



LICENSED
TRADE
CHARITY

Trustees' Report

and Financial Statements for the
year ended 31 December 2023





Working together



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Ascot



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Hassocks



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Oxford

Reference and administrative details of the Charity, its Trustees and advisors for the year ended 31 December 2023

Trustees

- Anita Adams
- Tracy Bird (Vice Chair - Membership)
- Roy Boulter
- Toby Brett (Chair - Membership and Chair of Ascot Governing Body from 1st September 2023)
- Gerry Cleary
- Mike Clist (Chair of Hassocks Governing Body)
- Pat Duddy (Vice Chair – Charity Services)
- Ludovick Halik (Chairman of the Charity from October 2023 and Vice Chair of Oxford Governing Body)
- Paul Hegarty (Elected 20th April 2023)
- Trevor Heyburn (Elected 20th April 2023)
- Mike Hill (Immediate Past Chairman)
- Annette King (Chair – Charity Services)
- Jeremy Phillips KC
- Peter Raynsford (Chair – Pension Committee)
- Pauline Ross (Chair – Oxford Governing Body and Vice Chair – Ascot Governing Body)
- Trevor Sparks
- Paul Wigham (Chair – Investment Committee)
- George Wishart

Chief Executive Officer 2023

James Brewster

Charity Registered Number

230011

Registered Office

Heatherley, London Road, Ascot, Berkshire
SL5 8DR

Auditors

James Cowper Kreston Audit, Reading Bridge
House, George Street, Reading, Berkshire RG1 8LS

Bankers

Lloyds Bank Plc, 10 High Street,
Bracknell, RG12 1BT

Solicitors

Hunters, 9 New Square, Lincolns Inn,
London WC2A 3QN



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Message from the Chairman



Ludovick Halik
Chairman of Trustees

This is my first year as Chairman and writing my introduction to the annual accounts and Trustees' report.

I would like to start by saying what an absolute privilege and honour it is to have been elected as Chairman of this amazing Charity. I have spent as much time as possible attending fundraising events, committee meetings, management meetings, strategic planning sessions and one-to-one discussions with our Chief Executive. I have to say I have been humbled and impressed by the work and commitment put in by everyone.

Like all organisations, the Charity has faced many challenges during the year, with investments and financial markets seeing huge swings in terms of performance. Our schools have been feeling the pressure from the cost-of-living crisis which has affected fee paying parents and local authorities, and this, during a time of substantial increases in demand from beneficiaries for support from our Charity Services team. However, my fellow Trustees and I could not be more delighted with our financial results, which have far exceeded expectations. Results were very much achieved through prudent management.

LVS Ascot achieved excellent feedback following an inspection carried out by the Independent Schools Inspectorate. Our specialist autism schools, LVS Hassocks and LVS Oxford, have also won many awards and all schools continued to achieve excellent academic, sporting and extracurricular results.

What of the future? There will be many challenges such as the recent change in Government and Labour's manifesto pledge to introduce VAT on independent school fees. There is also additional pressure as slow economic growth, alongside a continued increasing demand for our Charity support, is forecast. Contingencies are being put in place in order that the organisation continues to deliver in line with our charitable Objects.

I could not end my introduction without mentioning our Chief Executive, James Brewster, who retired in March 2024 after almost 17 years with the Charity. On behalf of the Trustees, I would like to pass on our heartfelt thanks as he has been very much part of the modernisation of the Charity during his tenure, ensuring that it remains appropriate for the current challenges. I am delighted that Chris Welham has taken on the role of Chief Executive, bringing a wealth of experience and industry knowledge to the organisation. This expertise will certainly add value to the organisation and I wish him every success.

Finally, I would like to thank all our members, volunteers, staff, supporters and Trustees for their continued contribution and unwavering support. Our strategic plan gives us the opportunity to grow and adapt the Charity to ensure its continued relevance and I am confident of the future.

Former Chief Executive's Report



Jim Brewster
Former Chief Executive

In this, my last overview of the Charity's annual accounts and report before I retire, I have to say how delighted I am with the financial out turns for 2023, enabling us to assist more people.

Whilst there have been many challenges, all our expectations have been exceeded and our teams have done exceptionally well in delivering support to those from the trade facing adversity. We have always adapted to current needs and our Charity Services team have worked extremely hard to keep pace with the demands.

Equally, our education teams across the three schools have delivered first class provision to all the students in their care, making a huge difference to many. This is in conjunction with recognising the challenges parents face during difficult financial situations, which Local Authorities are also facing. Throughout all of this, the organisation has never lowered its standards, as demonstrated by the amazing pupil outcomes across the LVS schools.

Whilst the Trustees have ensured the organisation is well governed, as evidenced in the audit results and school inspection reports, the Executive team and Heads of Departments have been encouraged to manage the organisation with new initiatives and systems, to ensure best practices are continuously followed.

My personal pride in the Charity's achievements extends to the training and development of staff, Trustees, Governors, committee members and volunteers to ensure excellence in all we do.

Pride, passion and care in our work is evident and I am delighted that a number of internal staff promotions have taken place, whilst our apprenticeship schemes have also been highly successful. There is no doubt that technology has to be embraced and positioned to enhance the organisation, but we must never forget we are a service provider to students, parents and beneficiaries, which means that personal interface remains at our forefront.

The organisation will continue to face challenges in the future, both economic and operational, but the Charity is well placed to handle these. It has been an absolute privilege to have been part of this Charity for almost 17 years, but I believe the appointment of my successor will help drive the Charity's strategy forward. I would like to take this opportunity to formally wish Chris Welham every success in the role of Chief Executive.

Finally, I would like to pay tribute to the six Chairmen of the Charity whom I have served under, all bringing different leadership skills to the organisation, giving myself and the Executive team their total support. My heartfelt thanks go to all our volunteers, committee members, Trustees, Governors and, above all, the whole staff community for their unwavering commitment to the Charity.

Chief Executive's Report



Chris Welham
Chief Executive

It is a real privilege to be the new Chief Executive Officer of the Charity and I pay tribute to Jim Brewster for the legacy that he has built and the thorough handover that he afforded me. Having started in role in March 2024, I have been hugely impressed by the calibre of the people who lead our teams across our organisation and the strong governance and professionalism with which the Charity operates. In the early period of my tenure, I've dedicated much of my time to actively listening to our Trustees and leadership teams, learning from our wonderful teaching staff and eliciting feedback from parents, supporters and people across our industry on how the Charity operates and the possibilities that exist.

I'm inspired by the continuous focus on delivering the very best for the children in our schools and it is humbling to see how people across the licensed trade are so dedicated to raising funds for our beneficiaries. There are so many stories of unsung heroes who work on the front line and those who have dedicated so much of their lives to a career in hospitality, who the Charity has been able to help and support when they have fallen on hard times. The work that the Charity does makes such a difference to people and we are there for them when they need us most. We support people in our trade who find themselves in times of need.

As we look to develop our plans for the future, our founding principles remain at our core: helping those who are unwell, vulnerable and experiencing financial hardship, offering relief to those navigating the challenges of growing older and the promotion of education of people in the trade.

With over 28 years of experience in the hospitality sector in various Executive roles, I am focused on supporting and enabling our teams to unlock the full potential of our organisation. With Labour coming to power in July, the challenges and opportunities that the Charity face are many. The proposed introduction of VAT on school fees will involve difficult decisions to be taken but may well also present opportunities for us to increase our school footprint and we are open to possibilities in this regard.

The future of the Charity is very much an exciting one. Our goal is to ensure that the LTC remains a pillar of support for licensed trade individuals for the next 230 years and beyond, whilst continuing to deliver exceptional outcomes for our students.

Trustees' Report for 2023

The Trustees are pleased to present their Report and Financial Statements for the Licensed Trade Charity, its associate company and trading subsidiary for the year ended 31 December 2023.

Objectives and activities

The Charity continues to be committed to helping those who have previously worked in, or are currently working in, the licensed drinks industry, to alleviate poverty and distress. Its key objectives during the year were:

- helping those who are sick, infirm or distressed; and
- aiding those experiencing financial hardship; and
- offering relief to those suffering from the ills, consequent of old age.

The Charity educates children of the general public, but with preference to those working in the licensed trade, through its schools.

In setting its objectives and planning its activities, the Trustees have given careful consideration to the Charity Commissioners' general guidance on public benefit and, in particular, to its guidance on advancing education and fee charging in accordance with Section 4 of the Charities Act 2006.

The Trustees apply the funds of the Charity at their discretion and in accordance with the charitable purposes and objectives of the Charity, to provide financial assistance, support and advice to those who are currently working in, have previously worked in, or are retired from the licensed drinks trade.

All applications for help are means-tested and vetted by the Charity Services Committee, which has delegated powers from the Trustee Body to administer the grant-making policy.

During 2023, the Charity committed £1,132k to provide:

- regular financial assistance to help with essential living costs;
- grants to provide one-off assistance, such as rent deposits for housing, disability aids or convalescent breaks;
- bursaries at LVS Ascot; and
- grants to help with education and training.

The Charity also:

- assists people to claim benefits and grants that are available from Government and other agencies;
- co-funds with other charities to make grants that a single charity would not be able to fund;
- provides information via its website and telephone helpline on a range of issues including housing, debt, employment support and relationships;
- trains regional Volunteers who visit new applicants and existing beneficiaries to consider their position; and
- trains telephone befrienders to call people from the trade who are isolated, to offer support and companionship on a regular basis.

The aim of our schools is to inspire independence. The Charity delivers a high level of education and care for children through its co-educational schools; LVS Ascot, LVS Hassocks and LVS Oxford.

LVS Hassocks and LVS Oxford provide education to children with a diagnosis of autism, therefore through our three schools, the Charity is able to offer education to children with a broad range of educational abilities.

LVS Hassocks and LVS Oxford are predominantly supported via Local Authority funding for learners with Education, Health and Care Plans (EHCP's).

In 2023, bursaries of £337k were provided to children from the licensed trade, who have an educational or emotional need that cannot be met through their existing state provision, an increase of £36k from 2022. To be eligible for a bursary, parents and carers must have worked in the licensed trade for at least five consecutive years. All bursary awards are means-tested and are therefore dependent on family income and circumstances.

LVS Ascot also offers scholarships to recognise academic, sport, music, art and drama potential. These are advertised to parents and prospective parents, and awarded in the above categories, or according to the specific requirements of the external bodies that gave the funding. The value of these awards was £698k in 2023, compared to £465k in 2022.

Further details of the Charity's bursary and scholarship policies and how to apply for both are available on the LVS Ascot website.

At LVS Ascot, fee discounts of up to 20% are available for fee payers who are currently working, or have in the past worked, in the trade for at least five consecutive years. Discounts are also available to members of the Armed Forces, Diplomatic Services and local senior academic staff. In 2023, the value of these discounts amounted to £646k, compared to £597k in 2022.

As part of the emphasis placed on attracting and retaining high-calibre staff, a discount which increases with length of tenure is offered to staff members who educate their children at LVS Ascot. Also, to reinforce the value placed on continuity for families, a discount is offered where a family has more than two children at the Ascot school.

Structure, governance and management

Constitution

The Licensed Trade Charity was established in 1793 by publicans who wanted to provide support and a safety net for fellow publicans and their families. For more than two centuries, the Charity has worked to improve people's lives by providing a range of support, from setting up schools to educate children, providing houses for the elderly, awarding financial grants for people in need and continues to run independent schools today.

The Charity operates under the Royal Charter of the Society of Licensed Victuallers, dated 3rd May 1836, and a Supplemental Charter dated 5th February 1999.

Following the merger of the Society of Licensed Victuallers and the Licensed Victuallers National Homes in 2004, a further Supplemental Charter, dated 29th June 2012, was approved by the Privy Council.

During 2017, the Charity applied to the Charity Commission and the Privy Council to widen its objects in order that it could provide education for all ages (previously this was restricted to children) and to provide increased care to the elderly, with both these provisions maintaining preference to those from the licensed trade. Both these requests were agreed by The Queen's Most Excellent Majesty in Council on February 8th, 2018, and the objects of the Charity amended accordingly.

Charitable status

The Charity helps all those in the licensed trade and operates under the Charity registration number 230011.

Governing body

The Trustee Body consists of between 12 and 18 Trustees (the number being at the discretion of the Trustees), two thirds of whom must be Licensed Victuallers, with the remainder members of the Charity. Trustees must be a member of the Charity before they can stand for election. Each term of office is three years, although Trustees who are aged 70 or older must seek re-election every year. Two general meetings (or Courts) are held each year, one in April and one in October, to which all members are invited.

The Trustees are responsible for overall governance and strategic direction. The Trustee Body delegates power within agreed budgets and responsibilities to committees that oversee the delivery of its Charity Services policy, Education policy, Investments policy, Fundraising activities and Membership.

The Trustees consider the Trustee Body, along with the Executive management team, which includes the Chief Executive and five senior staff members, comprises the key management personnel of the Charity, in charge of directing and controlling the Charity and running the operations on a day-to-day basis.

The Chief Executive regularly meets with senior leaders of a number of occupational charities and trade bodies to discuss issues faced within both the charity sector and the industry we support, and to share initiatives, research and best working practices.

The Charity also works closely with a number of other occupational-based charities to share grant awards in order that funding is awarded that could otherwise not be made.

The Charity continues to receive invaluable support from its regional fundraisers who raised £11k for the Charity in 2023.

Induction and training of Trustees

As part of its strategic planning process, the Charity conducts a skills audit of the Trustees on a regular basis in order to continuously ensure that the Trustee Body's skillset matches those required by the Charity, now and in the future. In addition, the Charity actively co-opts people with the desired skills to the Trustee Body and subcommittees.

On joining the Charity, all Trustees follow a general induction programme with specific training, either provided in-house or externally, to prepare them for whichever committee they are appointed to. There is also an on-going training programme for all Trustees.

Key management personnel remuneration

The pay of the Charity's Chief Executive is reviewed annually by the Trustee Body. The pay of the Executive Team is reviewed annually by the Chief Executive. Pay for teaching staff is generally aligned to national pay scales and pay for non-teaching staff is normally increased in accordance with average earnings.

Remuneration is also benchmarked with charities of a similar size and complexity, to ensure that the remuneration set is fair and not out of line with that generally paid for similar roles.

All Trustees give of their time freely and no Trustee remuneration was paid in the year. Details of Trustee expenses are disclosed in note 13 to the accounts. There were no related party transactions in the year.

Trustees are required to disclose all relevant interests, register them with the Chief Executive and, in accordance with the Charity's policy, withdraw from decisions where a conflict of interest arises.

Group structure

The Licensed Trade Charity has a wholly owned non-charitable trading subsidiary, Elvian Limited, which makes available the facilities of the schools to various organisations for events, educational and leisure purposes. The Charity also holds 25% of the equity of The Morning Advertiser Limited which is treated as an associate company in line with the Charities SORP (FRS102).

Charity Services

Navigating Growth and Shifting Needs: A Comprehensive Analysis of Charity Services trends in 2023

2023 has seen a continuation of challenges in the hospitality sector, such as utility costs remaining high, household budgets being squeezed by the cost-of-living crisis, food inflation and supply chain issues, all likely to stay with us for a while.

Global events have affected not only businesses but also individuals. We are navigating the permacrisis that affects our sense of wellbeing, security and ability to plan in a world where nothing is certain. Therefore, employee wellbeing has quickly become the top of an employer's agenda. Pub companies, brewers and independent traders all agree that investing in the wellbeing of their teams is not only the right thing to do, but makes good business sense too.

Growth in demand for services: Helpline calls, a crucial metric in understanding demand, witnessed a substantial increase from 3,178 in 2022 to 4,512 in 2023, a remarkable 42% growth. This surge underscores both the escalating challenges faced by individuals in the licensed hospitality industry and a growing awareness of the LTC, with many licensed hospitality employers promoting the Charity.

Service stats highlights: 51% of calls to our helpline were for practical support and 49% for emotional support. A closer look at the service statistics reveals that 23% of helpline calls in 2023 were referred to the grants team, indicating a multifaceted approach in addressing the diverse needs of those seeking assistance.

Licensed hospitality industry landscape driving growth: The data also highlights the influential role of the licensed hospitality industry in propelling the growth in demand. Enquiries from employees of major pub companies that work especially closely with the LTC to raise awareness of support across their teams form a sizable portion of helpline calls. This emphasises the industry's growing role in supporting hospitality professionals to access impartial and specialist support addressing their unique challenges. We are hoping to see more of it going forward as we are strengthening our corporate relationships by appointing a Business Relationship Manager.

Enquiries to the grants team: Enquiries to the grants team surged from 1,320 in 2022 to 2,325 in 2023, a growth of 76%. A substantial 45% of these enquiries originated from the helpline, underscoring its pivotal role in connecting individuals with the necessary support. To manage this increased workload, a dedicated Support Coordinator was employed, ensuring timely responses to the approximately 45 new enquiries received each week.

Emerging challenges: In 2023, there was a 40% increase in the number of grants awarded across the board compared to 2022. There is persistently high incidence of gambling-related cases, an increase in domestic violence instances and a rise in complex mental health needs. Challenges span various aspects, including resilience and emotional wellbeing, financial worries, cost of living crisis, unaffordable and unsuitable housing and relationships issues. The nature of applications reflects the broader societal trends.

Our support is split into six areas of help:

- Money - 979 people were helped via grants and support from the financial well-being platform Nudge. £300,488 was awarded in grants for financial hardship.
- Mental wellbeing - 4,800 people were supported with counselling via our helpline and over 940 Relate counselling sessions in 2023.
- Housing - 498 people were helped to secure a home, prevent eviction or via a referral to Shelter and £230,507 was awarded in grants.
- Health - 17 people were helped with health issues and £16,173 was awarded in grants.
- Employment - 13 people were referred to a specialist job coach and online support from Renovo.
- Education - 33 children were supported via grants for school trips, laptops and school uniform. 112 pupils were partially or fully funded by the Charity to attend LVS Ascot. This was at a cost of £571,626.



Fundraising

The Charity continues to benefit from the generosity of individuals and licensed hospitality organisations who donate their time and experience, share their contacts and raise funds to support our work and for that we are very grateful.

We thank our Regional Supporters, Licensed Victuallers Associations and Ladies Auxiliaries who raised over £11,000.

The continued strength of our capital position ensures our operating costs are covered by our commercial work and investment income. This means that every penny received in donations can go directly to the people that we help and ensures the stability that gives our corporate contacts and sponsors confidence when choosing a partner for their brands and wellbeing initiatives.

2023 saw a continued increase in the number of fundraising activities arranged by our partner operators and suppliers in support of the LTC. These include invitations to raise awareness and funds at awards dinners, sporting events, training sessions and induction days. These events give us valuable opportunities to raise awareness of the work we do and reach more people who could benefit from our help.

We are grateful to The Worshipful Company of Innholders and to The William Brake Charitable Trust for their donations to Sixth Form Scholarships at LVS Ascot, supporting the education of future generations.

During 2023 we were grateful to receive invitations and donations from:

- AB InBev, and The Budweiser Brewing Group
- Mitchells & Butlers
- Livelyhood Pubs
- Fullers
- Heineken
- Greene King
- TNT Sports
- J D Wetherspoon
- Stonegate

Our friends at Phantom Brewery brewed a pale ale 'A Little TLC' for us to support our 'LTC because everyone needs a little TLC' campaign.

2023 saw our second Pedalling for Pubs ride. 26 influential professionals from across hospitality took on a 450km cycle challenge, coast to coast, across Sri Lanka.



The team rode the enormous distance, which included elevations up to 2,000m in scorching temperatures and incredibly high humidity, and they really gave their all. They raised a staggering £320,000 for the Licensed Trade Charity and Only A Pavement Away.

The following June, 36 hospitality people took to their cycles to ride 240km in Yorkshire for the inaugural Pedalling 2 Pubs, the UK Edition.

Our thanks go to everyone involved, especially riders and sponsors. Our special thanks go to Katy Moses and the team from KAM, the driving force behind this initiative, and to Steve Alton, Bill, for organising Pedalling 2 Pubs.



Volunteering in 2023

Our Volunteers play an important part in supporting and promoting the Licensed Trade Charity's work, guiding the direction of the Charity, raising funds and reaching out to the community to help deliver a holistic service for the people we support.

The majority of our Volunteers have a history in the licensed hospitality trade in various guises, from Licensee to Owner/Director, giving them valuable insight into the rewards and challenges a career in the licensed trade offers. They have a real passion for the licensed trade, a desire to help those in need and to ensure our children are given the very best of education.

In 2023 we had 150 Volunteers over six different roles:

- Trustees (18)
- School Governors (16)
- Charity Services Volunteers (39)
- Telephone Befrienders (12)
- Charity Ambassadors (22)
- Regional Fundraisers (39)

Our Trustees play a vital role in the decisions that shape the future direction of the Charity, donating their time to Trustee and Committee meetings and sharing their skills and experience. Our Trustee Board is made up of 18 Trustees. The full board meets at least 6 times a year, with most Trustees also sitting on either the Charity Services, Membership, Governing Body, Pensions, Investments or Elvian Limited Committees. There were an additional 4 co-opted members who sit on various committees.

Each of our schools, LVS Ascot, LVS Hassocks and LVS Oxford, have a Board of Governors who work to ensure that their school leaders are delivering the best education possible. They regularly visit their respective school, speaking to staff and students, to make sure they're achieving educational excellence and, as such, have to have an understanding of school dynamics.

Our Charity Services Volunteers made 183 visits to people in their homes, collecting the background stories of our more complex cases to help the Committee fully understand the issues the applicants were facing and the impact it was having on them.

Our team of Telephone Befrienders call their befriendees on a regular basis - weekly, fortnightly or monthly, depending on how often the person wants, actively listening and sometimes acting as a sounding board to talk through any issues they are facing. The length of the calls can vary from person to person but usually last for between 30 minutes to an hour. We know from feedback we've received that sometimes the Befriender is the only person they speak to in a week and can really help a person change their life around.

Our team of Charity Ambassadors expanded to 22, with more people currently working in the trade who are passionate about the services the Charity provides and wanting to help promote these. They supported our staff team at a mix of exhibitions, conferences, online presentations and company events over the year.

Our Regional Support Committees continued to organise numerous fundraising events throughout the year from golf days, Burns Night dinners, annual conferences, rallies and garden parties, as well as various themed dinners, and we thank them for all their effort and hard work in helping us raise funds for the Charity.

We are extremely grateful for the huge amount of time (over 4,000 hours during the year), energy, skills and experience all our Volunteers kindly donate to ensure the Charity and its family of schools continues to go from strength to strength.



Educational performance Academic Year 2022-23

LVS Ascot

GCSE results 2023

Whilst the overall pass rate in 2023 was inevitably down on results from the Covid years, the pass rate of 88.7% at grades 9-4 was up on 2019 (85.67%) by over 3%. Notable success was again seen in the core subjects with 100% pass rate in English Language, English Literature, higher tier Maths IGCSE and the Triple Sciences. This is a fantastic achievement given the fact we are an all-ability school.

A Level results 2023

The overall pass rate (grades A-E) stood at 96%, slightly down on our last year before Covid, however up by 2% on 2022, when grades were generous and content was reduced. Those achieving top grades A* to B were up on 2019 by 7%, again a reflection of a solid performance from a diverse range of abilities.

University destinations and post 18 pathways

100% of our pupils who chose to take up a university place for 2023, or deferred entry, secured a place. We again had a significant number of pupils go to Russell Group universities, including one pupil being accepted at Imperial to read medicine.

Moving forward, the focus will now be on degree apprenticeships as a real alternative to traditional university destinations. The rising cost of living, coupled with the extortionate debt faced by undergraduates, mean that we now need to guide our Year 13's towards other pathways post-18.

Senior School Academic

We continue to regularly review national trends, the curriculum and qualifications we offer to remain competitive, whilst offering pathways that prepare our pupils for the changing world of work. In 2023 we added A' Level Sociology and BTEC Business to our repertoire, with Law returning in 2024.

We became a Round Square School and introduced the High-Performance Learning framework. This is an exciting time for LVS Ascot as blended learning and the "4Cs" are firmly embedded in our teaching, and the addition of the new initiatives will only strengthen the pupils' learning journey and outcomes.

Infant & Junior School Academic

The academic achievements of the Infant and Junior students remain above the national average in the core subjects of Maths, English and Science. At the end of their time in Key Stage 1 (KS1), the children in Year 2 undertake assessments in Maths and English. Highlights include 100% of children exceeding age-related expectations (ARE) in Maths and 80% exceeding in English.

In Key Stage 2 (KS2), Years 3-6, there were some excellent results in the end of year assessments across the core subjects. With 23% of the children in KS2 having English as an additional language (EAL) and 31% of students having SEND needs, it was pleasing to see the majority of children meeting or exceeding their age-related expectations in Maths, English and Science.

Across the total of 149 children, 8% were working towards ARE in reading, and 13% working towards ARE in both Maths and Science. At the end of KS2 (Year 6), before transition to Senior School, a significant number of children were exceeding expectations across the subjects: 22% in Maths, 27% in English and 25% in Science.

Technology

LVS Ascot was nominated for 'Best Digital School Provision' at The School and Supplier Awards by Education Today. The school has achieved Microsoft's highly sought after Showcase School award for the second year running; in 2022 there were only 72 UK schools that had achieved this award.

IJS Trips

Students in every year group enjoyed a wide range of trips that reflected the curriculum topics for that term. Those trips included: Shorts recycling plant; Reading's Victorian Museum for Year 2; The 1940's Experience museum; Winchester Science Museum and Planetarium for Year 5; Osmington Bay for Year 6 and KidZania, for the whole school.

The School enjoyed several author visits, Groovy Greeks Day for Year 4, Safer Internet Day, National Pride Day, International Day, Equality, Diversity and Inclusion (EDI) Week and many more. Years 5 and 6 also joined some of the Senior School speakers, including Paul Hannaford, who spoke about gang violence and Floyd Steadman, who told us of his experiences with racism.

Performing Arts Senior School

2023 was a busy year for Performing Arts. The school hosted many internal events including Young Singer, Young Dancer, Young Actor and Young Musician of the Year as well as House Performing Arts competitions.

We took part in external competitions for Dance, Drama and Music, including Stars of Tomorrow (Dance), Richmond Drama Festival and Woking Music Festival.

We had several productions giving all students the opportunity to perform: Chitty Chitty Bang Bang (Years 7-9), and in the new academic year, Footloose (Years 7-13).

We have also taken part in many of the ISA competitions, achieving success in ISA Drama, ISA Musical Theatre, ISA Band Competition, ISA Shakespeare and ISA Public Speaking.

Performing Arts Infant & Junior School

There were in-house productions and performances for all our students, including 'Mystery at Magpie Manor' (Years 3-4), 'Elizabeth' (Years 5-6) and 'The Inn-spectors' (Early Years Foundation Stage-Year 2).

Students took part in competitions including Young Singer of the Year, Young Dancer of the Year, Young Musician of the Year and House Performing Arts. Students also took part in LVS Ascot Performing Arts Festival and the Performing Arts Marathon.

Students had opportunities to participate in local and national competitions, including the ISA Drama competition, ISA Musical Theatre and ISA Dance competition. Dance also featured on the timetable for all primary aged students, with many taking ISTD exams. Our students who have peripatetic lessons also had LAMDA exams and ABRSM music exams.



Senior School Sport

Two of the major highlights were hosting the annual ISA U11, U13 and U15 Boys and Girls National Football Tournaments. LVS Ascot U11 girls won the plate, the U13 boys finished second in the Cup and the U15 boys won the plate competition.

Years 10-13 took part in a Barcelona sports tour and enjoyed training at high quality facilities with Barcelona's academies in football, basketball and volleyball.

Other sporting highlights include:

- U12 boys' rugby team winning 5 out of 7 games at the Berkshire Festival.
- Hosting the U12 boys Berkshire hockey tournament and picking up silver medals.
- The U13 girls became Ascot schools' hockey winners.
- The U14 Girls hockey team came 3rd in the Berkshire cup and then 3rd in South Central Regional Cup, placing them in the top three teams in the region.
- The 1st team hockey finished second in the league.
- 3 pupils secured 3 bronze and 1 gold medal at the national competition of the ISA regional swimming competition.
- 5 pupils qualified for the ISA Regional Cross Country competition, securing 1 silver and 1 bronze medal.
- Hosting the U12 boys cricket cup final with Year 7 boys reaching the final.

Infant & Junior School Sport

Students are offered weekly inter-school sporting fixtures and house competitions in netball, football, cricket, hockey, rugby and swimming.

Students took part in some key ISA tournaments:

- U11 Boys' Football tournament.
- Girls' Football tournament (plate winners).
- Athletics and the National finals
- Swimming (National finals in London).

The school hosted the Maidenhead Magpies Year 3 and 4 boys' football festival and were proud runners-up.

We worked alongside Premier Education to offer our students bespoke rugby training for Years 5 and 6.

Specialist education

LVS Hassocks

The arrival of a new Principal in March 2023 gave rise to an ambitious vision for the school. A vision in which the school has student and staff satisfaction and welfare at the core of its work.

2023 saw accolades and awards to acknowledge the great work from the school and it was awarded the ISA SEND School of the year. The school is well placed as a first choice for many parents and consequently is popular and full. The school offers entry into Years 7-11, with a small Sixth Form comprising students who need one further year before transiting onto a college course. All exiting students from last year achieved a college placement, all of which are sustainable and appropriate for their needs.

The school offers a broad range of qualifications, from BTECs in Sport to GCSEs in Art, Maths and English. In addition, the curriculum is supported by practical subjects such as Horticulture and Cooking. The on-site café boosts the students' skills for employability and increases their language and social skills.

Headline results for summer 2023 include:

- BTEC Home Cooking Skills (Level 2) 100% Pass rate
- BTEC Horticulture (Level 2) 100% Pass rate
- BTEC Art (Level 1) 100% Pass rate
- Trinity Bronze Art Award 100% Pass rate
- Sports Leaders Award 100% Pass rate
- Duke of Edinburgh's Award Bronze 100% Pass rate
- Duke of Edinburgh's Award Silver 100% Pass rate
- GCSE Spoken English 86% Pass rate

The school continues to achieve well in the Duke of Edinburgh award and is currently working with the Royal Horticulture Society for the outdoor learning accreditation. The Inclusion Quality Mark award has been secured again and the school has undergone successful inspections from local authorities.

Awards 2023:

- ISA SEND School of the Year Award.
- Rainbow Flag award.
- IQM Centre of Excellence status awarded for 2023 & 2024.
- National Mental Health & Wellbeing Accreditation.
- Artsmark Silver Award by the Arts Council.
- Gold Level for Autism Aware Award issued by West Sussex Local Authority.



There was a marked increase in engagement in the local community and placements of students into work experience. The school continuously searches out new partners from which the students will be able to develop and refine their skills. Opportunities to increase confidence and self-esteem are at the heart of the school ethos.

Several sporting fixtures took place, with football remaining a favourite sport. Students also benefited from many curriculum-supporting trips to consolidate teaching and learning.

The school has reviewed the curriculum offerings and other opportunities to expand qualifications, these include GCSEs in Humanities, an OCR Creative Media course and an ICT qualification.

Therapy provision continues to be a strength, with further provision added to the skillset. The therapy department works closely alongside academic staff to support the learning and to ensure staff are fully equipped to deal with triggering scenarios. The Continuing Professional Development (CPD) offering for staff has expanded to include a dedicated training slot for class teachers each week. The training provision for staff encompasses a wide range of possibilities and is attractive for those considering employment at the school.

Several workshops have taken place this year for parents to support them in navigating strategies to use at home. Topics have been driven by parents, which has strengthened the parent support. Parents have also been supportive of other whole school events, including coming regularly to the café and donating to the various charity events over the year. Once again, the school showcased the talents of the student body at both Christmas and summer sharing events.

LVS Oxford

Student numbers rose significantly from 48 to 63 over the year. In July, 8 students moved on to their chosen destination (further education or employment) and in September, 19 students joined the school, with a further 3 before Christmas. The year closed at full capacity in Years 7, 8 and 11 with limited spaces available in other years. Open days remained oversubscribed and there were significantly more enquiries than there were spaces.

2023 saw excellent exam results. Students completed 19 exams. 79% of the results were on or above predicted grades. 84% of results were grades 4-9, an outstanding result for students with special educational needs. 100% of leavers transitioned to their chosen destinations, including college, studying Engineering, Hairdressing, City & Guilds Catering, Art and Design and Life Skills at City of Oxford College, to name a few.

A notable change to the curriculum was the development of a lower school horticulture offer, aligned to employability and enterprise. As part of this offer, we successfully delivered our second annual Christmas enterprise sale. The lower school developed an enterprise company entitled "Nurture, Thrive, Bloom!" Students developed communication and interaction skills related to a workplace environment, preparing them for future employment.

The aim at LVS Oxford is to instil in all students the necessary confidence, awareness and flexible skills to make an initial transition from education into the world of work, and to subsequently continue with effective life-long career development, fulfil their potential and be successful. Last year we strengthened partnerships with Blenheim Palace and Fairy-tale Farm, whilst creating and furthering partnerships with Soho Farmhouse, Oxford City Football Club and Begbroke Primary School. All Year 11s and post-16 students participated in work experience 1 or 2 days per week. 2 students were offered apprenticeships directly from the work experience program.

Highlights of the year included students in Years 7-10 attending a 2-day residential camp at the Blenheim Palace Estate. Hosted and run by The Bushcraft Company, students slept in bell tents, learned shelter building and bushcraft survival skills.

They also participated in challenges and games to help them build resilience, teamwork and social interaction skills.

Some students participated in Equine therapy, where they learned about body language behaviour, the herding instinct observed in both animals and humans, and delved into the individual personalities of the horses. They also learned the significance of mindful breathing. Throughout the sessions they participated in, our students demonstrated thoughtfulness, quiet and remarkable confidence.



During the year we had the privilege of parents sharing their skills and abilities with our students. Our students were trained in first response by a parent employed in the ambulance service, including experiencing an ambulance on site for them to explore and gain "hands on experience." We also had a film producer parent coming in to speak about his role in major television and movie production. These were both excellent opportunities for students to learn about the life and employment skills they need beyond LVS.





Our People & Human Resources

2023 continued to be a difficult landscape with worldwide competition for people and their skills, post the pandemic. The Licensed Trade Charity as an employer, and its employees, have had to continue accepting change and flexibility in an unsettling employment market.

As always, a focus on internal talent, training and agility has been important to mobilise the skills we have in our organisation. Technology continues to forge ahead and LTC is well equipped to be able to embrace changes.

As part of our digital strategy, we introduced two new systems for Finance and Human Resources (HR)/Payroll. Those were further embedded allowing us to streamline HR processes for both employee, employer and candidates. Candidates can access the recruitment portal anytime from anywhere in the world to submit their details.

We strive to continue to improve our diversity, equality and inclusion. We believe that by employing diverse people in our workforce, we are stronger when responding to challenges and providing positive wellbeing for all our employees.

Recruitment during 2023 was stronger and we were able to attract skilled talent. The labour shortages trend of previous years eased. We had over 90 positions during 2023 with in excess of 700 applicants, and we saw more people applying for our roles throughout the organisation.

Employee relations and employee wellbeing remain a priority and our personnel are supported through life's issues by our Employee Assistance Programme provided by HSF Assist. They have supplied an amazing service 24/7, 365 days per year for our people, including a GP Virtual doctor service, counselling both online and face to face, as well as legal support services.

We operate an HR business partner method to support our units, giving the leaders and employees direct support, advice and presence in their workplace.

We had 424 employees plus our catering and IT support services working as a team with us across our units.

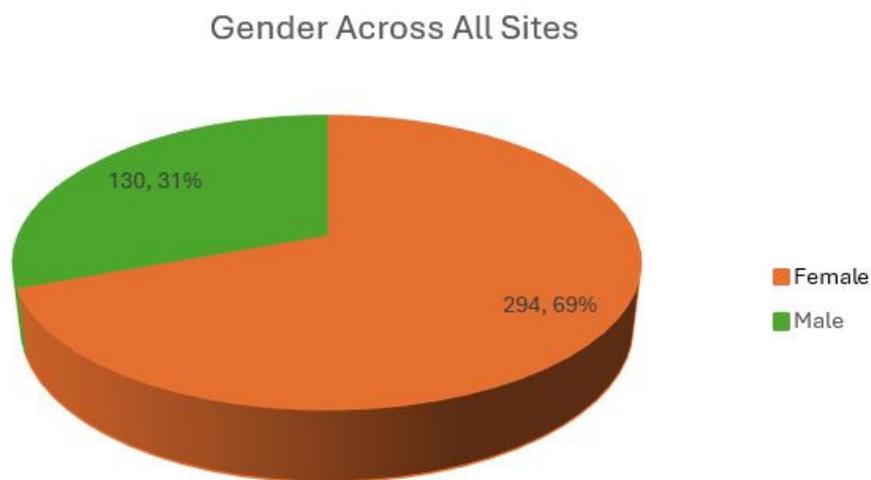
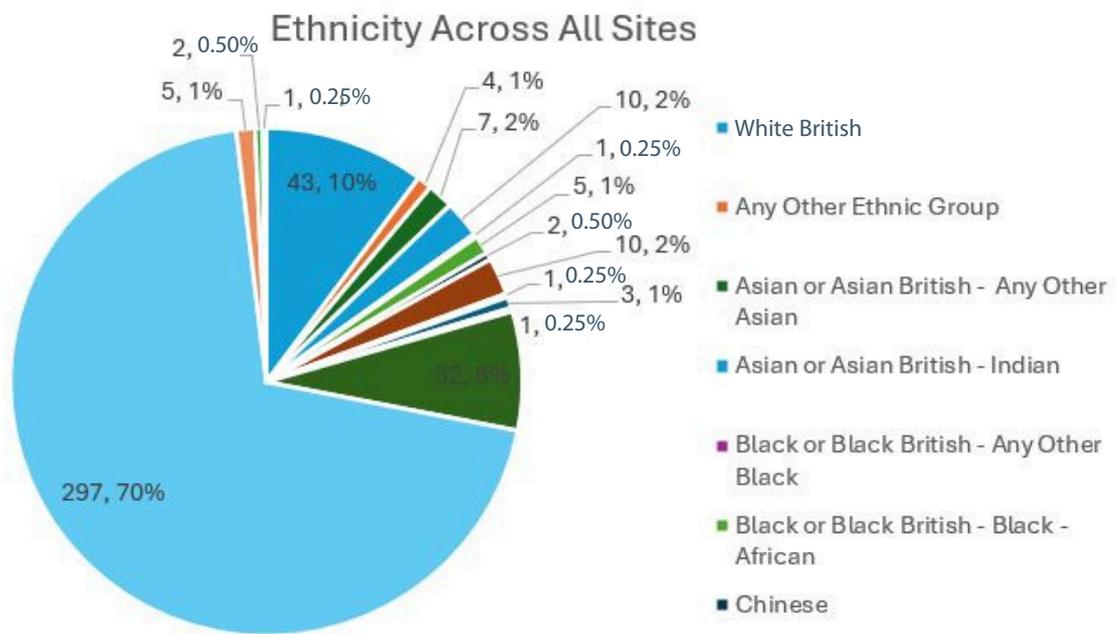
Maximising the benefits of our apprenticeship initiative, we worked with a broader network of apprentice suppliers and during 2023, had 13 training under the scheme from Level 2 to Level 7, Masters' Level, who received £108,000 of training paid by the Apprentice Levy. We had 6 senior leaders attending Masters' courses at university via the apprenticeship framework. 3 apprentices successfully completed their Level 3 and moved onto qualified new roles.

We focus on learning and development for all and in 2023, our employees attended over 2,790 units of training across our 4 units and we offered in excess of 300 courses. We believe leadership and management development is key to ensuring the success of our current and future managers.

Our core values remain; Pride, Passion, Care, Honesty and Responsibility and are embedded from our recruitment standards through to professional requirements. We believe that everyone should have the opportunity to work in a fair, inclusive environment without fear or prejudice regardless of race, age, gender, disability, sexual orientation, social class, religion and belief. We believe that an equal, diverse and inclusive culture makes us stronger as a community and business.

Our people are the lifeblood of our organisation and bring their individuality, unique understanding and background to support our wider staff community. We employ flexible, honest, intelligent risk-takers who are able to embrace change with a 'can-do' ability. We believe this gives us a competitive advantage in a changeable market place.

Our people are essential to our strategy to deliver diversity in all our different operations.



Energy and sustainability

The LTC continues to focus on infrastructure improvements and renewable technology with the aim of decarbonising our sites. Significant progress was made during 2023, and this has formed the foundation for further environmental improvements over the foreseeable future. Our target as an organisation to move towards carbon neutrality and sustainability is integral to the way we operate.

We trialled solar generation with the installation of 132 panels to the swimming pool roof at LVS Ascot. After 6 months of working, the system generated circa 20 MWh of electricity, the equivalent of 220 trees planted, 3,550kg of CO₂ emissions saved, and a reduction of £3k to our electricity supply. As the cost of the installation was £74k, we anticipate a payback period of 5.4 years based on these savings. Following the success of this trial, we will be installing an additional 900 panels, which will meet approximately a third of our electricity demand.

A new Building Management System was installed at the LVS Ascot Infant and Junior School and Kew Boarding House. This has ensured that the heating is zoned and thermostatically controlled, based on internal and external temperatures, reducing energy consumption.

The entire roof void to Kew Boarding House received an additional 300mm of roof insulation, helping to combat thermal heat loss. This investment is expected to pay for itself in 3 to 4 years.

All the sports and ancillary halls at LVS Ascot had their lighting replaced at a cost of £20k. We anticipate a payback of circa 4-5 years on the capital investment, based on energy savings.

Electric car charging stations were installed at LVS Oxford and additional stations at LVS Ascot, giving us a total of 10 charging points across the three schools. During 2023, 11,400 kWh of energy was delivered, which resulted in 6400kg CO₂ avoided.

At LVS Oxford, all the external bollard lighting was replaced around the site with energy-efficient LED fittings. These works should achieve an annual saving of £2,100 and deliver a payback of 7-8 years.



Estates Report

During 2023, the estates teams were successful in delivering projects across the LVS schools. In alignment with strategic objectives, each project contributed to enriching the educational environment of the schools by focusing on improvements to appearance, condition, functionality or energy performance. Below is a summary of successfully delivered key projects.

LVS Ascot

The main reception and administration corridors were modernised during the summer, to create a more contemporary and open environment to visitors and staff.

The main entrance to the school, which was previously considered utilitarian and uninviting, was revamped with new cedar swing gates and fencing, raised beds and a living wall to showcase the LVS/LTC brand. This was delivered during the October half term.

To improve and consolidate the storage requirements at LVS Ascot, three large, insulated sheds were constructed in the woodland area adjacent to Hampton Boarding House.

LVS Hassocks

Last year, access control on internal doors and additional CCTV cameras were installed to ensure that security and safeguarding measures can be maintained at the school.

LVS Oxford

Conversion of a standard classroom into a science laboratory was delivered during the summer, enabling the school to expand its curriculum and offer its students a richer educational experience.



Sodexo Site Services Report

Sodexo deliver facilities management, catering and food services at all of our sites.

The food service industry faces sustainability opportunities and challenges, with more of a plant-based diet becoming increasingly popular. Food fashions and variety are changing with great speed, aided by social media. Sodexo now offer an increased range of these foods to meet personal or religious preference. However, we retain a focus on what is nutritious and healthy for our students' consumption, not always being led by the latest trends.

Staff retention and recruitment remains a challenge right across the hospitality sector. With the tangible support given by LTC, we are in a good position.

At LVS Ascot, we catered for numerous events including in-house functions and open days. In June, we provided catering services for no less than 13 of the end of year celebratory events, including the Coronation of King Charles III and his Queen, garden parties, BBQs and celebration lunches.

At LVS Oxford, the endless excitement the students have for special event days, and the enthusiasm the Sodexo staff bring to these events is remarkable. Highlights included Opera Day, with their very own soprano while everyone tucked into Madame Butterfly Chicken and classic Opera cake, as well as Eurovision – Ukraine's arrival in Liverpool in May - with Sodexo promoting different cuisines from participating countries. Other events, to name a few, were Chinese New Year, St Patrick's Day and Canada Day.

At LVS Hassocks, Sodexo took part in the careers day, speaking to students about the positives of a career in the catering industry. As a result, one student spent a day in the kitchen at LVS Ascot and another has shown an interest in applying for a hospitality food production and cooking apprenticeship.

The Oast Café at LVS Hassocks has exceeded all expectations. With some support from Sodexo, the students are now offering a table service.



Financial review

The full financial results for the year are dealt with in the Statement of Financial Activities on page 27.

Financial performance compared with the previous year

2023 was a strong year financially for the Charity.

A Net Surplus of £2,346k was generated in 2023, compared to a net deficit of £3,499k in 2022. The Charity's operations have continued to perform well, and it has been pleasing to see some recovery in the value of the Charity's investments.

In 2022, the value of our investments fell by £5,700k driven by factors such as political turmoil in the UK, double-digit inflation and rising interest rates. Whilst interest rates continued to rise during 2023, other factors stabilised somewhat and our investments recovered some of that lost ground, gaining £1,076k in value.

Net Income before Net Gains / Losses on Investments, which is commonly referred to as Operating Surplus / Deficit was £2,239k for the year, a healthy increase from the Operating Surplus of £1,437k in 2022.

Net income from the schools reduced slightly in 2023, falling from £2,252k to £2,122k. Overall pupil numbers increased again in 2023, rising from 934 to 964 across the three schools.

However, the schools' cost base has come under considerable pressure in 2023, as inflation continued to bite, particularly on staff and utilities costs. The Charity actively manages its cost base to enable high quality services to be provided in a cost-effective manner.

Net Investment Income increased from £838k to £1,310k, a significant part of the increase being due to rising interest rates paid on the Charity's cash deposits.

Income from Donations and Fundraising remained at a similar level to 2022 at £310k (2022: £314k), once again including some very generous corporate donations, and our share of the proceeds from the second Pedalling for Pubs and the first Pedalling to Pubs events.

Elvian Limited enjoyed a strong year, adding some summer lets at LVS Oxford, which helped increase its net profit to £433k (2022: £374k).

The Charity's portfolio of investments experienced mixed fortunes this year. There were gains on general investment funds (£1,354k) and investment properties (£685k), but the further rises in interest rates continued to have an adverse impact on property fund valuations, which fell in value by £962k.

The valuation of the defined benefit pension scheme liability was adversely impacted by inflation being slightly higher and the scheme's assets performing slightly worse than had been expected. Accordingly, there is an actuarial loss of £1,067k in 2023. In 2022, a gain of £643k was recorded.

Financial performance compared with expectations for the year

Performance against budget in 2023 was very good. The result for the year was a surplus of £2,346k, against a budgeted surplus of £153k, an over-performance of £2,193k. As ever, there are many reasons for this strong performance, but it is encouraging to note that almost all of the increment has occurred at the operating surplus level.

Operating surplus is the number which management can influence on a day-to-day basis. At this level the result was £2,086k ahead of budget.

Net income from the schools overall was £162k lower than the budget. Pupil numbers were broadly in line with budget, and revenue was in fact ahead of budget by £366k. However, staff costs, which account for more than 50% of our schools' total costs, have been driven higher by inflation at a quicker rate than it has been possible to increase fees.

Net income from investments was £472k higher than budgeted, benefitting from higher interest rates on cash deposits, and also from better than budgeted returns from property funds, despite their fall in capital value.

Central costs were significantly lower than budget (£439k) due to careful cost control and also the service cost of the LTC 1967 defined benefit pension scheme being much lower than had been allowed for.

The most notable cost variance to budget came in Charity Services, where we spent £703k less than expected. When preparing the budget in Autumn 2022, the budget for charitable grants was increased significantly in anticipation of a spike in demand driven by the cost-of-living crisis. Whilst demand has certainly increased, it has not been at the levels the 2023 budget had allowed for.

Below the operating surplus, as usual, no gain nor loss was budgeted for Investment or Pension Liability revaluations. Investments gained in value by £1,076k in total, whilst the defined benefit pension liability increased by £1,067k, thereby largely offsetting one another.

Reserves policy

The financial statements show that at 31 December 2023, the unrestricted funds totalled £67,882k and restricted funds £252k. The unrestricted reserves include a liability of £2,199k calculated under FRS102 in respect of the notional funding deficit on the defined benefit pension plan for Charity staff. The Trustees believe that this notional funding calculation, which can vary between surplus and deficit depending upon the assumptions used at year end, will have no material effect on the Charity's cash flows in the short-term and that in the longer term, its effects are manageable out of future income.

The Charity is an operational organisation and needs to hold sufficient reserves to fund its current operations, to provide for unforeseen events and to invest for the future. It also needs to sustain sufficient reserves to provide long-term support for its beneficiaries. The Trustees have developed the Reserves Policy with regard to the Charity Commission's guidelines. In the short-term, the Charity expects to fund any excess of charitable expenditure over income out of reserves. In the long-term, the Charity will aim to hold a level of general reserves equivalent to the number of months' operating costs relevant to each of its operating units. Currently this equates to approximately £18m.

The Reserves Policy is reviewed with the Strategic Plan to ensure they are consistent. In order to make a judgement on the reserves which should be held by the Charity, the Trustees have considered the risks in respect of expenditure, unrestricted income and where funds can only be released by the disposal of investments. The Trustees have also considered external identified potential risks to income and expenditure. The policy is monitored and reviewed annually.

2023 has seen the Charity record a net surplus for the year of £2,346k. Consequently, the Charity's general reserves, defined as unrestricted reserves excluding fixed assets, directly owned investment property and the equity investment in the Morning Advertiser, have increased from £30m to £32m and therefore remain significantly above the minimum level required by our Reserves Policy.

The Charity reviews the finances of beneficiaries before approving the payment of grants to individuals. Historically, once a beneficiary reached 80 years of age, the Charity no longer performed an annual review of the beneficiary's finances and continued to pay the awarded grant until the beneficiary died.

This practice has now stopped, and the finances of all beneficiaries are reviewed annually. Where the annual means testing has previously ceased, the Trustees have accepted that payment will be made until the death of the beneficiary and have, therefore, designated funds equivalent to the estimated value of these future payments in the financial statements. At 31 December 2023 the value of this designated fund was £99,962.

Investment policy and objectives

The Charity seeks to have a constructive and positive engagement with the corporate world and requires that Investment Managers, together with all underlying collective holdings, have signed up, or are in the process of signing up to the United Nations-supported Principles for Responsible Investment (PRI) Initiative.

No changes have been made to the structure of the Charity's investments during 2023.

Property investments were 44% of the Charity's total investment portfolio at the end of the year (2022: 45%).

The performance for 2023 resulted in an overall gain of £1,076k, with gains on both general investments and investment properties, but a loss on property funds.

Property fund investments total 30% (2022: 33%) of the portfolio, comprising investments with Swiss Life (formerly Mayfair Capital), Schroders, CCLA and Savills.

All funds fell in value during 2023, with declines in value between 2% and 9% from December 2022.

Directly owned property amounts to 13% (2022: 12%) of the portfolio, including land and residential properties. Following a professional valuation of the portfolio during 2023, the carrying value of those assets was increased by £685k to £5,518k.

General investments, including equity, gilts and alternative investments, are actively managed for the Charity by SG Kleinwort Hambros Bank and CCLA. These make up 56% (2022: 55%) of the total portfolio, and rose in value by £1,354k during 2023.

The Trustee Body has delegated oversight of the Charity's investment portfolio to the Investments Committee.



Pensions

The Charity contributes to two defined benefit schemes; one, a national Government-operated scheme for teaching staff, and the other, its own scheme, for non-teaching staff.

The Charity has no control over the national scheme but has continued to pay increased contributions into its own scheme. The Government increased employer contributions for the teachers' pension scheme from 16.48% to 23.68% in September 2019, and again from 23.68% to 28.68% with effect from 1 April 2024.

The Charity is subject to the automatic enrolment legislation introduced by the Government to encourage staff to save for their retirement.

All new employees currently have the option to join the appropriate final salary scheme. If they fail to do so, they are automatically enrolled into the group defined contribution pension scheme, if eligible. All employees who subsequently opt out of the scheme are automatically re-enrolled at three-yearly intervals, the latest re-enrolment taking place in April 2023. From 1 September 2024, new employees will only be eligible to join the group defined contribution scheme.

Tax status

The Trustees are of the opinion that the Charity is not liable for taxation on its charitable activities.

Plans for the future

Expectations for 2024

The Charity expects to deliver solid financial performance in 2024, through the net surpluses earned at its schools, the returns from its investments, from fundraising and from generous donations.

Following the 2024 general election, the new Labour administration has a clear intention to apply VAT to independent school fees. Such a policy will put the budgets of our fee payers at LVS Ascot under further strain, and it is likely that many pupils will have to leave independent schools to join the state sector. This will inevitably cause no small amount of disruption and financial uncertainty for the sector.

Inflation has eased considerably from its 40-year high in late 2022, but nevertheless many people find themselves in difficult positions, financially or otherwise. The Charity expects demands for both grants and services to increase in 2024.

The Charity is confident that its robust financial position puts it in good stead to deal with these challenges.

The Charity's budget for 2024 was finalised in November 2023 and shows an operating surplus. This may be adversely affected by the factors set out above impacting on the financial performance of its three schools and further increasing the need to support its beneficiaries.

No gain or loss is budgeted for changes in valuations of the Charity's investments and the LTC 1967 pension scheme deficit. Therefore, any changes in these valuations will affect the net surplus or deficit recorded by the Charity.

The strategic plan

The Charity's Strategic Plan originally covered the period 2017-2021 and was subsequently extended for a further two years to incorporate a Covid-19 recovery plan. In late 2023 the Trustees approved a new 5-year Strategic Plan to cover 2024 – 2028. Following the retirement of Jim Brewster, this Strategic Plan is being reviewed and considered by the Charity's new Chief Executive, Chris Welham, and his Executive management team.

The number of individuals helped during 2023 was 46,879 and recognition of the Charity across a broad spectrum of industry employees was at 27%. The updated Strategic Plan will set out areas which the Charity will target for expansion, to build on the excellent work of recent years to grow our reach and help as many beneficiaries as possible in a secure and sustainable way.

In addition to its work directly with Licensed Trade beneficiaries, the Charity will continue to strive to provide first-class education to every pupil at its schools. To achieve this, the organisation will continue to invest in the recruitment and development of staff, as well as in its material assets. Our staff are at the forefront of what we do, ensuring that the growing demands placed on the organisation by beneficiaries and customers can continue to be met effectively.

The updated Strategic Plan for 2024-2028 will be presented to Trustees for their approval in Summer 2024.

Risk management

The Trustees are responsible for the management of the risks faced by the Charity and have examined the major strategic, business and operational risks to which the organisation is, and may potentially be, exposed. The Trustees are satisfied that the systems, controls and policies are in place to mitigate and manage exposure to such major risks.

The Charity's comprehensive risk register is reviewed and updated annually, or more regularly, if necessary, prior to review and discussion by the Trustees. In assessing the risks, the impact on Charity activity disruption, injury or property damage, loss of income, reputation, management focus, missed opportunity and strategic direction change are all considered.

There are five principal areas of risk which have the potential to significantly affect the operations of the Charity:

- Government policy – Independent schools have been the subject of ongoing discussions by Government. There is a risk that changes to Government policy (such as amendments to VAT legislation on educational supplies, business rates relief, levy charges and Teachers Pension contribution levels) would have a significant impact on the Charity's ability to operate. The Charity seeks to mitigate this by reviewing the Reserves Policy, preparing long-term forecasts and contingency planning.
- Affordability – LVS Ascot operates in a very competitive market with many fee payers' disposable incomes coming under pressure from cost-of-living increases. Places at LVS Hassocks and LVS Oxford are primarily funded by local authorities which are under financial pressure with reduced budgets and increasing demands for services. This is causing local authorities to consider alternative means of fulfilling services such as the development of specialist hubs attached to mainstream secondary schools. The schools all look to ensure that they offer value for money, whilst providing an excellent well-balanced education to mitigate this risk as far as possible.
- Economic environment – The Charity has investments across commercial paper and property which have been exposed to increasing volatility over recent times. The Charity aims to operate a long-term diversified investment strategy at low to medium risk and regularly reviews the performance of investments.
- Safety and security of pupils, staff, volunteers and vulnerable grantees – The Charity aims to provide a safe and secure environment by having in place policies and procedures, including in the areas of safeguarding children, anti-bullying, health and safety, physical security, cyber security, data protection, wellbeing and critical incident management.

- Pandemic – Whilst the impact of the COVID-19 pandemic has passed, the risk of another global pandemic remains. The risks of a pandemic may include increased support needed by beneficiaries, volatile performance of investments, reduced ability for Elvian Limited to hire out school facilities, fee remissions given at LVS Ascot and lower pupil numbers due to international travel restrictions and pressure on fee payers' finances. The Charity may receive additional donations from licensed trade participants to cover increased demand from beneficiaries. The Charity's assessment of this risk is that whilst it cannot be totally mitigated, the Charity has learned from its experiences during the COVID-19 pandemic and continues to hold strong levels of liquid reserves which would be available for it to draw upon in the event of another pandemic.

Trustees' responsibility statement

The Trustees are responsible for keeping proper accounting records that disclose, with reasonable accuracy at any time, the financial position of the Charity. These records also allow the Trustees to make sure the financial statements comply with the requirements of the Charities Act 2011.

Charity law also requires the Trustees to prepare financial statements for each financial year, that give a true and fair view of the state of affairs of the Charity and of the results for that period.

In preparing those financial statements, the Trustees are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the Charity will continue in operation.

The Trustees are also responsible for safeguarding the assets of the Charity and for taking reasonable steps for the prevention and detection of fraud.

Auditor

James Cowper Kreston Audit offers itself for re-appointment as auditor for the year beginning 1 January 2024.

Approval of the financial statements

The Trustees confirm this report and accounts comply with the requirements of the Charities Act 2011 and the Charities SORP (FRS102).

The Trustee Body approves the financial statements.

BY ORDER OF THE TRUSTEE BODY

A handwritten signature in black ink, consisting of several overlapping, slanted lines that form a stylized, somewhat abstract representation of the name 'Ludovick Halik'.

Mr Ludovick Halik
Chairman of Trustees
Dated: 11th July 2024

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF LICENSED TRADE CHARITY

Opinion

We have audited the financial statements of Licensed Trade Charity (the 'parent charity') and its subsidiary (the 'Group') for the year ended 31 December 2023 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Charity Balance Sheet, the Consolidated Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law 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 Group's and of the parent charity's affairs as at 31 December 2023 and of the Group's 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 Charities Act 2011.

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

Conclusions relating to going concern

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

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

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

Other information

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

We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF LICENSED TRADE CHARITY

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' report is inconsistent in any material respect with the financial statements; or
- the parent charity has not kept sufficient accounting records; or
- the parent charity's financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Trustees' Responsibilities Statement, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Group's and the parent charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Group or the parent charity 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 financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

The specific procedures for this engagement that we designed and performed to detect material misstatements in respect of irregularities, including fraud, were as follows:

- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of management and those charged with governance to identify any material instances of non-compliance with laws and regulations;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work to address the risk of irregularities due to management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for evidence of bias.

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

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF LICENSED TRADE CHARITY

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity'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 charity and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



James Cowper Kreston Audit

Chartered Accountants and Statutory Auditor

Reading Bridge House, George Street, Reading, Berkshire, RG1 8LS

Date: 11th July 2024

James Cowper Kreston Audit is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2023**

	Note	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
INCOME FROM:					
Donations and legacies	4	99,955	114,704	214,659	224,222
Charitable activities:					
School fees		-	24,631,438	24,631,438	22,662,871
Grants		-	43,380	43,380	83,377
Other trading activities:					
Fundraising and events income	5	-	95,520	95,520	90,077
Gross income trading subsidiaries	2	-	901,096	901,096	675,535
Investments	6	-	1,616,169	1,616,169	1,140,112
Other income	7	-	489,853	489,853	200,759
TOTAL		99,955	27,892,160	27,992,115	25,076,953
EXPENDITURE ON:					
Raising funds:					
Costs of generating voluntary income	8	-	138,568	138,568	124,770
Expenditure trading subsidiaries	2	-	467,722	467,722	301,432
Investment management costs	10	-	305,706	305,706	302,230
Cost of events	9	-	88,707	88,707	65,616
Charitable activities:					
Schools	11	47,880	22,461,130	22,509,010	20,410,560
Grants		110,155	684,349	794,504	630,515
Bursaries		-	337,310	337,310	300,950
Charity Services	12	-	513,433	513,433	819,233
Support costs	13	-	598,126	598,126	685,039
TOTAL	14	158,035	25,595,051	25,753,086	23,640,345
NET INCOME BEFORE NET GAINS/(LOSSES) ON INVESTMENTS		(58,080)	2,297,109	2,239,029	1,436,608
Net gains/(losses) on investments	16	-	1,076,419	1,076,419	(5,700,165)
NET INCOME/(EXPENDITURE)		(58,080)	3,373,528	3,315,448	(4,263,557)
Income from associate company	3	-	97,270	97,270	121,557
Actuarial (loss)/gain on defined benefit pension schemes		-	(1,067,000)	(1,067,000)	643,000
NET MOVEMENT IN FUNDS		(58,080)	2,403,798	2,345,718	(3,499,000)
RECONCILIATION OF FUNDS:					
TOTAL FUNDS AT 1 JANUARY		309,810	65,477,820	65,787,630	69,286,630
TOTAL FUNDS AT 31 DECEMBER		251,730	67,881,618	68,133,348	65,787,630

All activities relate to continuing operations. The notes on pages 31 to 50 form part of these financial statements.

**CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2023**

		2023		2022	
	Note	£	£	£	£
FIXED ASSETS					
Tangible assets	17		28,911,075		29,729,292
Investments at market value	20		41,101,668		39,414,746
Investment in associate company	18		<u>1,477,324</u>		<u>1,405,055</u>
			71,490,067		70,549,093
CURRENT ASSETS					
Debtors	21	6,638,280		5,528,683	
Cash at bank		<u>10,921,988</u>		<u>9,137,390</u>	
		17,560,268		14,666,073	
CREDITORS: Amounts falling due within one year	22	<u>(13,785,316)</u>		<u>(11,999,400)</u>	
NET CURRENT ASSETS			<u>3,774,952</u>		<u>2,666,673</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			75,265,019		73,215,766
CREDITORS: amounts falling due after more than one year	23		<u>(4,932,671)</u>		<u>(6,068,136)</u>
NET ASSETS EXCLUDING PENSION SCHEME LIABILITIES			70,332,348		67,147,630
Defined benefit pension scheme liability	27		<u>(2,199,000)</u>		<u>(1,360,000)</u>
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES			<u>68,133,348</u>		<u>65,787,630</u>
CHARITY FUNDS					
Restricted funds	24		251,730		309,810
Unrestricted funds:	24				
Unrestricted funds excluding pension liability		70,080,618		66,837,820	
Pension reserve		<u>(2,199,000)</u>		<u>(1,360,000)</u>	
Total unrestricted funds			<u>67,881,618</u>		<u>65,477,820</u>
TOTAL FUNDS			<u>68,133,348</u>		<u>65,787,630</u>

The financial statements were approved by the Trustees on 11th July, 2024 and signed on their behalf by:



.....
Mr Ludovick Halik

The notes on pages 31 to 50 form part of these financial statements.

**CHARITY BALANCE SHEET
AS AT 31 DECEMBER 2023**

		2023		2022	
	Note	£	£	£	£
FIXED ASSETS					
Tangible assets	17		28,911,075		29,729,292
Investment in subsidiary	19		5,000		5,000
Investments at market value	20		41,101,668		39,414,746
Investment in associate company	18		<u>500,025</u>		<u>500,025</u>
			70,517,768		69,649,063
CURRENT ASSETS					
Debtors	21	6,481,913		5,917,502	
Cash at bank		<u>10,866,192</u>		<u>9,028,980</u>	
			17,348,105		14,946,482
CREDITORS: amounts falling due within one year	22		<u>(14,091,049)</u>		<u>(12,290,115)</u>
NET CURRENT ASSETS			<u>3,257,056</u>		<u>2,656,367</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			73,774,824		72,305,430
CREDITORS: amounts falling due after more than one year	23		<u>(4,932,671)</u>		<u>(6,068,136)</u>
NET ASSETS EXCLUDING PENSION SCHEME LIABILITIES			68,842,153		66,237,294
Defined benefit pension scheme liability	27		<u>(2,199,000)</u>		<u>(1,360,000)</u>
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES			<u>66,643,153</u>		<u>64,877,294</u>
CHARITY FUNDS					
Restricted funds	24		251,730		309,810
Unrestricted funds:					
Unrestricted funds excluding pension liability		68,590,423		65,927,484	
Pension reserve		<u>(2,199,000)</u>		<u>(1,360,000)</u>	
Total unrestricted funds			<u>66,391,423</u>		<u>64,567,484</u>
TOTAL FUNDS			<u>66,643,153</u>		<u>64,877,294</u>

The financial statements were approved by the Trustees on 11th July, 2024 and signed on their behalf by:



.....
Mr Ludovick Halik

The notes on pages 31 to 50 form part of these financial statements.

**CONSOLIDATED CASH FLOW STATEMENT
AS AT 31 DECEMBER 2023**

	2023	2022
Note	£	£
NET CASH PROVIDED BY OPERATIONS	3,180,072	4,186,012
CASH FLOWS FROM INVESTING ACTIVITIES		
Dividends, interest and rents from investments	1,616,169	1,140,112
Purchase of fixed assets 17	(1,127,265)	(950,157)
Proceeds from the sale of fixed assets	-	83,500
Purchase of investments 20	(5,572,968)	(5,374,339)
Proceeds from the sale of investments	4,962,465	4,860,942
Net cash (used in) / generated by investing activities	<u>(121,599)</u>	<u>(239,942)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of loans	<u>(1,273,875)</u>	<u>(604,351)</u>
Net cash used in financing activities	<u>(1,273,875)</u>	<u>(604,351)</u>
Change in cash and cash equivalents in the year	1,784,598	3,341,719
Cash and cash equivalents brought forward	9,137,390	5,795,671
Cash and cash equivalents carried forward	<u>10,921,988</u>	<u>9,137,390</u>
NET MOVEMENT IN FUNDS	2,345,718	(3,499,000)
Adjustments for:		
Dividends, interest and rents from investments	(1,616,169)	(1,140,112)
Depreciation charges 17	1,945,482	1,862,527
Gain/(loss) on disposal of fixed assets	-	(54,855)
Fair value (gains)/losses made on investments	(1,076,419)	5,700,165
Increase in debtors 21	(1,109,597)	(545,184)
Increase in creditors 22 / 23	1,924,326	2,142,025
Increase/(decrease) in provision for defined benefit pension scheme	839,000	(183,000)
Income from associate company 3	(72,269)	(96,554)
NET CASH PROVIDED BY OPERATIONS	<u>3,180,072</u>	<u>4,186,012</u>

The notes on pages 31 to 50 form part of these financial statements.

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

1 . ACCOUNTING POLICIES

Licensed Trade Charity is an unincorporated charity. It is registered in England and Wales with Charity Registered number 230011. The principal address of the Charity is Heatherley, London Road, Ascot, Berkshire, SL5 8DR.

1.1 Basis of Accounting

The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) second edition issued on 1 January 2019 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

These provisions mean that the consolidated financial statements have been prepared to aggregate the Charity together with its trading subsidiary, Elvian Limited.

The Charity constitutes a public benefit entity as defined by FRS 102.

1.2 Judgements in applying accounting policies and key sources of estimation uncertainty

assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for income and expenditure during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Tangible Fixed Assets (see note 17)

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values may vary depending upon the type of asset and its use and management use historic experience to assess these factors.

Pension Commitments (see note 27)

Various assumptions are made in reporting the performance of the Charity's pension scheme. A valuation is carried out for reporting purposes by a qualified independent actuary. The principal actuarial assumptions made are disclosed in note 27.

Investment Properties (see note 20)

Residential investment property valuations are made annually by management, based upon external indications of value and consideration of market conditions. Commercial investment properties are valued annually by qualified independent Chartered Surveyors.

1.3 Basis of Consolidation

The Licensee & Morning Advertiser and the assets of the Pub, Club and Leisure Show Limited were incorporated into The Morning Advertiser Limited (MA Ltd) in January 2000. At that time the Charity owned £75 shares and William Reed Holdings Limited owned £25 shares. The financial statements of MA Ltd were consolidated into William Reed Holdings Limited financial statements as a subsidiary since it had a majority representation on the Board of Directors. The Charity's investment was shown as an investment in a joint venture.

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

1 . ACCOUNTING POLICIES (continued)

1.3 Basis of Consolidation (continued)

In March 2002, William Reed Holdings Limited bought £50 of the Charity's shares and the Charity became a minority shareholder with a 25% shareholding.

Under the Charities SORP (FRS102), the Charity treats MA Ltd as an associate company in its financial statements (see note 3) and consolidates that percentage (25%) of its income and expenditure into its Consolidated Statement of Financial Activities.

The MA Ltd's year end is 31 March and so unaudited management accounts have been taken for the company's financial year. The Charity's investment is shown as an investment in an associate company (see note 18).

1.4 Going Concern

Based on a review of financial projections and taken together with existing group financing facilities the Trustees believe that the financial statements have been prepared appropriately on the going concern basis.

1.5 Fund Accounting

discretion. When donors indicate that an amount is for a specific purpose, such amounts are treated as restricted funds.

1.6 Donation Income

Donation income is accounted for on a cash received basis.

1.7 Gift Aid

Voluntary income by way of gift aid is credited in the year it is receivable. Corporate gift aid is received gross of tax, but the Charity is able to recover basic rate income tax from UK individual tax payers and such gift aid donations are shown gross of the relevant credit.

1.8 Income from Investments

Investment income comprises dividends received during the accounting period and interest received on listed and unlisted investments.

1.9 School Fees

School fees are accounted for in the period to which they relate and are shown gross, including bursaries paid by the Charity, on the Statement of Financial Activities.

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

1 . ACCOUNTING POLICIES (continued)

1.11 Tangible Fixed Assets and Depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

School Buildings	-	at 2.00% on cost
Building Improvements	-	at various rates between 6.67% and 20%
Motor Vehicles	-	at 25.00% on cost
Furniture & Fittings	-	at various rates between 6.67% and 20%
IT Equipment	-	at 33.33% on cost
Land	-	not depreciated

Items costing less than £1,000 are written off as an expense when acquired.

1.12 Allocation of Central Support Costs

Central costs are allocated between the following categories: Investments, Schools, Fundraising, Event costs, Charity Services, Subsidiary and Support (including governance costs).

The method of allocation for costs, which cannot be specifically allocated to each category, is

year ending 31 December 2023 are as follows:-

Type of expense	Management	Professional	Establishment	Other	Total
Method of allocation	Time	Usage	Usage	Per capita	
Functions	£000's	£000's	£000's	£000's	£000's
Investments	43	235	1	27	306
Schools	128	314	18	815	1,275
Generating Voluntary Income	74	18	1	46	139
Events	48	12	1	28	89
Charity Services	275	65	4	169	513
Subsidiary	6	19	1	48	74
Support	155	100	2	341	598
Total	729	763	28	1,474	2,994

Support costs comprise the costs of running the Charity including strategic planning, internal and external audit, legal advice, Trustees expenses and all of the costs of complying with statutory requirements such as the preparation of statutory financial statements and meetings of the Trustee Body and its sub committees (note 13).

Charity Services costs comprise staff and other costs incurred in helping those in need including advising on their qualification for state benefits, preparing their cases for submission to the Charity Services committee, giving emotional support and arranging payments for agreed grants.

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

1 . ACCOUNTING POLICIES (continued)

1.13 Pension Costs

Teaching staff employed by the Licensed Trade Charity are eligible for membership of the Teachers' Pension Scheme, which is a national statutory contributory, defined benefit scheme administered by the Teachers' Pension Scheme, an agency of the Department for Education. Pension costs are assessed in accordance with the advice of the Government Actuary. Although this is a multi-employer scheme whose assets and liabilities are not separately identifiable, under the Charities SORP (FRS 102) it is treated as a defined contribution scheme with a charge to the accounts for the contributions paid and relevant disclosures about the scheme as a whole provided in note 27.

In addition, the Charity operates a defined benefit pension scheme for its non teaching staff. This is funded by contributions at rates determined by independent, qualified actuaries. These contributions are invested separately from the Charity's assets and are charged to the Statement of Financial Activities and relevant disclosures about the scheme are provided in note 27.

The Charity is subject to the automatic enrolment legislation. All eligible employees of the Charity that do not join the appropriate final salary scheme are automatically enrolled into a group pension plan, with employer pension contributions charged to the Statement of Financial Activities in the year in which they arise.

1.14 Investments

Listed Investments

Investments are included in the financial statements at mid-market value as at the year end. Realised and unrealised gains and losses are recognised as they arise and are included separately in the Statement of Financial Activities.

Investment in Associate

As at 31 December 2023, the Charity holds a minority shareholding in an associate company, The Morning Advertiser Limited. The share of the associate's profits are shown as income from associate in the Consolidated Statement of Financial Activities.

The Charity's interest is recorded as follows:

In the Consolidated Balance Sheet, shares at cost and minority reserves accumulated to date. In the Charity's Balance Sheet, the cost of the shares in the associated company is shown.

1.15 Investment Properties

Investment properties are stated at open-market valuation. Realised and unrealised gains and losses are recognised as they arise and are included separately in the Statement of Financial Activities.

1.16 Stocks

School books and other teaching materials are expensed in the year of acquisition.

1.17 Debtors

Trade debtors, other debtors and prepayments are recognised at their settlement amount.

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

1 . ACCOUNTING POLICIES (continued)

1.18 Creditors and Provisions

Creditors and provisions are recognised where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are recognised at their settlement amount.

1.19 Advance Fee Plan Scheme Payments

Amounts received under the school's advance fee plan scheme which have not been used to settle school fees are recognised as deferred income within current liabilities where education will be provided with one year of the reporting date and within non-current liabilities where education will be provided in subsequent years.

1.20 Financial Instruments

The Charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. The basic instruments are held at amortised cost and at fair value (note 31).

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

2 . NET INCOME FROM TRADING ACTIVITIES OF SUBSIDIARIES

The Charity has one wholly owned trading subsidiary, Elvian Limited. Elvian Limited pays its taxable profits to the Charity under a deed of covenant and its audited financial statements are filed with the Registrar of Companies. The Company has not recognised a corporation tax charge in the year as taxable profits will be distributed in full to the parent charity within nine months of the year end and charitable donations relief will be claimed under Part 6 (s189) of the Corporation Tax Act 2010.

Elvian Limited's audited results are as follows:

Profit and Loss Account	2023 £	2022 £
Turnover	901,096	675,535
Cost of sales	<u>(353,198)</u>	<u>(142,982)</u>
Gross profit	547,898	532,553
Administration costs	(114,524)	(158,450)
Net profit	<u>433,374</u>	<u>374,103</u>
Profit gifted to parent charity under deed of covenant	(433,374)	(374,103)
	<u><u>-</u></u>	<u><u>-</u></u>

3 . NET INCOME FROM TRADING ACTIVITIES OF ASSOCIATE COMPANY

The Charity has a 25% shareholding in The Morning Advertiser Limited (MA Ltd). The principal activity of this company is the digital publication of a trade journal "The Morning Advertiser" which the Charity had managed for 200 years before transferring its management to William Reed Publishing Ltd in 2000.

The Morning Advertiser Limited's unaudited results are as follows:

	2023 £	2022 £
Revenue	2,321,277	2,358,025
Cost of sales	<u>(1,031,639)</u>	<u>(578,091)</u>
Gross profit	1,289,638	1,779,934
Overhead costs	(900,565)	(1,293,705)
Profit for the year	<u>389,073</u>	<u>486,229</u>
Reserves brought forward	5,620,228	5,234,004
Dividend paid in year	(100,005)	(100,005)
Reserves carried forward	<u><u>5,909,296</u></u>	<u><u>5,620,228</u></u>

The Charity's share of the total profit for the year resulting from its investment in MA Ltd is £97,270 (2022: £121,557). The Charity received £25,001 (2022: £25,001) dividend income from MA Ltd during the year.

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

4 . DONATIONS AND LEGACIES

	Restricted Funds 2023 £	Unrestricted Funds 2023 £	Total Funds 2023 £	Total Funds 2022 £
Donations	<u>99,955</u>	<u>114,704</u>	<u>214,659</u>	<u>292,705</u>

In 2022, of the donations and legacies income, £192,384 related to restricted funds and £100,321 related to unrestricted funds.

5 . FUNDRAISING AND EVENTS INCOME

	Restricted Funds 2023 £	Unrestricted Funds 2023 £	Total Funds 2023 £	Total Funds 2022 £
Fundraising and events income	<u>-</u>	<u>95,520</u>	<u>95,520</u>	<u>21,594</u>

In 2022, all amounts related to unrestricted funds.

6 . INVESTMENT INCOME

	Restricted Funds 2023 £	Unrestricted Funds 2023 £	Total Funds 2023 £	Total Funds 2022 £
Rental income	-	112,655	112,655	119,676
Income from investments	-	1,134,479	1,134,479	997,687
Bank deposit interest	-	369,035	369,035	22,749
	<u>-</u>	<u>1,616,169</u>	<u>1,616,169</u>	<u>1,140,112</u>

In 2022, all amounts related to unrestricted funds.

7 . OTHER INCOME

	Restricted Funds 2023 £	Unrestricted Funds 2023 £	Total Funds 2023 £	Total Funds 2022 £
Land Promotion Fee	-	350,000	350,000	-
Other	-	139,853	139,853	200,759
	<u>-</u>	<u>489,853</u>	<u>489,853</u>	<u>200,759</u>

In 2022, all amounts related to unrestricted funds.

8 . COSTS OF GENERATING VOLUNTARY INCOME

	Restricted Funds 2023 £	Unrestricted Funds 2023 £	Total Funds 2023 £	Total Funds 2022 £
Staff costs	-	74,300	74,300	91,932
Administration and depreciation	-	64,268	64,268	32,838
	<u>-</u>	<u>138,568</u>	<u>138,568</u>	<u>124,770</u>

In 2022, all amounts related to unrestricted funds.

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

9 . COST OF EVENTS

	Restricted Funds 2023 £	Unrestricted Funds 2023 £	Total Funds 2023 £	Total Funds 2022 £
Staff costs	-	47,565	47,565	48,347
Administration and depreciation	-	41,142	41,142	17,269
	<u>-</u>	<u>88,707</u>	<u>88,707</u>	<u>65,616</u>

In 2022, all amounts related to unrestricted funds.

10 . INVESTMENT MANAGEMENT COSTS

	Restricted Funds 2023 £	Unrestricted Funds 2023 £	Total Funds 2023 £	Total Funds 2022 £
Investment advice	-	219,170	219,170	157,160
Property charges	-	18,827	18,827	21,102
Staff costs	-	43,404	43,404	82,765
Administration and depreciation	-	24,305	24,305	41,203
	<u>-</u>	<u>305,706</u>	<u>305,706</u>	<u>302,230</u>

In 2022, all amounts related to unrestricted funds.

11 . COST OF RUNNING SCHOOLS

	Restricted Funds 2023 £	Unrestricted Funds 2023 £	Total Funds 2023 £	Total Funds 2022 £
Staff costs	-	13,104,689	13,104,689	12,047,299
Catering and cleaning	-	2,105,458	2,105,458	1,810,581
Establishment costs	-	750,687	750,687	492,516
Administration and depreciation	-	5,305,117	5,305,117	4,879,187
Other costs	47,880	1,195,179	1,243,059	1,180,977
	<u>47,880</u>	<u>22,461,130</u>	<u>22,509,010</u>	<u>20,410,560</u>

In 2022, of the cost of running schools, £57,835 related to restricted funds and £20,352,725 related to unrestricted funds.

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

12. CHARITY SERVICES

	Restricted Funds 2023 £	Unrestricted Funds 2023 £	Total Funds 2023 £	Total Funds 2022 £
Staff costs	-	275,301	275,301	603,624
Administration and depreciation	-	238,132	238,132	215,609
	<u>-</u>	<u>513,433</u>	<u>513,433</u>	<u>819,233</u>

In 2022, all amounts related to unrestricted funds.

13. SUPPORT COSTS

	Restricted Funds 2023 £	Unrestricted Funds 2023 £	Total Funds 2023 £	Total Funds 2022 £
Governance costs				
Auditor's remuneration	-	26,000	26,000	24,300
Auditor's remuneration - non audit	-	2,100	2,100	1,890
Other committee expenses	-	2,446	2,446	2,207
Trustees' allowances - chairman	-	-	-	-
Trustees' travel expenses	-	60,024	60,024	38,549
Other support costs				
Legal and	-	31,468	31,468	30,521
Bank charges and interest	-	179,721	179,721	198,039
Staff costs	-	154,200	154,200	296,524
Administration and depreciation	-	142,167	142,167	93,009
	<u>-</u>	<u>598,126</u>	<u>598,126</u>	<u>685,039</u>

In 2022, all amounts related to unrestricted funds.

14. TOTAL RESOURCES EXPENDED

	Staff Costs £	Depreciation £	Other Costs £	2023 £	2022 £
School running costs	12,977,077	1,583,760	6,674,194	21,235,031	19,555,808
School support costs	127,612	239,804	906,563	1,273,979	854,752
Investment costs	43,404	7,854	254,448	305,706	498,861
Cost of trading subsidiary	6,138	14,299	447,285	467,722	301,432
Fundraising events	47,565	8,606	32,536	88,707	65,616
Support costs	154,200	27,901	416,025	598,126	488,408
Grants	-	-	794,504	794,504	630,515
Bursaries	-	-	337,310	337,310	300,950
Charity Services costs	275,301	49,814	188,318	513,433	819,233
Costs of generating voluntary income	74,300	13,444	50,824	138,568	124,770
	<u>13,705,597</u>	<u>1,945,482</u>	<u>10,102,007</u>	<u>25,753,086</u>	<u>23,640,345</u>

All grants are paid to individuals in line with our objectives.

15. STAFF COSTS

	2023 £	2022 £
Wages and salaries	10,996,774	10,016,290
Social security	989,240	1,030,810
Pension costs	1,641,137	2,084,964
Re-organisation costs	42,441	8,288
Other staff costs	36,005	47,344
	<u>13,705,597</u>	<u>13,187,696</u>

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

15 . STAFF COSTS (continued)

Employee emoluments	2023	2022
£ 60,000 - £ 70,000	10	5
£ 70,000 - £ 80,000	2	3
£ 80,000 - £ 90,000	1	0
£100,000 - £110,000	1	2
£110,000 - £120,000	1	2
£120,000 - £130,000	2	0
£150,000 - £160,000	1	0
£160,000 - £170,000	0	1
£240,000 - £250,000	0	1
£250,000 - £260,000	1	0

Employee emoluments include remuneration and benefits-in-kind, as defined for taxation purposes. All the employees except for five in the above emolument bands are members of defined benefit pension schemes.

The Charity considers its key management personnel to comprise of the Trustees and the Chief Executive, Executive Director Education and Operations, Finance Director, HR Director, Director of SEN and Principal of LVS Ascot. The total employment benefits including employer national insurance and pension contributions of the key management personnel were £1,068,154 (2022: £994,015).

No Trustees received any remuneration in 2023 or 2022. During the year expenditure of £60,024 (2022: £38,549) was re-imbursed to or paid on behalf of eighteen Trustees.

The average number of employees analysed by function is as follows:

	2023	2022
Direct charitable expenditure:		
School	294	294
Other	1	1
	<u>295</u>	<u>295</u>
Fundraising and publicity	5	4
Welfare	7	7
Management and administration	22	21
	<u>34</u>	<u>32</u>
	<u><u>329</u></u>	<u><u>327</u></u>

16 . REALISED AND UNREALISED INVESTMENT GAINS & LOSSES

	2023	2022
	£	£
Unrealised gains/(losses) on investment revaluation	1,310,514	(5,995,411)
Realised (losses)/gains on sale of investments	(234,095)	295,246
	<u>1,076,419</u>	<u>(5,700,165)</u>

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

17 TANGIBLE FIXED ASSETS

	Land and Buildings £	Building Improvements £	Motor Vehicles £	Equipment, Fixtures and Fittings £	Total £
Group					
Cost					
At 1 January 2023	28,146,873	21,617,669	413,791	3,957,955	54,136,288
Additions	-	798,096	13,725	315,444	1,127,265
Disposals	-	-	(21,272)	-	(21,272)
At 31 December 2023	<u>28,146,873</u>	<u>22,415,765</u>	<u>406,244</u>	<u>4,273,399</u>	<u>55,242,281</u>
Depreciation					
At 1 January 2023	14,694,243	6,986,536	212,297	2,513,920	24,406,996
Charge for the year	547,459	893,219	66,402	438,402	1,945,482
On disposals	-	-	(21,272)	-	(21,272)
At 31 December 2023	<u>15,241,702</u>	<u>7,879,755</u>	<u>257,427</u>	<u>2,952,322</u>	<u>26,331,206</u>
Net book value					
At 31 December 2023	<u>12,905,171</u>	<u>14,536,010</u>	<u>148,817</u>	<u>1,321,077</u>	<u>28,911,075</u>
At 31 December 2022	<u>13,452,630</u>	<u>14,631,133</u>	<u>201,494</u>	<u>1,444,035</u>	<u>29,729,292</u>
Charity					
Cost					
At 1 January 2023	28,146,873	21,617,669	413,791	3,957,955	54,136,288
Additions	-	798,096	13,725	315,444	1,127,265
Disposals	-	-	(21,272)	-	(21,272)
At 31 December 2023	<u>28,146,873</u>	<u>22,415,765</u>	<u>406,244</u>	<u>4,273,399</u>	<u>55,242,281</u>
Depreciation					
At 1 January 2023	14,694,243	6,986,536	212,297	2,513,920	24,406,996
Charge for the year	547,459	893,219	66,402	438,402	1,945,482
On disposals	-	-	(21,272)	-	(21,272)
At 31 December 2023	<u>15,241,702</u>	<u>7,879,755</u>	<u>257,427</u>	<u>2,952,322</u>	<u>26,331,206</u>
Net book value					
At 31 December 2023	<u>12,905,171</u>	<u>14,536,010</u>	<u>148,817</u>	<u>1,321,077</u>	<u>28,911,075</u>
At 31 December 2022	<u>13,452,630</u>	<u>14,631,133</u>	<u>201,494</u>	<u>1,444,035</u>	<u>29,729,292</u>

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

18 . INVESTMENT IN ASSOCIATE COMPANY

The Charity incorporates the assets of its publishing division The Licensee and Morning Advertiser and its trading company Pub, Club and Leisure Show Limited into The Morning Advertiser Limited.

In the Consolidated Balance Sheet, the value of the Charity's investment in The Morning Advertiser Limited as at 31 December 2023 is represented by the cost of its shares of £500,025 and its minority share of reserves at 31 December 2023 of £977,299 totalling £1,477,324. In the Charity's Balance Sheet, only the cost of £500,025 is shown.

Initially the Trustees considered the venture with William Reed Holdings Limited to be a joint venture but following the disposal of their majority holding, now regard it as an associate company and adopt the treatment required by the Charities SORP (FRS102).

The Morning Advertiser Limited has a 31 March year end and therefore results shown in note 3 are based on management accounts and statutory financial statements information to bring them in line with the Charity's year end.

19 . INVESTMENT IN SUBSIDIARY

As detailed in note 2, the Charity is the parent company of Elvian Limited with a shareholding of £5,000.

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

20 . INVESTMENTS AND INVESTMENT PROPERTIES

	2023	2022
	Market	Market
	Value	Value
	£	£
STOCK MARKET		
Details of the closing market value are shown below:		
At 1 January 2023	21,677,429	24,950,771
Additions	5,134,711	5,162,267
Gain/(Loss) from Revaluation	1,353,682	(3,510,056)
Disposals	(4,962,465)	(4,925,553)
At 31 December 2023	<u>23,203,357</u>	<u>21,677,429</u>
PROPERTY FUNDS		
Details of the closing market value are shown below:		
At 1 January 2023	12,904,817	14,818,243
Additions	438,257	235,842
Gain/(Loss) from Revaluation	(962,263)	(2,149,268)
Disposals	-	-
At 31 December 2023	<u>12,380,811</u>	<u>12,904,817</u>
TOTAL INVESTMENTS	<u>35,584,168</u>	<u>34,582,246</u>
INVESTMENT PROPERTIES		
Details of the closing market value are shown below:		
At 1 January 2023	4,832,500	4,832,500
Additions	-	-
Gain/(Loss) from Revaluation	685,000	-
Disposals	-	-
At 31 December 2023	<u>5,517,500</u>	<u>4,832,500</u>
TOTAL INVESTMENTS AND INVESTMENT PROPERTIES	<u>41,101,668</u>	<u>39,414,746</u>

All residential investment properties were professionally valued during the year to 31 December 2023.

The year end cost of the investments and investment properties were as follows:

	2023	2022
	£	£
Stock Market Investments	22,590,745	22,418,499
Property Fund Investments	13,590,224	13,151,967
TOTAL INVESTMENTS	<u>36,180,969</u>	<u>35,570,466</u>
Investment Properties	2,024,519	2,024,519
TOTAL INVESTMENTS AND INVESTMENT PROPERTIES	<u>38,205,488</u>	<u>37,594,985</u>

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

21 . DEBTORS

	<u>Group</u>		<u>Charity</u>	
	2023 £	2022 £	2023 £	2022 £
Trade debtors	5,196,080	4,008,779	5,001,475	4,285,462
Due from subsidiary	-	-	39,834	113,379
Other debtors	123,762	58,327	123,762	58,327
Prepayments and accrued income	1,318,438	1,461,577	1,316,842	1,460,334
	<u>6,638,280</u>	<u>5,528,683</u>	<u>6,481,913</u>	<u>5,917,502</u>

Debtors include a loan value of £97,647 (2022: £47,647) to the Hilda Webber Trust. The purpose of these loans is to provide capital repairs to a property from which the Charity will benefit in the will, to which two members of the Charity's management team are Executors.

22 . CREDITORS

Amounts falling due within one year

	<u>Group</u>		<u>Charity</u>	
	2023 £	2022 £	2023 £	2022 £
Bank loans	580,506	658,006	580,506	658,006
Trade creditors	929,586	410,831	925,550	416,137
Due to subsidiary	-	-	-	-
Other taxation and social security	294,197	291,861	294,198	291,861
Other creditors and accruals	2,860,601	2,569,717	3,314,369	2,855,126
Deferred income	9,120,426	8,068,985	8,976,426	8,068,985
	<u>13,785,316</u>	<u>11,999,400</u>	<u>14,091,049</u>	<u>12,290,115</u>

23 . Amounts falling due after more than one year

	<u>Group</u>		<u>Charity</u>	
	2023 £	2022 £	2023 £	2022 £
Bank loans	4,157,594	5,353,969	4,157,594	5,353,969
Deferred income	775,077	714,167	775,077	714,167
	<u>4,932,671</u>	<u>6,068,136</u>	<u>4,932,671</u>	<u>6,068,136</u>

Creditors include amounts not wholly repayable within 5 years as follows:

	<u>Group</u>		<u>Charity</u>	
	2023 £	2022 £	2023 £	2022 £
Repayable by instalments	<u>4,157,594</u>	<u>5,353,969</u>	<u>4,157,594</u>	<u>5,353,969</u>

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

23 . Amounts falling due after more than one year (continued)

The Allied Irish bank loan is secured on the Charity's Ascot site which represents 35% of the net book value of the property, which is included in the financial statements at £13,425,774.

Changes in the balance of deferred income are recognised in the Statement of Financial Activities during the year.

In 2023 the Charity held an overdraft facility with SG Hambros for £1.5million. This facility was not used during the year.

24 . SUMMARY OF FUNDS

	Brought Forward	Incoming Resources	Resources Expended	Gains / (Losses)	Transfers	Carried Forward
	£	£	£	£		£
General funds	65,340,041	27,892,160	(25,595,051)	106,689	37,817	67,781,656
Designated funds	137,779	-	-	-	(37,817)	99,962
Total unrestricted funds	<u>65,477,820</u>	27,892,160	(25,595,051)	106,689	-	67,881,618
Restricted funds	<u>309,810</u>	99,955	(158,035)	-	-	251,730
	<u><u>65,787,630</u></u>	<u>27,992,115</u>	<u>(25,753,086)</u>	<u>106,689</u>	<u>-</u>	<u>68,133,348</u>

Designated funds relate to amounts set aside by the Trustees for potential future payments to certain beneficiaries and does not meet the conditions to be recorded as a liability. During 2018 Sodexo made a capital investment of £399,000, which is being depreciated over the length of the contract.

Restricted Funds 2023	Bought Forward	Income	Expenditure	Transfer to unrestricted funds	Carried Forward
	£	£	£	£	£
Hardship Fund 4*	794	-	-	-	794
Hardship Fund 5*	30	-	-	-	30
Hardship Fund 6*	344	-	-	-	344
Hardship Fund 7*	110,122	75,000	(80,200)	-	104,922
Grant 3	5,000	15,000	(20,000)	-	-
Ascot School	2,000	-	-	-	2,000
Sodexo Capital grants	191,520	-	(47,880)	-	143,640
Sodexo Notional Donation	-	9,955	(9,955)	-	-
	<u>309,810</u>	99,955	(158,035)	-	251,730

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

24 . SUMMARY OF FUNDS (continued)

Restricted Funds 2022	Brought Forward	Income	Expenditure	Transfer to unrestricted funds	Carried Forward
	£	£	£	£	£
Hardship Fund 2*	82,446	-	-	(82,446)	-
Hardship Fund 4*	794	-	-	-	794
Hardship Fund 5*	30	-	-	-	30
Hardship Fund 6*	344	-	-	-	344
Hardship Fund 7*	-	150,000	(122,324)	82,446	110,122
Grant 2	6,805	-	-	(6,805)	-
Grant 3	30,000	20,000	(15,000)	(30,000)	5,000
Welfare Grant	-	10,000	-	(10,000)	-
Scholarships	5,333	-	-	(5,333)	-
Ascot School	2,000	2,429	(2,429)	-	2,000
Oxford School	5,962	-	-	(5,962)	-
Sodexo Capital grants	239,400	-	(47,880)	-	191,520
Oxford dining room	-	9,955	(9,955)	-	-
	<u>373,114</u>	<u>192,384</u>	<u>(197,588)</u>	<u>(58,100)</u>	<u>309,810</u>

Hardship Funds *

Donations received to be used to alleviate poverty and hardship endured by employees of the donors and their families.

Grant 2

Restricted to the provision of mental health training for managers in the licensed trade.

Grant 3

Restricted to funding the cost of awards made to sixth form pupils.

Welfare Grant

Restricted to grants awarded to individuals living in London.

Sodexo Capital Grant

Restricted expenditure relates to depreciation charges in respect of capital investment made by Sodexo.

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

25 . ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Restricted Funds 2023 £	Unrestricted Funds 2023 £	Total Funds 2023 £	Total Funds 2022 £
Tangible fixed assets	143,640	28,767,435	28,911,075	29,729,292
Fixed asset investments	-	42,578,992	42,578,992	40,819,801
Current assets	108,090	17,452,178	17,560,268	14,666,073
Creditors due within one year	-	(13,785,316)	(13,785,316)	(11,999,400)
Creditors due in more than one year	-	(4,932,671)	(4,932,671)	(6,068,136)
Pension scheme liability	-	(2,199,000)	(2,199,000)	(1,360,000)
	<u>251,730</u>	<u>67,881,618</u>	<u>68,133,348</u>	<u>65,787,630</u>

26 . CONTINGENT ASSETS

The Hilda Florence Webber Trust was set up to allow for Hilda Florence Webber's niece to benefit from the accommodation and income generated from two properties in Hove, Sussex. On the death of her niece, the full ownership of the properties will be left to the Charity in Hilda Florence Webber's will to which two members of the Charity's management team are executors.

27 . PENSION COMMITMENTS

The Charity participates in the Teachers' Pension Scheme (TPS) and the Licensed Trade Charity 1967 Life Assurance and Pension Scheme (LTC). The Charity makes contributions to both in accordance with recommended rates. These are both defined benefit schemes. In 2023, the cost of the contributions to these schemes was £1,735,813 (2022: £1,553,986) being £1,132,018 (2022: £1,001,510) to the TPS and £603,795 (2022: £552,476) to the LTC.

The schemes are accounted for differently as the assets and liabilities of the LTC scheme can be separately identified as belonging to the Licensed Trade Charity. This is not the case for the TPS scheme and only summary information as a whole is provided. During the year, the Charity contributed £248,124 (2022: £88,199) to their defined contribution scheme with Legal & General.

Teachers' Pension Scheme

The Charity participates in the TPS for its teaching staff. This is a multi-employer defined benefits pension scheme and it is not possible or appropriate to identify the assets and liabilities of the TPS which are attributable to the Charity. As required by FRS 102 "Retirement Benefits", the Charity accounts for this scheme as if it were a defined contribution scheme.

The pension charge for the year includes contributions paid to the TPS of £1,132,018 (2022 : £947,798) and contributions accrued at the year end £136,931 (2022: £130,216).

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

The employer contribution rate is set following scheme valuations undertaken by the Government Actuary Department every 4 years. The latest valuation report for the TPS was prepared as at 31 March 2020 and published in October 2023. The report confirmed an employer contribution rate for the TPS of 28.6% from 1 April 2024. A new valuation as at 31 March 2024 is now underway but has yet to be published. Any changes required to contribution rates as a result of the 2024 valuation is expected to be made in 2027.

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

27 . PENSION COMMITMENTS (continued)

Teachers' Pension Scheme (continued)

The Department for Education has also devolved the scheme administration costs to scheme employers in the form of an administration charge of 0.08% of the employers' salary costs which has resulted in a total employer payment of 23.68%.

Licensed Trade Charity 1967 Life Assurance and Pension Scheme

The Charity operates a defined benefit pension scheme providing benefits based on final pensionable pay. The assets of the Scheme are held separately from those of the Charity, and are invested in a range of funds. Contributions to the scheme are charged to the Statement of Financial Activities so as to spread the cost of pensions over employees' working lives with the Charity. The contributions are determined by a qualified actuary on the basis of triennial valuations based on the projected unit method.

The triennial valuation in April 2023 showed a surplus of £342,000. As a result no deficit repair contributions were required in the year. Following the valuation the employer contribution rate decreased from 26.00% to 24.00% of pensionable earnings from 1 December 2023.

In 2023, the FRS 102 valuation shows a deficit of £2,199,000 (2022: £1,360,000). The assumptions which have the most significant effect on the results of the valuation are those relating to the rate of return on investments and the change in discount rate. The assumptions adopted for the most recent actuarial valuation assumed that investment respectively and 3.16% per annum thereafter, future increases in pension payments would be 3.16% per annum and the discount rates would be 4.51% per annum.

The normal contribution for the period was £603,795 (2022: £552,476). During 2023, the Charity paid contributions to the Scheme at a rate of 26.00% of pensionable salaries.

	2023	2022
	£	£
Fair value of scheme assets	12,768,000	12,757,000
Present value of unfunded obligations	(14,967,000)	(14,117,000)
Net liability	<u>(2,199,000)</u>	<u>(1,360,000)</u>

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

	2023	2022
	£	£
Opening defined benefit obligation	14,117,000	22,764,000
Actuarial gains	414,000	(9,442,000)
Current service cost	445,000	1,117,000
Employee contributions	16,000	22,000
Interest costs	668,000	434,000
Benefits paid	(693,000)	(778,000)
Closing defined benefit obligation	<u>14,967,000</u>	<u>14,117,000</u>

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

27 . PENSION COMMITMENTS (continued)

Changes in the fair value of scheme assets were as follows:

	2023 £	2022 £
Opening fair value of scheme assets	12,757,000	21,221,000
Actual return on scheme assets less expected return	(653,000)	(8,799,000)
Expected return	610,000	400,000
Benefits paid	(693,000)	(778,000)
Contributions paid by the Charity	731,000	691,000
Employee contributions	16,000	22,000
	12,768,000	12,757,000

The major categories of scheme assets as a percentage of total scheme assets are as follows:

	2023	2022
Equities	49.00%	34.00%
Diversified Growth Fund	0.00%	6.00%
Bonds	23.00%	4.00%
Other assets and cash	28.00%	56.00%

Principal actuarial assumptions at the balance sheet date (expressed as weighted averages):

	2023	2022
Discount rate	4.51%	4.77%
Inflation	3.16%	3.27%
Rate of increase in salaries - year 1	5.00%	4.00%
Rate of increase in salaries - year 2 onwards	3.16%	3.27%
Limited price indexation pension increase capped at 5.0%	3.08%	3.17%
Limited price indexation pension increase capped at 2.5%	2.17%	2.20%

Amounts for the current and previous four periods are as follows:

Defined benefit pension schemes

	2023 £	2022 £	2021 £	2020 £	2019 £
Defined benefit obligation	(14,967,000)	(14,117,000)	(22,764,000)	(23,336,000)	(19,563,000)
Scheme assets	12,768,000	12,757,000	21,221,000	19,420,000	17,096,000
Deficit	(2,199,000)	(1,360,000)	(1,543,000)	(3,916,000)	(2,467,000)
Experience adjustments on scheme liabilities	(295,000)	(300,000)	(300,000)	156,000	59,000
Experience adjustments on scheme assets	(653,000)	(8,799,000)	975,000	1,898,000	1,106,000

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

28 . RELATED PARTY TRANSACTIONS

There were no related party transactions between the Charity and the Trustees during the year.

29 . OPERATING LEASES COMMITMENTS

At 31 December 2023 the Group had future minimum lease payments under non-cancellable operating leases.

	2023	2022
	£	£
Within one year	53,884	183,884
Later than one year but within five years	33,696	88,815
	87,580	272,699

30 . CAPITAL COMMITMENTS

At 31 December 2023 the Group had capital commitments worth £298,819 (2022: nil value).

31 . FINANCIAL INSTRUMENTS

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Cash and cash equivalents	10,921,988	9,137,390	10,866,192	9,028,980
Financial assets measured at amortised cost	5,319,842	4,067,106	5,165,071	4,457,168
Financial assets measured at fair value	35,584,168	34,582,246	35,584,168	34,582,246
	51,825,998	47,786,742	51,615,431	48,068,394
Financial liabilities measured at amortised cost	(8,822,484)	(9,284,384)	(9,272,217)	(9,575,099)

Financial assets measured at amortised cost comprise trade debtors, amounts owed by group undertakings and other debtors.

Financial assets measured at fair value comprise listed investments.

Financial liabilities measured at amortised cost comprise bank loans, trade creditors, amounts owed to group undertakings and other creditors.



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