHARTERED ACCOUNTANTS
30 NELSON STREET
LEICESTER
LE1 7BA

LEICESTER HIGH SCHOOL CHARITABLE TRUST LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Governors	Mrs M Neilson	
	Mr J A Allen FCA	
	Mr T Leah BA(Hons) PGCE NPQH (Vice Chair)	
	Mr M Dunkley LLB (Hons) TEP (Chair)	
	Mrs S Siesage BA (Hons) PGCE MBA NPQH	
	Mrs J E Carroll BA (Hons) PG Cert	(Appointed 10 September 2021)
	Ms C Salmon BA (Hons)	(Appointed 11 October 2021)
Secretary and Bursar	E Mackay	
Headmaster	Mr A Whelpdale BA PGCE NPQH	
Charity number	503982	
Company number	01204450	
Registered office	454 London Road Leicester LE2 2PP	
Auditor	Somerbys Limited 30 Nelson Street Leicester LE1 7BA	
Bankers	HSBC Plc 2-6 Gallowtree Gate Leicester LE1 1DA	
	Allied Irish Bank (GB) Byron House Maid Marian Way Nottingham NG1 6HS	
	Handelsbanken Provincial House 37 New Walk Leicester LE1 6TU	
Solicitors	Shakespeare Martineau LLP One Colton Square Leicester LE1 1QH	

LEICESTER HIGH SCHOOL CHARITABLE TRUST LIMITED

CONTENTS

	Page
Governors' report	1 - 7
Statement of Governors' responsibilities	8
Independent auditor's report	9 - 11
Statement of financial activities	12 - 13
Balance sheet	14
Statement of cash flows	15
Notes to the financial statements	16 - 28

LEICESTER HIGH SCHOOL CHARITABLE TRUST LIMITED

GOVERNORS' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 JULY 2021

The Governors, who are also Directors and Trustees of the Trust, present their report and audited financial statements for the year ended 31 July 2021.

Reference and administrative information

The Trust is a charitable company founded in 1975, with the liability of its members limited to £1 each by guarantee.

The Trust's Governors, Officers and principal address are as listed within the legal and administrative information at the front of this document. Particulars of the Trust's professional advisers are also given within this information.

Objectives and activities

The Trust's objective and principal activity continues to be the promotion of girls' education, based on Christian principles according to the doctrines of the Church of England, and remain unchanged from previous years.

Aims and intended impact

At the School, through its teaching, the Trust aims:

To provide an exceptional and 'boutique' all-round education which will prepare our students for happy and fulfilling lives, and, therefore, during their years with us creating memories that will last a life-time.

- to create a friendly, caring community where every individual is valued
- to develop intellectual curiosity, academic excellence and a life-long love of learning
- to discover and nurture individual talents, creativity and self-belief
- to develop personal values of respect, acceptance, understanding and determination to succeed

Objectives for the year

The Trust's main objective continued to be to educate the school's pupils to an excellent academic standard as achieved by the School in previous years. The Governing Body has the following strategic targets:

a. **Finance** – to secure the long term health and viability of the school by developing a strategic plan to realise and secure the school's aims and objectives and by regular monitoring of its financial position with appropriate responsive action where required.

b. **Estates –** to maintain and develop the school site, and its facilities, to provide a high quality educational experience for all stakeholders.

c. **Educational experience** – to continue to be committed to providing a broad, high quality experience for students from the early years to the sixth form and beyond.

d. **Responding to demographic change** – to respond to demographic change to ensure the school is best placed to continue to meet its aims.

The Governors have paid due regard to guidance issued by the Charity Commission in deciding what activities the Trust should undertake.

Principal activities of the year

The primary focus was, as always, on the continual achievement of high performance in all areas of the curriculum: academic, pastoral, sporting and expressive arts – alongside a continuing commitment to development, especially leadership, service and responsibility. Another equally important focus has been to widen further access to the education provided by the School, and to develop an aspirational culture. These aims have continued to be developed and actioned despite the unprecedented times of COVID-19.

In a bid to maintain and improve our high academic performance, there has been a continued emphasis on Teaching and Learning, ensuring that pedagogical methods are varied and highly effective. One of our aims has been to strengthen our commitment to those identified as highly able and those who are on the SEND Register, and this commitment has been reflected in the CPD offered to staff in both of these important areas.

Needless to say, the COVID-19 pandemic has impacted hugely on all schools and Leicester High School has been adapting to the 'new normal' on a daily basis. Our primary concerns throughout these challenging times have been to continue to provide our students with a relevant and purposeful education, and maintain a safe environment for both students and staff; these aims have been achieved to an exceptionally high standard, as indicated by the School's outstanding GCSE and A Level results.

The dedication of all staff has resulted in the School operating as normal as possible: open throughout the academic year 2020/21 and very few absences of either students or members of staff. The procedures we put in to place, to safeguard our community, have been rigorously monitored and maintained. Governors have worked diligently with the Leadership team to ensure the highest possible standards of site management, risk assessments and hygiene have been maintained at all times. The Leicester High Community have worked together in an inspirational way to bring about this success.

The pastoral care we offer our students is a strength of the School, and continued to be so during the last academic year. All students who were self-isolating, or ill, were personally contacted by their pastoral Head of Year. The Headmaster similarly contacted members of staff who were absent for reasons connected to Covid-19. The School nurse played a significant part in supporting our community.

Innovative systems were put in place during lockdown and these have continued to be embedded in to the life of the School. A paperless tracking and reporting system is currently being created which was trialled at the end of the Summer Term. All Parents' Evenings are now on-line and parents have been keen to register their satisfaction. The School is committed to creating innovative opportunities to bring parents in to School: there is a Daughter/Parents Tennis Competition and a Daughter/Parent Badminton Competition scheduled for the Autumn Term 2021.

Our members of staff have learnt much from the pandemic and digital skills, in particular, have been developed and hugely improved as a tool to enhance classroom teaching. In addition, the Headmaster, in consultation with all stakeholders of the School has created a new Vision for Leicester High, which has been promoted and embedded throughout the School since September 2021.

As a School, we value the extra-curricular trips and visits that we are able to offer our students; all of which enrich student experience, and create memories that last a life-time. We are always keen to broaden our students' perspectives, build resilience and develop a wide appreciation of the world. Trips and visits play a significant part in the life of the School, however, due to Covid restrictions the School vetoed all residential trips and all, but absolutely essential, curriculum visits. GCSE and A Level students attended several productive remote conferences.

As a School, we are proud of our diverse community which reflects the multi-ethnic demograph of the city of Leicester. However, we recognise that with an issue as important as diversity and inclusion there is always more work to be done.

Leicester High School believes that Black Lives Matter, and embraces the underlying tenets of the movement, and is working to further ensure equality in all areas of school life. Heads of Department are reviewing their curriculum; a dedicated blog post is released every half term to update the wider Leicester High School community on progress made and initiatives actioned. Former students have been invited to meet with the Headmaster and share their stories in relation to their experiences at Leicester High School. Governors are looking into improving the diversity of their body. The School is also actively engaging with key figures in the area of race-relations to further develop our commitment to equality, diversity and inclusivity. Also, all employment opportunities are now advertised on the BAME website.

Student numbers at the beginning of the academic year were lower than usual, due to the impact of Covid-19. They remained at this level throughout the year. Individual tours were suspended for much of the academic year and our annual Open Day was, quite rightly, converted in to an on-line experience.

Strategic report

The description under the headings "Achievements and performance" and "Financial review" meet the company law requirements for the Governors to present a strategic report.

Achievements and performance

The students achieved excellent results in the 2021 public examinations. At A level, we celebrated 100% A* to C pass-rate: with 76% of all A Levels grades A* and A. The A levels results were a true reflection of the cohort's ability, significantly above the national average and some of the best results gained in a decade. There were no published league tables, but the School remains one of the top 200 schools in the country.

At GCSE, the 9-4 pass rate was 100%. The 9-7 pass rate was 81%, with 34% of all GCSE's awarded the top grade (9). The results overall highlighted the School's continued success and considerable positive added-value at this level. These results again confirm the School's place in the top 100 Independent Schools for GCSE.

The GCSE and A Level results reflect the hard work and application of both students and staff, and demonstrate the strength of our on-line teaching during the previous year. At Leicester High there was little need for 'catch-up' sessions because the remote teaching was of such a consistently high standard.

The process for the Teacher Assessed Grades was rigorous and meticulous in every way. All grades were evidenced and this process was explained, both explicitly and transparently, to students and their parents. There were no appeals following the public examination results.

Fundraising performance

During the year the School received grants and donations as set out in note 3 of the financial statements.

Public benefit

The Governing Body are committed to offering bursary support to students whose families would not otherwise be in a position to pay full school fees. Bursary support of up to 100% of fees is currently offered; 41 students (2020: 45 students) received bursary support in the year and 6 students received 100% support from external benefactors.

42 students (2020: 36 students) received academic/music scholarships in the year

We continued to make strenuous efforts with our marketing to ensure that as many parents as possible are aware of our scholarships and bursary support. We also continue to liaise with local charities in a bid to increase the number of scholarships and bursaries that we are able to offer.

The School has developed a comprehensive programme of working with the community which provides mutual benefit. We are committed to the further development of this activity which includes developing and building on links with local primary schools, through measures including our series of Saturday Masterclasses which take place every half term. These sessions are designed for Year 5 girls from maintained primary schools across the city and the county. The sessions are provided free of charge and have encouraged over 500 students from approx. 45 Primary schools to visit the School and benefit from subject taster sessions. This programme was interrupted due to COVID-19 and will resume as soon as restrictions allow. There were plans to extend this model to Year 10 students from local 11-16 schools, however this expansion has been paused due to the ongoing restrictions. The Science Department also offer Science Superstars sessions which run for five weeks in the Summer Term, after school which allows girls from local primaries to gain a more in-depth introduction to a science topic. Plans are in place to resume all of these activities as soon as we are able to do so. The School is planning to resurrect all of the above at the beginning of the academic year 2021/22.

Our Partnerships Officer continues to develop links with local nurseries, including offering of the School's facilities and staff, including the School Nurse who will provide talks on relevant health matters. Although face to face meetings and events have been stopped, contact is being maintained remotely and via telephone conversations.

Within the wider community, the School links with local businesses through its popular Shop Local discount scheme.

A large scale networking and careers event was held, in conjunction with Leading Ladies, for International Women's Day. This took place shortly before lockdown and was promoted to the School and local community. It also provided an opportunity to engage with local schools, who were offered free places to attend.

The School offers its facilities to hire at a competitive rate to local groups within the community that promote the education of young people.

Although the School had to stop offering external room hire during 2020/21 academic year, the School was actively used by academic groups, performing arts, taekwondo and ballet groups before the pandemic. The hall and art room were used by sketch/art clubs several times a year. The halls are also used for a holiday club and weekly yoga clubs. In addition, our facilities are used for ad hoc meetings/children's parties/music rehearsals, as the site provides a contained and safe environment with good parking facilities.

Financial review

The Independent School Sector is facing a number of unprecedented challenges resulting from evolving government, political and economic strategy. In addition to this COVID-19 has brought its own challenges with the School being subject to national restrictions and lockdown measures. The Governors are continuing to monitor the impact on the School very closely.

Whilst the School stayed open during lockdown for key worker children most of our students were educated remotely at home. Fees were frozen during 2020/21, pupil numbers were lower than expected due to restrictions over marketing the school, however with the extension of the furlough grant, controlling costs, and managing the maintenance programe we were able to achieve a surplus.

Net fees received for the year were £3,453,326 (2020: £3,409,718).

The net increase in income resulted in a £71,717 surplus (2020: £31,483 deficit). At the year end, funds stand at £4,212,675 (2020: £4,491,200).

The Governors have pro-actively monitored cash flow in detail throughout the pandemic and the School is in a much better position than was first forecast, largely due to the continuation of the Job Retention Scheme, cost control and the recovery of debts.

The School will continue to invest prudently in buildings, refurbishments and resources for its future development and the Board will ensure that any surplus income will be put back into the School.

Going concern

We have prepared a number of scenarios that consider our cash position, sources of income and planned expenditure. This includes the continuing impact of COVID-19 on operations. These scenarios consider reduced pupil numbers, delayed fee payment, reduced fees and potential bad debts as well as impact on costs from the measures taken so far. Sensitivity around these assumptions has also been considered in our forecasting. Results of this cash flow and sensitivity analysis indicate that the cash reserves of the charity are adequate to meet the charity's obligations as they fall due.

Having regard to the above, the trustees believe it appropriate to adopt the going concern basis of accounting in preparing the financial statements.

Reserves policy

The School aims to hold enough reserves to cover at least one term's operating costs plus capital repayments due on the loan, at any month end during a financial year. Reserves are those considered to be readily available cash balances. In the year ended 31 July 2021 the target had been met.

Risk management

The Governors have assessed the major operational and financial risks, to which the Trust is exposed, paying particular attention to the current COVID-19 risks. The Governors have updated the risk register for this, and are satisfied that adequate controls are in place to mitigate its exposure to these risks. This register is maintained and reviewed by the Board annually.

The Governors are aware of the impact of the increase in Teachers' Pension Scheme contributions from September 2019 and the School started a consultation process during the Spring Term 2021.

The Board continues to review the school's estate and is committed to the maintenance and provision of high quality educational facilities. The key objective is to maintain pupil numbers which will ensure the continued provision of a high quality educational experience for the students.

Insurance

The cost of Governors' liability and professional indemnity insurance taken out by the Trust in the year amounted to £1,123 (2020: £1,071); the level of cover was £2,000,000.

Structure, governance and management

Governing document

The Trust is governed by its Articles of Association, last amended on 18 May 2011. The document was reviewed in November 2019; no changes were considered necessary.

Governing Body

Governors are appointed in accordance with the Articles of Association.

All Governors are Directors of the Company and Trustees of the Charity.

Recruitment and training of Governors

New Governors are appointed on recommendation from the Appointments Committee who consider the skills, knowledge and experience required on the Board. The Board maintains a balance of both education and business skills. All new Governors are inducted into the workings of the school and also of the company as a registered charity. Training is provided annually through a range of external and internal programmes. The school is a member of AGBIS (Association of Governing Bodies of Independent Schools) who provide support and training on matters of governance.

The Governors, who are also the directors for the purpose of company law, and who served during the year were:

Mrs M Bowler JP BA (Hons)	(Resigned 2 July 2021)
Mrs M Neilson	
Mr J A Allen FCA	
Mr T Leah BA(Hons) PGCE NPQH (Vice Chair)	
Mr M Dunkley LLB (Hons) TEP (Chair)	
Mrs K Mayes BSc (Hons) FCA	(Resigned 2 July 2021)
Mrs S Siesage BA (Hons) PGCE MBA NPQH	
Mr J Tomlinson MA (Hons) FCA	(Resigned 2 July 2021)
Mr M Joannou BSc (Hons) PGCE, MEd	(Resigned 22 June 2021)
Mrs J E Carroll BA (Hons) PG Cert	(Appointed 10 September 2021)
Ms C Salmon BA (Hons)	(Appointed 11 October 2021)

None of the Governors has any beneficial interest in the company. All of the Governors are members of the company and guarantee to contribute £1 in the event of a winding up.

Organisational structure

The Board of Governors administers the Trust and meets at least four times throughout the year. To assist in this process, sub-committees of Finance and Estates, Education, Remuneration and Appointments also meet regularly throughout the year. Powers are delegated to the Headmaster and Bursar for the day to day running of the school.

Group structure and relationships

The Trust has two wholly owned, dormant subsidiaries as follows:

- Leicester High School For Girls Limited
- Portland House Limited

Employee involvement

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment within the Trust continues and that the appropriate training is arranged. It is the policy of the Trust that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

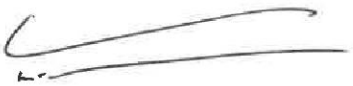
Auditor

A resolution proposing that Somerbys Limited be reappointed as Auditor of the Trust will be put to the Annual General Meeting.

Disclosure of information to Auditor

Each of the Governors has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

On behalf of the Board of Governors



Mr M Dunkley LLB (Hons) TEP (Chair)
29 November 2021

LEICESTER HIGH SCHOOL CHARITABLE TRUST LIMITED

STATEMENT OF GOVERNORS' RESPONSIBILITIES

FOR THE YEAR ENDED 31 JULY 2021

The Governors, who are also the Directors of Leicester High School Charitable Trust Limited for the purpose of company law, are responsible for preparing the Governors' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Governors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Trust and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these accounts, the Governors are required to:

- select suitable accounting policies and then apply them consistently;

- observe the methods and principles in the Charities SORP;

- make judgements and 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 accounts; and

- prepare the accounts on the going concern basis unless it is inappropriate to presume that the Trust will continue in operation.

The Governors are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Trust and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

LEICESTER HIGH SCHOOL CHARITABLE TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE GOVERNORS OF LEICESTER HIGH SCHOOL CHARITABLE TRUST LIMITED

Opinion

We have audited the financial statements of Leicester High School Charitable Trust Limited (the 'Trust') for the year ended 31 July 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 July 2021 and of its incoming resources and application of resources, 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.

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 Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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 Governors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

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 Governors 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Governors' report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Governors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Governors' 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 Governors

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

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the accounts 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 accounts.

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.

The risk of not detecting a material misstatement resulting from error is considered to be low. The risk of not detecting a material misstatement resulting from fraud is higher, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

In the context of Leicester High School Charitable Trust Limited, we have identified specific laws and regulations, such as the Independent Schools Standards; Education Act 2002; Education Regulations 2014; Protection of Children Act 1999 and general commercial laws and regulations, such as: Companies Act 2006; Charities Act 2011; Charity Commission guidance; Health and Safety legislation; GDPR and employment law.

Our understanding of the legal and regulatory framework applicable to Leicester High School Charitable Trust Limited and how the charitable company has complied with its obligations has been obtained by enquiry of management and those charged with governance.

As part of our enquiries we have discussed policies and procedures on compliance with laws and regulations and whether any instances of non compliance have occurred.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE GOVERNORS OF LEICESTER HIGH SCHOOL CHARITABLE TRUST LIMITED

Our understanding of the charitable company's policies and procedures on fraud risk has been obtained through enquiry with management as to the control activities, operational systems in place and whether there is knowledge of any actual, suspected or alleged fraud.

We consider that the audit team collectively had the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations. During our audit work there were no significant instances of non-compliance identified.

In response to the audit risks identified in respect of irregularity and fraud, we have undertaken the following procedures:

- Enquiry of management, and those charged with governance around actual and potential litigation and claims.
- Enquiry of management to identify any instances of non-compliance with laws and regulations.
- Enquiry of management to identify any subsequent events that have occurred after the year end relating to this financial year.
- Reviewing legal expenses during and after the year end for evidence of non-compliance with laws and regulations.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

A further description of our responsibilities for the audit of the accounts is located on the Financial Reporting Council's website at: http://www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's Report.

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and regulations made under that Act. Our audit work has been undertaken so that we might state to the charitable company'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 charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.

Marcus Dockerty FCA FCCA (Senior Statutory Auditor)
for and on behalf of Somerbys Limited

29 November 2021

Chartered Accountants
Statutory Auditor

30 Nelson Street
Leicester
LE1 7BA

LEICESTER HIGH SCHOOL CHARITABLE TRUST LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 JULY 2021

Current financial year

	Notes	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Total 2020 £
Income and endowments from:					
Donations and legacies	3	2,001	12,676	14,677	42,072
Income from charitable activities	4	3,524,625	-	3,524,625	3,653,607
Investments	5	122	-	122	2,475
Other income	6	78,358	-	78,358	130,596
Total income		3,605,106	12,676	3,617,782	3,828,750
Expenditure on:					
Expenditure on charitable activities	7	3,491,957	12,676	3,504,633	3,795,316
Finance costs		41,432	-	41,432	64,917
Total resources expended		3,533,389	12,676	3,546,065	3,860,233
Net income/(expenditure) for the year/ Net incoming/(outgoing) resources		71,717	-	71,717	(31,483)
Other recognised gains and losses					
Revaluation of tangible fixed assets		(350,242)	-	(350,242)	-
Net movement in funds		(278,525)	-	(278,525)	(31,483)
Fund balances at 1 August 2020		4,491,200	-	4,491,200	4,522,683
Fund balances at 31 July 2021		4,212,675	-	4,212,675	4,491,200

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

LEICESTER HIGH SCHOOL CHARITABLE TRUST LIMITED

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 JULY 2021

Prior financial year

	Notes	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
Income and endowments from:				
Donations and legacies	3	41,909	163	42,072
Income from charitable activities	4	3,653,607	-	3,653,607
Investments	5	2,475	-	2,475
Other income	6	130,596	-	130,596
Total income		3,828,587	163	3,828,750
Expenditure on:				
Expenditure on charitable activities	7	3,795,153	163	3,795,316
Finance costs		64,917	-	64,917
Total resources expended		3,860,070	163	3,860,233
Net incoming/(outgoing) resources		(31,483)	-	(31,483)
Other recognised gains and losses				
Net movement in funds		(31,483)	-	(31,483)
Fund balances at 1 August 2019		4,522,683	-	4,522,683
Fund balances at 31 July 2020		4,491,200	-	4,491,200

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

LEICESTER HIGH SCHOOL CHARITABLE TRUST LIMITED

BALANCE SHEET

AS AT 31 JULY 2021

	Notes	2021 £	2021 £	2020 £	2020 £
Fixed assets					
Tangible assets	12		4,967,632		5,336,304
Current assets					
Debtors	14	275,748		301,903	
Cash at bank and in hand		929,767		894,307	
		1,205,515		1,196,210	
Creditors: amounts falling due within one year	15	(364,994)		(346,176)	
Net current assets			840,521		850,034
Total assets less current liabilities			5,808,153		6,186,338
Creditors: amounts falling due after more than one year	16		(1,595,478)		(1,695,138)
Net assets			4,212,675		4,491,200
Income funds					
Unrestricted funds			4,212,675		4,491,200
			4,212,675		4,491,200

The accounts were approved by the Governors on 29 November 2021

Mr M Dunkley LLB (Hons) TEP (Chair)

Company Registration No. 01204450

LEICESTER HIGH SCHOOL CHARITABLE TRUST LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 JULY 2021

	Notes	2021 £	2021 £	2020 £	2020 £
Cash flows from operating activities					
Cash generated from operations	22		154,129		24,126
Investing activities					
Purchase of tangible fixed assets		(40,196)		(18,025)	
Interest received		122		2,475	
Net cash used in investing activities			(40,074)		(15,550)
Financing activities					
Repayment of bank loans		(78,595)		(83,218)	
Net cash used in financing activities			(78,595)		(83,218)
Net increase/(decrease) in cash and cash equivalents			35,460		(74,642)
Cash and cash equivalents at beginning of year			894,307		968,949
Cash and cash equivalents at end of year			929,767		894,307

1 Accounting policies

1.1 Accounting convention

These accounts have been prepared in accordance with FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", "Accounting and Reporting by Charities" the Statement of Recommended Practice for charities applying FRS102, the Companies Act 2006 and UK Generally Accepted Accounting Practice as it applies from 1 January 2015. The charity is a Public Benefit Entity as defined by FRS102.

The accounts have been prepared under the historical cost convention.

The Trust has taken advantage of the exemptions provided by Section 405 of the Companies Act 2006 not to prepare group accounts as the subsidiary undertakings are not material for the purpose of giving a true and fair view. The financial statements present information about the charity as an individual company and not about its group.

1.2 Going concern

At the time of approving the financial statements, the Governors have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future and they continue to adopt the going concern basis of accounting in preparing the financial statements. The Governors have considered a period of 12 months from the date of approval of the accounts. Further information on the matters that the Governors have considered is included within the Trustees Report.

1.3 Charitable funds

Designated funds comprise funds which have been set aside at the discretion of the Governors for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Unrestricted funds are available at the discretion of the Trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts.

1.4 Incoming resources

Donations are accounted for as and when the entitlement arises, the amount can be quantified and the economic benefit to the school is considered probable.

Fees receivable are accounted for in the year in which the service is provided after deducting bursaries, scholarships and other remissions granted by the school.

Investment income is accounted for on an accruals basis.

1.5 Resources expended

Expenditure is summarised under functional headings on a direct cost basis or apportioned according to management estimates of the amount attributable to that activity in the year, either by reference to staff time or space occupied, as appropriate.

Governance costs comprise the costs of running the Trust, including strategic planning for its future development, internal and external audit, and all the costs of complying with constitutional and statutory requirements, such as the costs of Board and Committee meetings and of preparing statutory accounts and satisfying public accountability.

1 Accounting policies **(Continued)**

1.6 Tangible fixed assets

Tangible fixed assets other than freehold land and buildings are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Modular building	25 years
Fixtures, fittings & equipment	3-8 years
Motor vehicles	3 years

Fixed assets under £1,000 in value are not capitalised but treated as revenue expenditure in the year of purchase.

Freehold land and buildings are included at valuation, all gains and losses arising on the valuation of the properties are shown in the statement of financial activities.

The carrying values of the freehold land and buildings are reviewed annually for impairment. If events or changes in circumstances indicate that the carrying value may not be recoverable, the value of the freehold land and buildings will be adjusted through the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the Trust reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment.

1.8 Financial instruments

The Trust has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Trust's balance sheet when the Trust becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

1.9 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

2 Critical accounting estimates and judgements

In the application of the Trust's accounting policies, the Governors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements

There are no critical judgements (apart from those involving estimates) in applying the Trust's accounting policies.

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets.

Freehold Property

The Trust carries its freehold property at fair value at each reporting end date, with changes in fair value being recognised in the statement of financial activities.

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total 2021	Total 2020
	£	£	£	£
Miscellaneous donations	-	12,676	12,676	163
Donated deposits from leaving pupils	1,750	-	1,750	1,750
Gift Aid	251	-	251	-
Donation from alumnae	-	-	-	40,159
	2,001	12,676	14,677	42,072

4 Income from charitable activities

	School fees	Less: total bursaries, grants and allowances	School trips/ meals and other income	Total 2021	Total 2020
	£	£	£	£	£
Income for the year	3,831,987	(378,661)	71,299	3,524,625	3,653,607

5 Investments

	Unrestricted funds 2021 £	Unrestricted funds 2020 £
Bank interest received	122	2,475

6 Other income

	Unrestricted funds 2021 £	Unrestricted funds 2020 £
Job Retention Scheme Grant	78,358	130,596

7 Expenditure on charitable activities

	Teaching £	Premises £	Welfare £	Support costs of schooling £	Total 2021 £	Total 2020 £
Staff costs	2,370,054	132,941	69,911	331,650	2,904,556	3,010,804
Depreciation	-	58,626	-	-	58,626	58,913
Other costs	119,246	195,688	26,047	152,974	493,955	704,477
	2,489,300	387,255	95,958	484,624	3,457,137	3,774,194
Governance costs	-	-	-	47,496	47,496	21,122
	2,489,300	387,255	95,958	532,120	3,504,633	3,795,316

8 Auditor's remuneration

Governance costs includes payments to the auditor of £6,240 (2020: £6,060) in respect of audit fees.

9 Governors

During the year £351 (2020: £234) of expenses were reimbursed to two Governors in respect of travel expenses. No remuneration was paid to Governors in the year.

10 Employees

Number of employees

The average number of employees during the year was:

	2021	2020
Teaching	43	43
Non-teaching	50	51
	93	94

Employment costs	2021	2020
	£	£
Wages and salaries	2,289,651	2,386,316
Social security costs	214,387	219,850
Other pension costs	400,518	404,638
	2,904,556	3,010,804

The number of employees whose annual remuneration (excluding pension contributions) was £60,000 or more were:

	2021	2020
	Number	Number
Between £60,000 and £70,000	1	1
Between £90,000 and £100,000	1	1

Remuneration and benefits paid to key management personnel totalled £268,987 (2020: £267,348) for the year.

Of the employees whose emoluments exceed £60,000, 2 (2020: 2) have retirement benefits accruing under defined benefit pension schemes.

11 Taxation

The Trust's activities fall within the exemptions from income tax and corporation tax conferred to registered charities.

12 Tangible fixed assets

	Land and buildings	Modular building	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£	£
Cost or valuation					
At 1 August 2020	4,850,000	380,698	1,735,038	30,831	6,996,567
Additions	-	-	40,196	-	40,196
Disposals	-	-	(3,930)	-	(3,930)
Revaluation	(350,242)	-	-	-	(350,242)
Transfer	350,242	(350,242)	-	-	-
At 31 July 2021	4,850,000	30,456	1,771,304	30,831	6,682,591
Depreciation					
At 1 August 2020	-	15,228	1,614,204	30,831	1,660,263
Depreciation charged in the year	-	15,228	43,398	-	58,626
Eliminated in respect of disposals	-	-	(3,930)	-	(3,930)
At 31 July 2021	-	30,456	1,653,672	30,831	1,714,959
Carrying amount					
At 31 July 2021	4,850,000	-	117,632	-	4,967,632
At 31 July 2020	4,850,000	365,470	120,834	-	5,336,304

Freehold land and buildings were valued on 16 September 2021 by Aitchison Raffety, Chartered Surveyors, on an existing use value at £4,850,000. The valuation included the modular buildings that had previously been separately capitalised. The Governors consider that the valuation received is appropriate as at 31 July 2021 and have transferred the modular buildings into the heading of land and buildings for reporting purposes. As from 1 August 2021 the modular buildings will no longer be depreciated and will instead be subject to periodic valuation reviews along with the land and buildings generally.

The historical cost of the freehold land and buildings is £6,447,292 (2020: £6,066,594).

The net book amount in respect of land included in freehold land and buildings is £1,050,000 (2020: £1,050,000).

All assets are used directly for charitable purpose except for a small proportion of the buildings and equipment which are used in the administration of the school.

13 Fixed asset investments

The Trust holds 100% (2 shares) of the £1 ordinary share capital of two dormant companies as follows:

Leicester High School for Girls Limited
Portland House Limited

The shares have been valued at £Nil as the companies have been dormant since incorporation.

14 Debtors

Amounts falling due within one year:	**2021** **£**	**2020** **£**
Trade debtors	194,314	206,858
Prepayments and accrued income	81,434	95,045
	275,748	301,903

15 Creditors: amounts falling due within one year

	2021 **£**	**2020** **£**
Loans and overdrafts	96,611	78,596
Taxation and social security	51,104	55,120
Fees received in advance	15,616	25,003
Trade creditors	33,939	9,392
Other creditors	97,369	99,009
Accruals and deferred income	70,355	79,056
	364,994	346,176

Bank borrowings are secured against the freehold land and buildings.

Included in other creditors due within one year are repayable deposits of £14,050 (2020 £13,850) made by parents which are normally repayable when the pupil leaves the school.

Deferred income relates to income received for school trips that are planned to occur in the next school year and will be recognised upon the date the trips take place.

16 Creditors: amounts falling due after more than one year

	2021 £	2020 £
Bank loans	1,518,228	1,614,838
Repayable deposits	77,250	80,300
	1,595,478	1,695,138
Loan maturity analysis		
In more than one year but not more than two years	98,870	96,611
In more than two years but not more than five years	1,053,765	303,744
In more than five years	365,593	1,214,483
	1,518,228	1,614,838

Bank borrowings are secured against the freehold land and buildings.

17 Guarantee

The Trust, being a company limited by guarantee, has no share capital.

Every member of the Trust is liable, on winding up, contributing an amount not exceeding £1 towards the liabilities of the Trust.

At 31 July 2021 guarantees to the value of £5 (2020: £9) could be exercised.

18 Restricted funds

	Balance at 1 August 2020	Incoming resources	Resources expended	Balance at 31 July 2021
Donation towards sixth form scholarship	-	12,526	(12,526)	-
Donation towards bursary fund	-	150	(150)	-

19 Analysis of net assets between funds

	Unrestricted £	Restricted £	Total £
Fund balances at 31 July 2021 are represented by:			
Tangible assets	4,967,632	-	4,967,632
Current assets	840,521	-	840,521
Long term liabilities	(1,595,478)	-	(1,595,478)
	4,212,675	-	4,212,675

20 Operating lease commitments

At the reporting end date the Trust had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2021	2020
	£	£
Within one year	15,570	21,464
Between two and five years	13,950	23,004
	29,520	44,468

21 Related party transactions

There were no disclosable related party transactions during the year (2020 - none).

22 Cash generated from operations

	2021	2020
	£	£
Deficit for the year	71,717	(31,483)
Adjustments for:		
Investment income recognised in statement of financial activities	(122)	(2,475)
Depreciation and impairment of tangible fixed assets	58,626	58,913
Movements in working capital:		
Decrease in debtors	26,155	40,397
Decrease in creditors	(2,247)	(41,226)
Cash generated from operations	154,129	24,126

23 Analysis of changes in net (debt)/funds

	At 1 August 2020	Cash flows	At 31 July 2021
	£	£	£
Cash at bank and in hand	894,307	35,460	929,767
Loans falling due within one year	(78,596)	(18,015)	(96,611)
Loans falling due after more than one year	(1,614,838)	96,610	(1,518,228)
	(799,127)	114,055	(685,072)

24 Pension and other post-retirement benefit commitments

The Teachers' Pension Scheme

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £353,652 (2020: £356,534) and at the year-end £30,126 (2020: £30,480) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pension Scheme Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2016 and the Valuation Report, which was published in March 2019, confirmed that the employer contribution rate for the TPS would increase from 16.4% to 23.6% from 1 September 2019. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%.

The 31 March 2016 Valuation Report was prepared in accordance with the benefits set out in the scheme regulations and under the approach specified in the Directions, as they applied at 5 March 2019. However, the assumptions were considered and set by the Department for Education prior to the ruling in the 'McCloud/ Sargeant case'. This case has required the courts to consider cases regarding the implementation of the 2015 reforms to Public Service Pensions including the Teachers' Pensions.

On 27 June 2019 the Supreme Court denied the Government permission to appeal the Court of Appeal's judgement that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The Government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied. The government announced on 4 February 2021 that it intends to proceed with a deferred choice underpin under which members will be able to choose either legacy or reformed scheme benefits in respect of their service during the period between 1 April 2015 and 31 March 2022 at the point they become payable.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020 and a consultation was launched on 24 June on proposed changes to the cost control mechanism following a review by the Government Actuary. The consultation closed to response on 19 August 2021 and the Government is currently analysing the responses.

In view of the above rulings and decisions the assumptions used in the 31 March 2016 Actuarial Valuation may become inappropriate. In this scenario, a valuation prepared in accordance with revised benefits and suitably revised assumptions would yield different results than those contained in the Actuarial Valuation.

Until the consultation and the cost cap mechanism review is completed it is not possible to conclude on any financial impact or future changes to the contribution rates of the TPS. Accordingly no provision for any additional past benefit pension costs is included in these financial statements.

The Independent Schools' Pension Scheme

The School participates in the scheme, a multi-employer scheme which provides benefits to some 66 non-associated employers. The scheme is a defined benefit scheme in the UK. It is not possible for the School to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

24 Pension and other post-retirement benefit commitments **(Continued)**

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore the School is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out at 30 September 2017. This actuarial valuation was certified on 27 December 2018 and showed assets of £149.4m, liabilities of £187.6m and a deficit of £38.2m. To eliminate this funding shortfall, the trustees and the participating employers have agreed that additional contributions will be paid, in combination from all employers, to the scheme as follows:

Deficit contributions

From 1 September 2019 to 30 April 2030:	£2,387,357 per annum
(payable monthly and increasing by 3% on each 1st September)	

Note that the scheme's previous valuation was carried out with an effective date of 30 September 2014. This valuation showed assets of £110.0m, liabilities of £147.4m and a deficit of £37.4m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit Contributions

From 1 September 2016 to 31 August 2029:	£2,341,000 per annum
(payable monthly and increasing by 3% on each 1st September)	

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the scheme liabilities.

Where the scheme is in deficit and where the School has agreed to a deficit funding arrangement the School recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

24 Pension and other post-retirement benefit commitments **(Continued)**

PRESENT VALUES OF PROVISION

	31 July 2021	31 July 2020	31 July 2019
	£	£	£
Present value of provision	29,211	32,232	34,077

RECONCILIATION OF OPENING AND CLOSING PROVISIONS

	31 July 2021	31 July 2020
	£	£
Provision at start of period	32,232	34,077
Unwinding of the discount factor (interest expense)	257	404
Deficit contribution paid	(3,019)	(2,879)
Remeasurements - impact of any change in assumptions	(259)	630
Remeasurements - amendments to the contribution schedule	-	-
Provision at end of period	29,211	32,232

INCOME AND EXPENDITURE IMPACT

	31 July 2021	31 July 2020
	£	£
Interest expense	257	404
Remeasurements – impact of any change in assumptions	(259)	630
Costs recognised in income and expenditure account	20,104	19,809

24 Pension and other post-retirement benefit commitments **(Continued)**

ASSUMPTIONS

	31 July 2021 % per annum	31 July 2020 % per annum	31 July 2019 % per annum
Rate of discount	1.04	0.84	1.24

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

The following schedule details the deficit contributions agreed between the School and the scheme at each year end period:

DEFICIT CONTRIBUTIONS SCHEDULE

Year ending	**31 July 2021 £**	**31 July 2020 £**	**31 July 2019 £**
Year 1	3,109	3,019	2,879
Year 2	3,202	3,109	3,019
Year 3	3,299	3,202	3,109
Year 4	3,397	3,299	3,202
Year 5	3,499	3,397	3,299
Year 6	3,604	3,499	3,397
Year 7	3,713	3,604	3,499
Year 8	3,824	3,713	3,604
Year 9	2,952	3,824	3,713
Year 10	-	2,952	3,824
Year 11	-	-	2,952
Year 12	-	-	-
Year 13	-	-	-
Year 14	-	-	-
Year 15	-	-	-
Year 16	-	-	-
Year 17	-	-	-
Year 18	-	-	-
Year 19	-	-	-
Year 20	-	-	-

The School must recognise a liability measured as the present value of the contributions payable that arise from the deficit recovery agreement and the resulting expense in the income and expenditure account i.e. the unwinding of the discount rate as a finance cost in the period in which it arises.

It is these contributions that have been used to derive the balance sheet liability.

LEICESTER HIGH SCHOOL CHARITABLE TRUST LIMITED

England & Wales - Charity number 503982

Accounts

Charity Registration No. 503982

Company Registration No. 01204450 (England and Wales)

LEICESTER HIGH SCHOOL CHARITABLE TRUST LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2020

SOMERBYS LIMITED
CHARTERED ACCOUNTANTS
30 NELSON STREET
LEICESTER
LE1 7BA

LEICESTER HIGH SCHOOL CHARITABLE TRUST LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Governors	Mrs M Bowler JP BA (Hons) (Chair) Mrs M Neilson Mr J A Allen FCA Mr T Leah BA(Hons) PGCE NPQH (Vice Chair) Mr M Dunkley LLB (Hons) TEP Mrs K Mayes BSc (Hons) FCA Mrs S Siesage BA (Hons) PGCE MBA NPQH Mr J Tomlinson MA (Hons) FCA Mr M Joannou BSc (Hons) PGCE, MEd
Secretary and Bursar	E Mackay
Headmaster	Mr A Whelpdale BA PGCE NPQH
Charity number	503982
Company number	01204450
Registered office	454 London Road Leicester LE2 2PP
Auditor	Somerbys Limited 30 Nelson Street Leicester LE1 7BA
Bankers	HSBC Plc 2-6 Gallowtree Gate Leicester LE1 1DA Allied Irish Bank (GB) Byron House Maid Marian Way Nottingham NG1 6HS Handelsbanken Provincial House 37 New Walk Leicester LE1 6TU
Solicitors	Shakespeare Martineau LLP One Colton Square Leicester LE1 1QH

LEICESTER HIGH SCHOOL CHARITABLE TRUST LIMITED

CONTENTS

	Page
Governors' report	1 - 7
Statement of Governors' responsibilities	8
Independent auditor's report	9 - 10
Statement of financial activities	11 - 12
Balance sheet	13
Statement of cash flows	14
Notes to the financial statements	15 - 28

LEICESTER HIGH SCHOOL CHARITABLE TRUST LIMITED

GOVERNORS' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 JULY 2020

The Governors, who are also Directors and Trustees of the Trust, present their report and audited financial statements for the year ended 31 July 2020.

Reference and administrative information

The Trust is a charitable company founded in 1975, with the liability of its members limited to £1 each by guarantee.

The Trust's Governors, Officers and principal address are as listed within the legal and administrative information at the front of this document. Particulars of the Trust's professional advisers are also given within this information.

Objectives and activities

The Trust's objective and principal activity continues to be the promotion of girls' education, based on Christian principles according to the doctrines of the Church of England, and remain unchanged from previous years.

Aims and intended impact

At the School, through its teaching, the Trust aims:

- to create a friendly, caring community where every individual is valued
- to develop intellectual curiosity, academic excellence and a life-long love of learning
- to discover and nurture individual talents, creativity and self-belief
- to develop personal values of respect, acceptance, understanding and determination to succeed

Objectives for the year

The Trust's main objective continued to be to educate the school's pupils to an excellent academic standard as achieved by the School in previous years. The Governing Body has the following strategic targets:

a. **Finance** – to secure the long term health and viability of the school by developing a strategic plan to realise and secure the school's aims and objectives and by regular monitoring of its financial position with appropriate responsive action where required.

b. **Estates** – to maintain and develop the school site, and its facilities, to provide a high quality educational experience for all stakeholders.

c. **Educational experience** – to continue to be committed to providing a broad, high quality experience for students from the early years to the sixth form and beyond.

d. **Responding to demographic change** – to respond to demographic change to ensure the school is best placed to continue to meet its aims.

The Governors have paid due regard to guidance issued by the Charity Commission in deciding what activities the Trust should undertake.

Principal activities of the year

The primary focus was, as always, on the continual achievement of high performance in all areas of the curriculum: academic, pastoral, sporting and expressive arts – alongside a continuing commitment to development, especially leadership, service and responsibility. Another equally important focus has been to widen further access to the education provided by the School, and to develop an aspirational culture. These aims have continued to be developed and actioned despite the unprecedented times of COVID-19.

In a bid to maintain and improve our high academic performance, there has been a continued emphasis on Teaching and Learning, ensuring that pedagogical methods are varied and highly effective. One of our aims has been to strengthen our commitment to those identified as highly able and those who are on the SEND Register.

Needless to say, the COVID-19 pandemic has impacted hugely on all schools and Leicester High School has been adapting to the 'new normal' on a daily basis. During the lockdown and summer break, the Leadership Team met remotely every week, sometimes more frequently, to discuss Government and Public Health England updates with the result that the School was fully prepared for the new term. Our primary concerns throughout these challenging times have been to continue to provide our students with a relevant and purposeful education, and maintain a safe environment for both students and staff; these aims have been achieved to an exceptionally high standard.

During lockdown, all lessons were delivered remotely through different platforms: Teams, Zoom and One Note. Also the *Showmyhomework* app. was used by the teaching staff. The Teaching and Learning was monitored by the Assistant Head and the highest possible standards were maintained throughout the Summer Term. Homework was set, marked and returned to the students on a two weekly basis in accordance with the School's Marking Policy.

The pastoral care we offer our students is a strength of the School, and continued to be so during the Summer Term. All students met remotely with their form group and tutor on a weekly basis, and with their Head of Year for a weekly remote assembly. Students were personally telephoned by their Head of Year every week and parents were similarly contacted on a regular basis. The Headmaster contacted all staff by email or telephone throughout this time; the School continued to work as a 'community' despite the challenging conditions imposed by COVID-19.

Students in Year 11 were provided with introductory work for A Level, and those in Year 13 were set tasks based on current affairs and other relevant materials that might enhance their studies at university.

Owing to lockdown, innovative systems have been put into place which will continue to be embedded in the life of the School. A paperless tracking and reporting system is currently being created which was trialled at the end of the Summer Term.

For staff, our principal whole-School common target is anchored in, and will be developed from, our experiences of remote teaching. Further training has been offered to all staff to improve their digital skills and knowledge.

The Autumn and Spring Term provided the usual high quality concerts and drama productions, culminating in the whole-School production of *Annie – the Musical.*

As a School, we value the extra-curricular trips and visits that we are able to offer our students; all of which enrich student experience, and create memories. We are always keen to broaden our students' perspectives, build resilience and develop a wide appreciation of the World. During the first two terms of the academic year a number of trips took place including visits to France, London, Norfolk and America. Owing to COVID-19 restrictions, the Food Technology and Geography trip to Italy was postponed.

As a School, we are proud of our diverse community which reflects the multi-ethnic demograph of the city of Leicester. However, we recognise that with an issue as important as diversity and inclusion there is always more work to be done.

Leicester High School believes that black lives matter, and embraces the underlying tenets of the movement, and is working to further ensure equality in all areas of school life. Heads of Department are reviewing their curriculum; a dedicated blog post is released every half term to update the wider Leicester High School community on progress made and initiatives actioned. Former students have been invited to meet with the Headmaster and share their stories in relation to their experiences at Leicester High School. Governors are looking into improving the diversity of their body. The School is also actively engaging with key figures in the area of race-relations to further develop our commitment to equality, diversity and inclusivity.

Student numbers remained at a consistent level during the year. Pupil numbers are inevitably affected by COVID-19, as our summer term marketing window was affected due to School closure and the impact to the financial security of parents' income which has had an effect. We are however, encouraged that numbers for September 2020 were better than forecast and continue to rise.

Strategic report

The description under the headings "Achievements and performance" and "Financial review" meet the company law requirements for the Governors to present a strategic report.

Achievements and performance

The students achieved excellent results in the 2020 public examinations. At A level, the pass rate was 100%, with 26% A* grades (last year 10.6%), 38.1% A*/A grades (last year was 43%), whilst the A*-B percentage was 82.3% (last year 70%). The A levels results were a true reflection of the cohort's ability, comfortably above the national average and some of the best results gained in 8 years. There were no published league tables, but the School remains one of the top 200 schools in the country.

At GCSE, both the 9-4 pass rate was 100% (last year was 97.4%), as was the 9-5 pass rate. The 9-7 pass rate was 82.8% (last year 70%). The results overall highlighted the School's continued success and considerable positive added-value at this level. The 9-8 pass rate was 60.1%, a School record. These results again confirm the School's place in the top 100 Independent Schools for GCSE.

Despite the COVID-19 pandemic, the School has maintained not only an impressively high level of academic achievements and performance, but has also continued to deliver high-quality teaching and learning, both remotely online and through face-to-face tuition in School, which these excellent results confirm.

A robust and rigorous process was followed by all academic departments before they submitted their Centre Assessed Grades. A common criterion was adopted and all Heads of Department met remotely with the Headmaster. All stages of the process were evidenced and scrutinised

Fundraising performance

During the year the School received grants and donations totalling £42,072 (2019: £5,539). During 2020 the School was very grateful to receive a generous donation from alumnae.

Public benefit

The Governing Body are committed to offering bursary support to students whose families would not otherwise be in a position to pay full school fees. Bursary support of up to 100% of fees is currently offered; 45 students (2019: 48 students) received bursary support in the year and 5 students received 100% support from external benefactors.

36 students (2019: 27 students) received academic/music scholarships in the year

We continued to make strenuous efforts with our marketing to ensure that as many parents as possible are aware of our scholarships and bursary support. We also continue to liaise with local charities in a bid to increase the number of scholarships and bursaries that we are able to offer.

The School has developed a comprehensive programme of working with the community which provides mutual benefit. We are committed to the further development of this activity which includes developing and building on links with local primary schools, through measures including our series of Saturday Masterclasses which take place every half term. These sessions are designed for Year 5 girls from maintained primary schools across the city and the county. The sessions are provided free of charge and have encouraged over 500 students from approx. 45 Primary schools to visit the School and benefit from subject taster sessions. This programme was interrupted due to COVID-19 and will resume as soon as restrictions allow. There were plans to extend this model to Year 10 students from local 11-16 schools, however this expansion has been paused due to the ongoing restrictions. The Science Department also offer Science Superstars sessions which run for five weeks in the Summer Term, after school which allows girls from local primaries to gain a more in-depth introduction to a science topic. Plans are in place to resume all of these activities as soon as we are able to do so.

Our Partnerships Officer continues to develop links with local nurseries, including offering of the School's facilities and staff, including the School Nurse who will provide talks on relevant health matters. Although face to face meetings and events have been stopped, contact is being maintained remotely and via telephone conversations.

Within the wider community, the School links with local businesses through its popular Shop Local discount scheme.

A large scale networking and careers event was held, in conjunction with Leading Ladies, for International Women's Day. This took place shortly before lockdown and was promoted to the School and local community. It also provided an opportunity to engage with local schools, who were offered free places to attend

During the official closure of all schools, Leicester High School remained open for the children of 'essential workers' throughout the Summer Term and school holidays. This group of students were taught by members of staff.

The School offers its facilities to hire at a competitive rate to local groups within the community that promote the education of young people.

Although the School had to stop offering external room hire in the Summer term/Summer holidays due to national and local lockdown, the School was actively used by academic groups, performing arts, taekwondo ballet groups earlier in the academic year. The hall and art room were used by sketch/art clubs several times a year. The halls are also used for a holiday club and weekly yoga clubs. In addition, our facilities are used for adhoc meetings/ children's parties/music rehearsals, as the site provides a contained and safe environment with good parking facilities.

Financial review

The Independent School Sector is facing a number of unprecedented challenges resulting from evolving government, political and economic strategy. In addition to this COVID-19 has brought its own challenges with the School being subject to a local lockdown in Leicester as well as national restrictions and lockdown measures. The Governors are monitoring the impact on the School very closely.

Whilst the School stayed open during lockdown for key worker children most of our students were educated at home. A decision was made to discount school fees for the summer term in response to these modified arrangements. This resulted in a reduction to fee income for the year, which was partly offset by furlough income and other cost savings such as postponing planned refurbishments.

Net fees received for the year were £3,409,718 (2019: £3,724,896).

The net decrease in income resulted in a £31,483 deficit (2019: £352,830 surplus). At the year end, funds stand at £4,491,200 (2019: £4,522,683).

The Governors have pro-actively monitored cash flow in detail throughout the pandemic and the School is in a much better position than was first forecast, largely due to the continuation of the Job Retention Scheme and cost control.

Based on current pupil numbers it is anticipated that the financial position will stabilise in 2020/21.

The School will continue to invest prudently in buildings, refurbishments and resources for its future development and the Board will ensure that any surplus income will be put back into the School.

Going concern

We have prepared a number of scenarios that consider our cash position, sources of income and planned expenditure. This includes the impact of COVID-19 on operations together with assumptions around recovery thereafter. These scenarios consider reduced pupil numbers, delayed fee payment, reduced fees and potential bad debts as well as impact on costs from the measures taken so far. Sensitivity around these assumptions has also been considered in our forecasting. Results of this cash flow and sensitivity analysis indicate that the cash reserves of the charity are adequate to meet the charity's obligations as they fall due.

Having regard to the above, the trustees believe it appropriate to adopt the going concern basis of accounting in preparing the financial statements.

Reserves policy

The School aims to hold enough reserves to cover at least one term's operating costs plus capital repayments due on the loan, at any month end during a financial year. Reserves are those considered to be readily available cash balances. In the year ended 31 July 2020 the target had been met.

The COVID-19 pandemic obviously had an impact on the reserves and currently it is expected that reserves will be slightly lower than the reserves target in 2020-21. However, the Trustees are confident that the reserves will increase over time and the target will subsequently be met.

Risk management

The Governors have assessed the major operational and financial risks, to which the Trust is exposed, paying particular attention to the current COVID-19 risks. The Governors have updated the risk register for this, and are satisfied that adequate controls are in place to mitigate its exposure to these risks. This register is maintained and reviewed by the Board annually.

The Governors are aware of the impact of the increase in Teachers' Pension Scheme contributions from September 2019 and this continues to be under review.

The Board continues to review the school's estate and is committed to the maintenance and provision of high quality educational facilities. The key objective is to maintain pupil numbers which will ensure the continued provision of a high quality educational experience for the students.

Insurance

The cost of Governors' liability and professional indemnity insurance taken out by the Trust in the year amounted to £1,071 (2019: £989); the level of cover was £2,000,000.

Structure, governance and management

Governing document

The Trust is governed by its Articles of Association, last amended on 18 May 2011. The document was reviewed in November 2019; no changes were considered necessary.

Governing Body

Governors are appointed in accordance with the Articles of Association.

All Governors are Directors of the Company and Trustees of the Charity.

Recruitment and training of Governors

New Governors are appointed on recommendation from the Appointments Committee who consider the skills, knowledge and experience required on the Board. The Board maintains a balance of both education and business skills. All new Governors are inducted into the workings of the school and also of the company as a registered charity. Training is provided annually through a range of external and internal programmes. The school is a member of AGBIS (Association of Governing Bodies of Independent Schools) who provide support and training on matters of governance.

The Governors, who are also the directors for the purpose of company law, and who served during the year were:
Mrs M Bowler JP BA (Hons) (Chair)
Mrs M Neilson
Mr J A Allen FCA
Mr T Leah BA(Hons) PGCE NPQH (Vice Chair)
Mr M Dunkley LLB (Hons) TEP
Mrs K Mayes BSc (Hons) FCA
Mrs S Siesage BA (Hons) PGCE MBA NPQH
Mr J Tomlinson MA (Hons) FCA
Mr M Joannou BSc (Hons) PGCE, MEd
Revd A Jones (Resigned 13 September 2019)

None of the Governors has any beneficial interest in the company. All of the Governors are members of the company and guarantee to contribute £1 in the event of a winding up.

Organisational structure

The Board of Governors administers the Trust and meets at least four times throughout the year. To assist in this process, sub-committees of Finance and Estates, Education, Remuneration and Appointments also meet regularly throughout the year. Powers are delegated to the Headmaster and Bursar for the day to day running of the school.

Group structure and relationships

The Trust has two wholly owned, dormant subsidiaries as follows:

- Leicester High School For Girls Limited
- Portland House Limited

Employee involvement

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment within the Trust continues and that the appropriate training is arranged. It is the policy of the Trust that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

Auditor

A resolution proposing that Somerbys Limited be reappointed as Auditor of the Trust will be put to the Annual General Meeting.

Disclosure of information to Auditor

Each of the Governors has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

On behalf of the Board of Governors

Margaret Bowler
Margaret Bowler (Dec 2, 2020 16:13 GMT)

Mrs M Bowler JP BA (Hons) (Chair)
30 November 2020

LEICESTER HIGH SCHOOL CHARITABLE TRUST LIMITED

STATEMENT OF GOVERNORS' RESPONSIBILITIES

FOR THE YEAR ENDED 31 JULY 2020

The Governors, who are also the Directors of Leicester High School Charitable Trust Limited for the purpose of company law, are responsible for preparing the Governors' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Governors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Trust and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these accounts, the Governors are required to:

- select suitable accounting policies and then apply them consistently;

- observe the methods and principles in the Charities SORP;

- make judgements and 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 accounts; and

- prepare the accounts on the going concern basis unless it is inappropriate to presume that the Trust will continue in operation.

The Governors are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Trust and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

LEICESTER HIGH SCHOOL CHARITABLE TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT TO LEICESTER HIGH SCHOOL CHARITABLE TRUST LIMITED

UNDER SECTION 449 OF THE COMPANIES ACT 2006

Opinion

We have audited the financial statements of Leicester High School Charitable Trust Limited (the 'Trust') for the year ended 31 July 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 July 2020 and of its incoming resources and application of resources, 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.

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 Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Other information

The Governors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Governors' Report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Governors' report have been prepared in accordance with applicable legal requirements.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF LEICESTER HIGH SCHOOL CHARITABLE TRUST LIMITED

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Governors' 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 Governors

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

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the accounts 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 accounts.

A further description of our responsibilities for the audit of the accounts is located on the Financial Reporting Council's website at: http://www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's Report.

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and regulations made under that Act. Our audit work has been undertaken so that we might state to the charitable company'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 charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.

Somerbys Limited

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2 December 2020

Marcus Dockerty FCA FCCA (Senior Statutory Auditor)
for and on behalf of Somerbys Limited

Chartered Accountants
Statutory Auditor

30 Nelson Street
Leicester
LE1 7BA

LEICESTER HIGH SCHOOL CHARITABLE TRUST LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 JULY 2020

Current financial year

	Notes	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £	Total 2019 £
Income and endowments from:					
Donations and legacies	3	41,909	163	42,072	5,539
Income from charitable activities	4	3,653,607	-	3,653,607	3,989,985
Investments	5	2,475	-	2,475	2,787
Other income	6	130,596	-	130,596	-
Total income		3,828,587	163	3,828,750	3,998,311
Expenditure on:					
Expenditure on charitable activities	7	3,795,153	163	3,795,316	3,582,323
Finance costs		64,917	-	64,917	63,158
Total resources expended		3,860,070	163	3,860,233	3,645,481
Net (expenditure)/income for the year/ Net movement in funds		(31,483)	-	(31,483)	352,830
Fund balances at 1 August 2019		4,522,683	-	4,522,683	4,169,853
Fund balances at 31 July 2020		4,491,200	-	4,491,200	4,522,683

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

LEICESTER HIGH SCHOOL CHARITABLE TRUST LIMITED

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 JULY 2020

Prior financial year

	Notes	Unrestricted funds 2019 £	Restricted funds 2019 £	Total 2019 £
Income and endowments from:				
Donations and legacies	3	281	5,258	5,539
Income from charitable activities	4	3,989,985	-	3,989,985
Investments	5	2,787	-	2,787
Total income		3,993,053	5,258	3,998,311
Expenditure on:				
Expenditure on charitable activities	7	3,577,065	5,258	3,582,323
Finance costs		63,158	-	63,158
Total resources expended		3,640,223	5,258	3,645,481
Net (expenditure)/income for the year/ Net movement in funds		352,830	-	352,830
Fund balances at 1 August 2018		4,169,853	-	4,169,853
Fund balances at 31 July 2019		4,522,683	-	4,522,683

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

LEICESTER HIGH SCHOOL CHARITABLE TRUST LIMITED

BALANCE SHEET

AS AT 31 JULY 2020

	Notes	2020 £	2020 £	2019 £	2019 £
Fixed assets					
Tangible assets	12		5,336,304		5,377,192
Current assets					
Debtors	14	301,903		342,300	
Cash at bank and in hand		894,307		968,949	
		1,196,210		1,311,249	
Creditors: amounts falling due within one year	15	(346,176)		(384,066)	
Net current assets			850,034		927,183
Total assets less current liabilities			6,186,338		6,304,375
Creditors: amounts falling due after more than one year	16		(1,695,138)		(1,781,692)
Net assets			4,491,200		4,522,683
Income funds					
Unrestricted funds			4,491,200		4,522,683
			4,491,200		4,522,683

The accounts were approved by the Governors on 30 November 2020

Margaret Bowler
Margaret Bowler (Dec 2, 2020 16:13 GMT)

Mrs M Bowler JP BA (Hons) (Chair)

Company Registration No. 01204450

LEICESTER HIGH SCHOOL CHARITABLE TRUST LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 JULY 2020

	Notes	2020 £	2020 £	2019 £	2019 £
Cash flows from operating activities					
Cash generated from operations	22		24,126		354,370
Investing activities					
Purchase of tangible fixed assets		(18,025)		(435,661)	
Interest received		2,475		2,787	
Net cash used in investing activities			(15,550)		(432,874)
Financing activities					
Repayment of bank loans		(83,218)		(80,709)	
Net cash used in financing activities			(83,218)		(80,709)
Net decrease in cash and cash equivalents			(74,642)		(159,213)
Cash and cash equivalents at beginning of year			968,949		1,128,162
Cash and cash equivalents at end of year			894,307		968,949

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2020

1 Accounting policies

1.1 Accounting convention

These accounts have been prepared in accordance with FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", "Accounting and Reporting by Charities" the Statement of Recommended Practice for charities applying FRS102, the Companies Act 2006 and UK Generally Accepted Accounting Practice as it applies from 1 January 2015. The charity is a Public Benefit Entity as defined by FRS102.

The accounts have been prepared under the historical cost convention.

The Trust has taken advantage of the exemptions provided by Section 405 of the Companies Act 2006 not to prepare group accounts as the subsidiary undertakings are not material for the purpose of giving a true and fair view. The financial statements present information about the charity as an individual company and not about its group.

1.2 Going concern

At the time of approving the financial statements, the Governors have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future and they continue to adopt the going concern basis of accounting in preparing the financial statements. The Governors have considered a period of 12 months from the date of approval of the accounts. Further information on the matters that the Governors have considered is included within the Trustees Report.

1.3 Charitable funds

Designated funds comprise funds which have been set aside at the discretion of the Governors for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Unrestricted funds are available at the discretion of the Trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts.

1.4 Incoming resources

Donations are accounted for as and when the entitlement arises, the amount can be quantified and the economic benefit to the school is considered probable.

Fees receivable are accounted for in the year in which the service is provided after deducting bursaries, scholarships and other remissions granted by the school.

Investment income is accounted for on an accruals basis.

1.5 Resources expended

Expenditure is summarised under functional headings on a direct cost basis or apportioned according to management estimates of the amount attributable to that activity in the year, either by reference to staff time or space occupied, as appropriate.

Governance costs comprise the costs of running the Trust, including strategic planning for its future development, internal and external audit, and all the costs of complying with constitutional and statutory requirements, such as the costs of Board and Committee meetings and of preparing statutory accounts and satisfying public accountability.

1 Accounting policies **(Continued)**

1.6 Tangible fixed assets

Tangible fixed assets other than freehold land and buildings are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Modular building	25 years
Fixtures, fittings & equipment	3-8 years
Motor vehicles	3 years

Fixed assets under £1,000 in value are not capitalised but treated as revenue expenditure in the year of purchase.

Freehold land and buildings are included at valuation, all gains and losses arising on the valuation of the properties are shown in the statement of financial activities.

The carrying values of the freehold land and buildings are reviewed annually for impairment. If events or changes in circumstances indicate that the carrying value may not be recoverable, the value of the freehold land and buildings will be adjusted through the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the Trust reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment.

1.8 Financial instruments

The Trust has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Trust's balance sheet when the Trust becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

1.9 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

1 Accounting policies **(Continued)**

1.10 Retirement benefits

Employees and the Trust contribute to both the Teachers' Superannuation Scheme in England and Wales and the Independent Schools' Pension Scheme which are both defined benefit pension schemes.

The Trust is unable to identify its share of underlying assets and liabilities on both of these and therefore contributions are charged to the Statement Of Financial Activities as they become payable in accordance with the rules of the Scheme.

The Trust also contributes to defined contribution schemes for non-teaching staff.

1.11 Leases

Assets obtained by the Trust under hire purchase contracts and finance leases are capitalised in the balance sheet. The assets are depreciated in accordance with the Trust's depreciation policy. The finance charge element of the agreement is charged to the Statement Of Financial Activities so as to produce a constant periodic rate of charge on the outstanding liability.

Rentals payable under operating leases are charged on a time basis over the lease term.

2 Critical accounting estimates and judgements

In the application of the Trust's accounting policies, the Governors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements

There are no critical judgements (apart from those involving estimates) in applying the Trust's accounting policies.

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets.

Freehold Property

The Trust carries its freehold property at fair value at each reporting end date, with changes in fair value being recognised in the statement of financial activities.

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total 2020	Total 2019
	£	£	£	£
Miscellaneous donations	-	163	163	5,539
Donated deposits from leaving pupils	1,750	-	1,750	-
Donation from alumnae	40,159	-	40,159	-
	41,909	163	42,072	5,539

4 Income from charitable activities

	School fees	Less: total bursaries, grants and allowances	School trips/ meals and other income	Total 2020	Total 2019
	£	£	£	£	£
Income for the year	3,788,293	(378,575)	243,889	3,653,607	3,989,985

5 Investments

	Unrestricted funds 2020	Unrestricted funds 2019
	£	£
Bank interest received	2,475	2,787

6 Other income

	Unrestricted funds 2020	Total 2019
	£	£
Job Retention Scheme Grant	130,596	-

7 Expenditure on charitable activities

	Teaching	Premises	Welfare	Support costs of schooling	Total 2020	Total 2019
	£	£	£	£	£	£
Staff costs	2,455,647	140,706	82,473	331,978	3,010,804	2,757,036
Depreciation	-	58,913	-	-	58,913	40,509
Other costs	235,510	226,306	37,898	204,763	704,477	768,191
	2,691,157	425,925	120,371	536,741	3,774,194	3,565,736
Governance costs	-	-	-	21,122	21,122	16,587
	2,691,157	425,925	120,371	557,863	3,795,316	3,582,323

8 Auditor's remuneration

Governance costs includes payments to the auditor of £6,060 (2019: £5,880) in respect of audit fees.

9 Governors

During the year £234 (2019: £837) of expenses were reimbursed to two Governors in respect of travel expenses. No remuneration was paid to Governors in the year.

10 Employees

Number of employees

The average number of employees during the year was:

	2020	2019
Teaching	43	43
Non-teaching	52	51
	95	94

Employment costs	2020	2019
	£	£
Wages and salaries	2,386,316	2,255,246
Social security costs	219,850	207,546
Other pension costs	404,638	294,244
	3,010,804	2,757,036

The number of employees whose annual remuneration (excluding pension contributions) was £60,000 or more were:

	2020	2019
	Number	Number
Between £60,000 and £70,000	1	1
Between £80,000 and £90,000	-	1
Between £90,000 and £100,000	1	-

Remuneration and benefits paid to key management personnel totalled £267,348 (2019: £242,954) for the year.

Of the employees whose emoluments exceed £60,000, 2 (2019: 2) have retirement benefits accruing under defined benefit pension schemes.

11 Taxation

The Trust's activities fall within the exemptions from income tax and corporation tax conferred to registered charities.

12 Tangible fixed assets

	Land and buildings	Modular building	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£	£
Cost or valuation					
At 1 August 2019	4,850,000	380,698	1,717,013	30,831	6,978,542
Additions	-	-	18,025	-	18,025
At 31 July 2020	4,850,000	380,698	1,735,038	30,831	6,996,567
Depreciation					
At 1 August 2019	-	-	1,570,519	30,831	1,601,350
Depreciation charged in the year	-	15,228	43,685	-	58,913
At 31 July 2020	-	15,228	1,614,204	30,831	1,660,263
Carrying amount					
At 31 July 2020	4,850,000	365,470	120,834	-	5,336,304
At 31 July 2019	4,850,000	380,698	146,494	-	5,377,192

Freehold land and buildings were valued on 27 May 2016 by Snow & Astill, Chartered Surveyors, on an existing use value at £4,850,000. The Governors consider that this valuation is still appropriate at 31 July 2020.

The historical cost of the freehold land and buildings is £6,066,594 (2019: £6,066,594).

The net book amount in respect of land included in freehold land and buildings is £1,050,000 (2019: £1,050,000).

All assets are used directly for charitable purpose except for a small proportion of the buildings and equipment which are used in the administration of the school.

13 Fixed asset investments

The Trust holds 100% (2 shares) of the £1 ordinary share capital of two dormant companies as follows:

Leicester High School for Girls Limited
Portland House Limited

The shares have been valued at £Nil as the companies have been dormant since incorporation.

14 Debtors

Amounts falling due within one year:	2020 £	2019 £
Trade debtors	206,858	227,044
Prepayments and accrued income	95,045	115,256
	301,903	342,300

15 Creditors: amounts falling due within one year

	2020 £	2019 £
Loans and overdrafts	78,596	82,610
Taxation and social security	55,120	54,416
Fees received in advance	25,003	18,081
Trade creditors	9,392	30,781
Other creditors	99,009	91,549
Accruals and deferred income	79,056	106,629
	346,176	384,066

Bank borrowings are secured against the freehold land and buildings.

Included in other creditors due within one year are repayable deposits of £13,850 (2019 £13,050) made by parents which are normally repayable when the pupil leaves the school.

Deferred income relates to income received for school trips that are planned to occur in the next school year and will be recognised upon the date the trips take place.

16 Creditors: amounts falling due after more than one year

	2020 £	2019 £
Bank loans	1,614,838	1,694,042
Repayable deposits	80,300	87,650
	1,695,138	1,781,692
Loan maturity analysis		
In more than one year but not more than two years	96,611	85,451
In more than two years but not more than five years	303,744	276,032
In more than five years	1,214,483	1,332,559
	1,614,838	1,694,042

Bank borrowings are secured against the freehold land and buildings.

17 Guarantee

The Trust, being a company limited by guarantee, has no share capital.

Every member of the Trust is liable, on winding up, contributing an amount not exceeding £1 towards the liabilities of the Trust.

At 31 July 2020 guarantees to the value of £9 (2019: £10) could be exercised.

18 Restricted funds

	Balance at 1 August 2019	Incoming resources	Resources expended	Balance at 31 July 2020
Donation towards Head's Bursary Fund	-	163	(163)	-

19 Analysis of net assets between funds

	Unrestricted £	Restricted £	Total £
Fund balances at 31 July 2020 are represented by:			
Tangible assets	5,336,304	-	5,336,304
Current assets	850,034	-	850,034
Long term liabilities	(1,695,138)	-	(1,695,138)
	4,491,200	-	4,491,200

20 Operating lease commitments

At the reporting end date the Trust had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2020	2019
	£	£
Within one year	21,464	22,537
Between two and five years	23,004	44,467
	44,468	67,004

21 Related party transactions

There were no disclosable related party transactions during the year (2019 - none).

22 Cash generated from operations

	2020	2019
	£	£
(Deficit)/surpus for the year	(31,483)	352,830
Adjustments for:		
Investment income recognised in statement of financial activities	(2,475)	(2,787)
Depreciation and impairment of tangible fixed assets	58,913	40,509
Movements in working capital:		
Decrease/(increase) in debtors	40,397	(99,947)
(Decrease)/increase in creditors	(41,226)	63,765
Cash generated from operations	24,126	354,370

23 Analysis of changes in net (debt)/funds

	At 1 August 2019	Cash flows	At 31 July 2020
	£	£	£
Cash at bank and in hand	968,949	(74,642)	894,307
Loans falling due within one year	(82,610)	4,014	(78,596)
Loans falling due after more than one year	(1,694,042)	79,204	(1,614,838)
	(807,703)	8,576	(799,127)

24 Pension and other post-retirement benefit commitments

The Teachers' Pension Scheme

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £356,534 (2019: £243,101) and at the year-end £30,480 (2019: £20,937) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pension Scheme Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2016 and the Valuation Report, which was published in March 2019, confirmed that the employer contribution rate for the TPS would increase from 16.4% to 23.6% from 1 September 2019. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%.

The 31 March 2016 Valuation Report was prepared in accordance with the benefits set out in the scheme regulations and under the approach specified in the Directions, as they applied at 5 March 2019. However, the assumptions were considered and set by the Department for Education prior to the ruling in the 'McCloud/ Sargeant case'. This case has required the courts to consider cases regarding the implementation of the 2015 reforms to Public Service Pensions including the Teachers' Pensions.

On 27 June 2019 the Supreme Court denied the Government permission to appeal the Court of Appeal's judgement that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The Government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied. A consultation was launched by the government on 16 July 2020, and closed to responses on 11 October 2020.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020 and the government is preparing to complete the cost control element of the 2016 valuations, which is expected to be completed in 2021.

In view of the above rulings and decisions the assumptions used in the 31 March 2016 Actuarial Valuation may become inappropriate. In this scenario, a valuation prepared in accordance with revised benefits and suitably revised assumptions would yield different results than those contained in the Actuarial Valuation.

Until the consultation and the cost cap mechanism review are completed it is not possible to conclude on any financial impact or future changes to the contribution rates of the TPS. Accordingly no provision for any additional past benefit pension costs is included in these financial statements.

The Independent Schools' Pension Scheme

The School participates in the scheme, a multi-employer scheme which provides benefits to some 66 non-associated employers. The scheme is a defined benefit scheme in the UK. It is not possible for the School to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

24 Pension and other post-retirement benefit commitments **(Continued)**

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore the School is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out at 30 September 2017. This actuarial valuation was certified on 27 December 2018 and showed assets of £149.4m, liabilities of £187.6m and a deficit of £38.2m. To eliminate this funding shortfall, the trustees and the participating employers have agreed that additional contributions will be paid, in combination from all employers, to the scheme as follows:

Deficit contributions

From 1 September 2019 to 30 April 2030: £2,387,357 per annum
(payable monthly and increasing by 3% on each 1st September)

Note that the scheme's previous valuation was carried out with an effective date of 30 September 2014. This valuation showed assets of £110.0m, liabilities of £147.4m and a deficit of £37.4m. To elminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit Contributions

From 1 September 2016 to 31 August 2029: £2,341,000 per annum
(payable monthly and increasing by 3% on each 1st September)

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the scheme liabilities.

Where the scheme is in deficit and where the School has agreed to a deficit funding arrangement the School recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

24 Pension and other post-retirement benefit commitments **(Continued)**

PRESENT VALUES OF PROVISION

	31 July 2020	31 July 2019	31 July 2018
	£	£	£
Present value of provision	32,232	34,077	25,615

RECONCILIATION OF OPENING AND CLOSING PROVISIONS

	31 July 2020	31 July 2019
	£	£
Provision at start of period	34,077	25,615
Unwinding of the discount factor (interest expense)	404	493
Deficit contribution paid	(2,879)	(2,221)
Remeasurements - impact of any change in assumptions	630	1,384
Remeasurements - amendments to the contribution schedule		8,806
Provision at end of period	32,232	34,077

INCOME AND EXPENDITURE IMPACT

	31 July 2020	31 July 2019
	£	£
Interest expense	404	493
Remeasurements – impact of any change in assumptions	630	1,384
Costs recognised in income and expenditure account		8,806

24 Pension and other post-retirement benefit commitments **(Continued)**

ASSUMPTIONS

	31 July 2020 % per annum	31 July 2019 % per annum	31 July 2018 % per annum
Rate of discount	0.84	1.24	2.01

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

The following schedule details the deficit contributions agreed between the School and the scheme at each year end period:

DEFICIT CONTRIBUTIONS SCHEDULE

Year ending	31 July 2020 £	31 July 2019 £	31 July 2018 £
Year 1	3,019	2,879	2,221
Year 2	3,109	3,019	2,287
Year 3	3,202	3,109	2,356
Year 4	3,299	3,202	2,427
Year 5	3,397	3,299	2,499
Year 6	3,499	3,397	2,574
Year 7	3,604	3,499	2,652
Year 8	3,713	3,604	2,731
Year 9	3,824	3,713	2,813
Year 10	2,952	3,824	2,897
Year 11	-	2,952	2,984
Year 12	-	-	249
Year 13	-	-	-
Year 14	-	-	-
Year 15	-	-	-
Year 16	-	-	-
Year 17	-	-	-
Year 18	-	-	-
Year 19	-	-	-
Year 20	-	-	-

The School must recognise a liability measured as the present value of the contributions payable that arise from the deficit recovery agreement and the resulting expense in the income and expenditure account i.e. the unwinding of the discount rate as a finance cost in the period in which it arises.

It is these contributions that have been used to derive the balance sheet liability.