

REGISTERED COMPANY NUMBER: 07311261 (England and Wales)

Trustees' Report and  
Financial Statements for the Year Ended 31 August 2023  
for  
Reach Learning Limited  
(A Company Limited by Guarantee)



Xeinadin Audit Limited  
8th Floor Becket House  
36 Old Jewry  
London  
EC2R 8DD

Contents of the Financial Statements  
for the Year Ended 31 August 2023

	Page
Reference and Administrative Details	1 to 2
Trustees' Report	3 to 12
Governance Statement	13 to 17
Statement on Regularity, Propriety and Compliance	18
Statement of Trustees' Responsibilities	19
Report of the Independent Auditors	20 to 22
Independent Accountant's Report on Regularity	23 to 24
Statement of Financial Activities	25 to 26
Balance Sheet	27 to 28
Cash Flow Statement	29
Notes to the Financial Statements	30 to 50

Reach Learning Limited

Reference and Administrative Details  
for the Year Ended 31 August 2023

**MEMBERS:** Mr G Burvill  
Mrs C L Venn  
Mr M N Sutton

**TRUSTEES** Mr R J Booth (Headteacher) \*  
Mr M N Sutton \*  
Mrs C L Venn (Chair) \*  
Mr A D Green (resigned 13.9.22)  
Mr E Hartal \*  
Mr M W S Cawthorne (Vice Chair) \*  
Ms C Aaby \*  
Mrs E Creighton  
Mrs D Culliton  
Miss C Da Silva  
Mr R Flooden \*  
Mr S Robinson (appointed 20.10.22)  
Ms J Simmonite (appointed 1.1.23)

\* members of the finance and general purpose committee

**SENIOR MANAGEMENT TEAM:** Mr R Addy  
Miss S Hobson (resigned 31.12.22)  
Mrs J Beech  
Mr A Jones  
Mr A Smith  
Mr A Noble  
Mrs C Oliver  
Mr M J B Essery  
Mr R J Booth (Headteacher)

**REGISTERED OFFICE** Long Lane  
Rickmansworth  
Hertfordshire  
WD3 8AB

**REGISTERED COMPANY NUMBER** 07311261 (England and Wales)

**SENIOR STATUTORY AUDITOR** John David Lee BA FCA

Reach Learning Limited

Reference and Administrative Details  
for the Year Ended 31 August 2023

**AUDITORS**

Xeinadin Audit Limited  
8th Floor Becket House  
36 Old Jewry  
London  
EC2R 8DD

**BANKERS**

Santander  
174 High Street  
Uxbridge  
Middlesex  
UB8 1EF

**SOLICITORS**

Stone King LLP  
13 Queen Square  
Bath  
BA1 2HJ

Trustees' Report  
for the Year Ended 31 August 2023

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 August 2023. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) and the Academies Accounts Direction issued by the Education and Skills Funding Agency.

The trust operates an academy for pupils aged 11 to 18 serving a large area of south-west Hertfordshire. In the year in question it has a pupil capacity of 840 and had a roll of 747 in the school census on 18 May 2023.

## **OBJECTIVES AND ACTIVITIES**

### **Objectives and aims**

The trust's objectives are set out in its Articles of Association. These are to establish, maintain, manage and develop an academy trust offering a broad and balanced curriculum, for the benefit of public education in the United Kingdom.

In accordance with the Articles of Association, the trust has adopted a Funding Agreement approved by the Secretary of State for Education. The Funding Agreement specifies, amongst other things, the basis for admitting pupils to the academy trust.

### **Significant activities**

The Trust believes in the following principles, which are referred to as ACE:

Achievement - Realised through recognising the individual needs of every learner.

Community - Embracing and utilising the local community for the benefit of all learners and building partnerships to support teaching and learning.

Enjoyment - A commitment to innovative practice and the utilisation of technology to develop enthusiasm for learning.

These underpin the school's progress towards the Key Performance Indicators (KPIs).

### **Public benefit**

The Governors have complied with their duty to have due regard to the guidance on Public Benefit published by the Charity Commission in exercising their powers and duties.

The Reach Free School was borne from the local community and maintains strong links within and beyond that community thanks to innovative curricular and extra-curricular initiatives and activities. Our utmost priority in terms of public benefit is to provide a high quality education for our pupils.

Trustees' Report  
for the Year Ended 31 August 2023

**STRATEGIC REPORT**

**Achievement and performance**

**Charitable activities**

The school has three-year objectives which align with the ACE ethos. These are outlined below:

**Three-Year Achievement objectives**

- 1.1 A positive Progress 8 score at the end of Key Stage 4
- 1.2 The vast majority of pupils, regardless of their prior attainment, meet or exceed expectations, across the curriculum
- 1.3 An increasing proportion of pupils attain above their target in English and Mathematics
- 1.4 A diverse curriculum supports the needs of all learners
- 1.5 Narrow the attainment gap between key groups including demographic and gender
- 1.6 Ensure that lesson planning and teaching reflects the needs of groups and individuals within classes, in order to maximise progress and attainment
- 1.7 Achieve the target reserve figure in each academic year and, where possible, a higher amount
- 1.8 The school responds positively to the areas for development outlined in the February 2019 Ofsted inspection, implementing change where required
- 1.9 Outstanding in all five Ofsted categories

**Three-Year Community Objectives**

- 2.1 The parents, guardians and carers value the school and rate it as the school of choice in the local area
- 2.2 The school is a hub for the local area promoting community cohesion through extended use
- 2.3 The school and its pupils benefit from partnerships with small, medium and large enterprises
- 2.4 All pupils feel proud to be at the school and feel they contribute to its development
- 2.5 The school offers a broad Post 16 provision for both existing and new students
- 2.6 Annual staff turnover remains below 10% of the workforce
- 2.7 The school provides meaningful continued professional development for all staff
- 2.8 The school has reviewed options for forming or joining a Multi Academy Trust
- 2.9 The school develops a strategy for promoting sustainability

**Three-Year Enjoyment Objectives**

- 3.1 The school provides rich and diverse learning experiences which prepare pupils for the next phases of their education and life
- 3.2 The efforts of pupils are reflected through participation in local, national and international competitions and events
- 3.3 Pupils' enjoyment is reflected through the high attendance rates at school
- 3.4 Pupils progress to the next stage of their education and/or working life equipped with relevant skills and the knowledge of pathways available
- 3.5 Staff development is key to our success. We will work closely with our staff to develop their full potential, maintain a healthy work life balance and seek job satisfaction.

The Reach Free School had five key priorities for the School Development Plan in 2022/23. A summary of these is outlined below:

Trustees' Report  
for the Year Ended 31 August 2023

Headline Outcomes: Following the publication of the GCSE examination results in August 2022 further work was required to improve the outcomes in GCSE English Language, GCSE English Literature and GCSE Mathematics. The aim of this priority was to ensure the grades meet and exceed the school's targets, national averages and contribute positively to the school's Progress 8 figure.

The Reach Teach Toolkit: This is the mechanism for driving improvement in the classroom and continued the work from 2021/22 focussing on two strands. The first was the continued development of literacy and vocabulary across the school. The second strand related to meeting the needs of all pupils, but predominantly stretching the most able.

Inclusion Strategy: Building on this area as a key strength of the school included a focus on using the recovery funding to drive strategies relating to SEN, EAL, PPG, attendance, aspirations and ultimately outcomes at KS4 and KS5.

Metacognition and self-regulation: We want our pupils to love learning and by focussing on the development of metacognition and self-regulation they would be able to improve their study skills and take responsibility for their own learning.

Staff Wellbeing: School staff have given their all during the pandemic, adapting, innovating and having to negotiate an ever-changing landscape. As we moved beyond the pandemic it was important that we ensured staff wellbeing was a key area of focus and by signing up to the Department for Education's Staff Wellbeing Charter and all that this entails it demonstrated the school's commitment to this important area.

The information below provides the outcomes achieved by the school at both GCSE and A Level in the summer of 2022.

- The Attainment 8 score was 47.0 (2022: 41.2)
- 67% of pupils achieved a standard pass (Grade 4 or higher) in GCSE English and Mathematics (2022: 55%)
- 37% of pupils achieved a good pass (Grade 5 or higher) in GCSE English and Mathematics (2022: 31%)
- The English Baccalaureate entry rate was 80% (2022: 75%)
- The EBacc Average Point Score was 4.3 (2022: 3.76)
- 11% of A level grades were at A\* to A (2022: 40%)
- 38% of A level grades were at A\* to B (2022: 65%)
- 68% of A level grades were at A\* to C (2022: 81%)
- 30% of Vocational qualifications were graded Distinction\* (2022: 77%)
- 70% of Vocational qualifications were graded either Distinction\* or Distinction (2022: 90%)

Trustees' Report  
for the Year Ended 31 August 2023

**STRATEGIC REPORT**

**Achievement and performance**

**Key performance indicators**

Through the school's development plan, the following key performance indicators are set and monitored for the forthcoming academic year.

1.1 The KS3 attainment, for all subjects, is at least:

<b>Significantly above expectations</b>	<b>Above expectations</b>	<b>Meeting expectations</b>
30%	60%	90%

1.2 The GCSE attainment, for all qualifications, is at least:

<b>9 - 7</b>	<b>9 - 5</b>	<b>9 - 4</b>
30%	60%	90%

1.3 Exceed the national average for Attainment 8 (National 2023: 46.2, School 2023: 47.0)

1.4 Exceed the national average of pupils achieving a grade 5 in English and Mathematics (National 2023: 45%, School 2022: 37%)

1.5 The Progress 8 score, using the DfE's official measure is positive (School 2023 -0.11, LA 2023 0.19)

1.6 The Sixth Form attainment, for all qualifications, is at least:

<b>A* - A</b>	<b>A* - B</b>	<b>A* - C</b>
30%	60%	90%

1.7 The Sixth Form to achieve a positive Value Added score for year 13 results (Summer 2024) and an Alps score of four or above

1.8 Students in year 13 have been offered a place, and achieved the grades, for their final chosen further education, training or career destinations (Summer 2024)

1.9 90% of teaching is meeting or exceeding school expectations (measured by the % of staff requiring additional support <10%) (2022/23: 9%)

1.10 All pupils have access to the 'stretch and support' sessions

1.11 Attendance is higher than 95.4% (2022/23: 91.3%)

1.12 Permanent exclusions do not exceed the national average (2021/22: 0.16%)

1.13 400 ranked pupils on School Admissions Module (SEAM) for September 2024 (2023: 451)

1.14 145 first preferences on SEAM (35% of ranked allocations) for September 2024 (2023: 150 (33%))

1.15 Number of students applying and enrolling into the Sixth Form (2022/23: 142/ 62)

	<b>September 2024 start</b>	<b>September 2025 start</b>	<b>September 2026 start</b>
Applications (and Enrolments)	150 (60)	150 (60)	150 (65)

1.16 Total pupil numbers on roll at the Autumn census (Autumn 2022: 753)

	<b>Autumn 2023</b>	<b>Autumn 2024</b>	<b>Autumn 2025</b>
Pupils	760	761	761



## **STRATEGIC REPORT**

### **Achievement and performance**

#### **Finance and Resources KPIs**

- 2.1 To match or better outturn annual budget forecast (Total expenditure is less than or equal to 100% of Total Income)
- 2.2 The school reserves at least £2,000 per month from the 2023/24 funding with the target of £24,000 in this financial year
- 2.3 Staff salaries do not exceed 80% of total school income
- 2.4 Staff salaries are between 70% and 80% of total school expenditure
- 2.5 The ratio of pupils to teachers is in line with or less than 16.6:1 (national average)
- 2.6 No negative bank balance
- 2.7 The school remains solvent
- 2.8 Unqualified teaching staff not on an accredited training route account for less than 5% of the Leadership and Teaching staff
- 2.9 Unqualified teaching staff on an accredited training route account for less than 10% of the Leadership and Teaching staff
- 2.10 The school achieves at least £120,000 lettings income in the 2023/24 financial year

#### **Promoting the success of the company**

The school promotes itself in the local community through a variety of channels including its website, social media and at events where prospective parents can tour the school and hear about the curriculum and wider offer for pupils. The school welcomes visitors from a wide range of backgrounds, and has developed partnerships with a large number of other schools and local businesses.

For existing parents, the school sends home reports for individual pupils, along with a half-termly newsletter that celebrates the successes of pupils from across the school.

The school conducts regular surveys to understand the views of key stakeholders, and acts upon feedback to improve conditions and procedures within the school

The school maintains strategic and operational risk registers and refers to these when making any decisions that could affect the standing of the school in the local and national areas.

Trustees' Report  
for the Year Ended 31 August 2023

**STRATEGIC REPORT**

**Financial review**

**Principal funding sources**

Most of the trust's income is obtained from the Education and Skills Funding Agency (ESFA), which is part of the Department for Education (DfE), in the form of recurrent grants. The grants received from the ESFA during the year ended 31 August 2023 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

In accordance with the Statement of Recommended Practice, 'Accounting and Reporting by Charities' (SORP 2019), such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset balance is reduced by annual depreciation charges over the expected life of the relevant assets.

During the year ended 31 August 2023, restricted income (excluding restricted fixed asset funds) was £4,917,110 and related restricted expenditure was £5,031,575. Unrestricted income was £485,852 and unrestricted expenditure was £434,349.

At 31 August 2023 the net book value of fixed assets was £16,818,583 and the movements in fixed assets are shown in note 15. Net assets at 31 August 2023 were £16,787,622.

**Investment policy and objectives**

During the year the trust held all its liquid funds in an interest bearing account at a major UK clearing bank with an A1, P1 short-term credit rating. There are no plans to generate a higher return on any future cash balances unless this can be achieved without increasing counterparty credit risk.

**Reserves policy**

At 31 August 2023 the total fund comprised restricted funds of £16,787,622 analysed into restricted fixed asset funds of £266,270, restricted new premises funds of £16,519,345 and restricted general funds of £1,915. There were unrestricted reserves of £92 held at the year end.

The restricted funds will be spent in accordance with the terms of the particular funds. Unrestricted funds are the 'free reserves' for use on the general purposes of the trust at the discretion of the Governors. The aim of the Governors is to increase this reserve to meet future working capital requirements.

**Going concern**

After making appropriate enquiries, the Governing Body has a reasonable expectation that the trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

**Fundraising**

The academy trust does not use any external fundraisers. All fundraising undertaken during the year was monitored by the Trustees.

## **STRATEGIC REPORT**

### **Principal risks and uncertainties**

The principal risks facing the trust are:

- Reputational risk - mitigated by maintaining good relationships with local stakeholders, improving and maintaining standards of learning and behaviour, and providing a broad and balanced curriculum.
- Performance risk - mitigated by monitoring each pupil's progress throughout each year and deploying additional resources as necessary.
- Financial risk - such as the reduction of pupil numbers, the reduction of central government funding, unbudgeted increases in capital expenditure or unbudgeted staffing costs. Risks are mitigated by careful budget planning and monitoring, and by holding sufficient reserves to cover challenging circumstances

### **Future plans**

The future plans for the school are outlined in the AY2324 School Development Plan and include:

**Headline Outcomes:** Following the publication of the GCSE examination results in August 2023 further work is required to improve the outcomes at grades 5+ and 7+. The aim of this priority is to ensure the grades meet and exceed the school's targets, national averages and contribute positively to the school's Progress 8 figure.

**The Reach Teach Toolkit:** This is the mechanism for driving improvement in the classroom and will continue the work from 2022/23 into the new academic year focussing on three key areas: self-awareness, resilience and oracy. Self-awareness builds pupils' metacognitive skills so that they can apply the correct knowledge as well as appropriate strategies when answering challenging questions or solving difficult problems. Resilience aims to develop pupils' motivation to learn independently, which is essential to pupils' success in terms of preparing for assessments and exams. Oracy continues our work on building pupils' vocabulary and articulation. Together these three areas will support pupils to complete more complex and sustained tasks.

**Inclusion Strategy:** The importance of our inclusion strategy cannot be underestimated and we will use the available funding and resources to drive strategies relating to those with SEND, disadvantaged pupils, whole school attendance, aspirations of young people and ultimately outcomes at KS4 and 5. These are all key contributors to improving life chances and social mobility.

**Reach Beyond:** Following the ten-year anniversary in 2023, aspects of the school's approach to personal development were reviewed and revised. The new 30 minute session at 10.40am each day will be known as Reach Beyond and cover REACH Time, assemblies, reading weeks, STEM and CCR activities in Key Stage 3 and the Targeted Academic Support Programme (TASP) at Key Stage 4. Key Stage 5 will have their dedicated Reach Out programme preparing them for life after school. It is of paramount importance that this is implemented positively and well received by both staff and pupils and therefore will be a focus of the SDP for this year.

**Quality Assurance:** Understanding the strengths and areas for development across the school is important for our self-evaluation and future growth. As such, it was decided to replace the existing system of learning walks, peer observations, work scrutiny and data reviews with a new department focussed annual review. The revised quality assurance process will begin in the 2023/24 academic year and involve all staff and all departments ensuring leaders of all levels have a greater understanding of the school.

Trustees' Report  
for the Year Ended 31 August 2023

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Constitution**

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The trustees of Reach Learning Limited are also the directors of the charitable company for the purposes of company law. The charitable company is known as Reach Learning, but operates as The Reach Free School.

Details of the trustees who served during the year are included in the Reference and Administrative Details on page 1.

**Members' liability**

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while they are a member, or within one year after they cease to be a member, such amount as may be required, not exceeding £1, for the debts and liabilities contracted before they cease to be a member.

**Trustees' Indemnities**

The trustees are indemnified in respect of their duties on behalf of Reach Learning Limited to the extent that they are covered within the specific provisions contained within the Academy's insurance policy arranged through the DfE's Risk Protection Arrangement for Academies.

**Recruitment and appointment of new trustees**

- The Members may appoint up to 10 Governors.
- The Members may appoint Staff Governors through such process as they may determine, provided that the total number of Governors (including the Headteacher) who are employees of the Academy Trust does not exceed one third of the total number of Governors.
- The Headteacher shall be treated for all purposes as being an ex officio Governor.
- Parent Governors shall be elected by parents of registered pupils at the Academy. A Parent Governor must be a parent of a pupil at the Academy at the time when they are elected.
- The arrangements made for the election of a Parent Governor shall provide for every person who is entitled to vote in the election to have an opportunity to do so by post or, if they prefer, by having their ballot paper returned to the Academy Trust by a registered pupil at the Academy.
- In appointing a Parent Governor the Governing Body shall appoint a person who is the parent, guardian or carer of a registered pupil at the Academy; or where it is not reasonably practical to do so, a person who is the parent of a child of compulsory school age.
- The Governors may appoint up to 3 Co-opted Governors. A 'Co-opted Governor' means a person who is appointed to be a Governor by being Co-opted by Governors who have not themselves been so appointed. The Governors may not co-opt an employee of the Academy Trust as a Co-opted Governor if thereby the number of Governors who are employees of the Academy Trust would exceed one third of the total number of Governors (including the Headteacher).

Trustees' Report  
for the Year Ended 31 August 2023

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Organisational structure**

The trust's organisational structure consists of three levels: the Members, the Governors and the Senior Leadership Team (SLT).

The Members meet on an annual basis to receive the annual accounts, note any governor appointments or re-appointments and review the overall operation of the trust.

The Governors are responsible for setting general policies, adopting annual plans and budgets, monitoring its financial and operational performance and making strategic decisions about the direction of the trust, approving major items of expenditure and making senior staff appointments. There is a committee structure reporting into the main Governing Body. A Governor is appointed to the role of Responsible Officer.

During the year in question the full Governing Body met on four occasions.

The SLT controls the trust at an executive level, implementing the policies laid down by the Governors, and reporting back to them. Members of the SLT are responsible for developing and implementing plans which seek to deliver the best possible education for the trust's pupils, within the agreed budget and scheme of delegation agreed by the Governing Body. They are responsible for managing the day-to-day operation of the trust, specifically staff, facilities and pupils.

**Induction and training of new trustees**

- Newly appointed governors are provided with access to the online repository of all previous meetings, training and other resources.
- They have an induction session with the Headteacher and Chair of Governors, at which any training needs are identified.
- The Governing Body also carries out a skills audit and training is provided to close any gaps in their knowledge.

A Governor Health Check is a standing agenda item at Governing Body meetings.

**Arrangement for setting pay and remuneration of key management personnel**

The school operates a number of pay scales for different categories of job, and all staff members are paid according to experience on the relevant pay scale. Some staff with additional responsibilities are paid additional payments above this pay scale, referred to as 'Reach Points'.

Pay progression is determined following a robust appraisal process, whereby each member of staff completes documentation illustrating their proficiency and contribution to school in the previous year. Line Managers make recommendations for pay awards which are considered by the Pay Committee of the Governing Body each October.

The process for the Headteacher includes a 360 review from staff employed at the school. Members of the Governing Body then meet with an Education Advisor to review the Headteacher's performance, before deciding any pay award.

Trustees' Report

for the Year Ended 31 August 2023

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Trade union facility time**

This information is published in accordance with the provisions of the Trade Union (Facility Time Publication Requirements) Regulations 2017 because the academy trust had a full-time equivalent employee number of more than 49 throughout the entirety of any seven months within the year ended 31 August 2023.

**Relevant union officials**

Number of employees who were relevant union officials during the relevant period

Full-time equivalent employee number

-

-

**Percentage of time spent on facility time**

Percentage of time

Number of employees

0%

91

1%-50%

-

51%-99%

-

100%

-

Percentage of pay bill spent on facility time: 0%

Paid trade union activities: 0%

**Related parties**

The trust does not have any formal relationships with other schools in the geographical or any other area but will seek to build such relationships as it evolves. There are no other connected organisations or individuals at the present time.

**Risk management**

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The trustees maintain a risk register which is updated by exception.

**FUNDS HELD AS CUSTODIAN FOR OTHERS**

There are no assets subject to custodian agreements.

**AUDITORS**

The auditors, Xeinadin Audit Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Trustees' report, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on ..... <sup>13th December 2023</sup> and signed on the board's behalf by:

  
.....

Mrs C L Venn - Trustee

**Scope of Responsibility**

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

The board of trustees has delegated the day-to-day responsibility to the headteacher, as accounting officer, for ensuring financial controls confirm with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Reach Learning Limited and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

## Reach Learning Limited

### Governance Statement for the Year Ended 31 August 2023

#### **Governance**

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The board of trustees has formally met 4 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustee	Meetings attended	Out of a possible
Mrs C L Venn (Chair)	4	4
Mr E Hartal	0	4
Mr M Sutton	4	4
Mr M Cawthorne (Vice Chair)	4	4
Mr R Booth (Head Teacher)	4	4
Mrs C Da Silva	4	4
Mr R Flooden	3	4
Mrs E Creighton	3	4
Ms C Adbby	2	4
Mrs D Culliton	2	3
Mr S Robinson (appointed 20.10.22)	3	3
Ms J Simmonite (appointed 01.01.23)	2	3

The school maintains a register of interests and this is available on the school web site. At the beginning of each meeting it is confirmed whether or not there are any conflicts of interest arising from the items circulated on the agenda.

The Finance and Resources Committee is a sub-committee of the main board of trustees. Its purpose is to oversee the financial operation of the academy.

Trustee	Meetings attended	Out of a possible
Mr R J Booth	3	3
Mr M N Sutton	3	3
Mrs C L Venn	3	3
Ms C Adbby	3	3
Mr M W S Cawthorne	2	3
Mr E Hartal	2	3
Mr R Flooden	3	3
Ms J Simmonite	1	2

The Curriculum and Community Committee is a sub-committee of the main board of trustees. Its purpose is to oversee staff and pupil development within the academy.

Trustee	Meetings attended	Out of a possible
Mr R J Booth	3	3
Mr E Hartal	1	3
Mrs C L Venn	3	3
Ms C Adbby	3	3
Mr M W S Cawthorne	0	3
Mrs D Culliton	2	3



## Reach Learning Limited

### Governance Statement for the Year Ended 31 August 2023

Mr R Flooden	2	3
Mrs E Creighton	2	3
Mrs C Da Silva	3	3
Mr S Robinson	2	3
Ms J Simmonite	3	3

#### **Review of Value for Money**

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

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

- Benchmarking spending against schools of similar size, and those in the local area
- Sourcing of resources on loan from other institutions prior to purchase
- Sharing of best practice amongst the network of local School Business Managers
- Negotiating discounts with large suppliers when purchasing resources for multiple subject areas
- Utilising government tools, such as the 'View My Financial Insights' service to benchmark against our DfE 'family of schools'

#### **The Purpose of the System of Internal Control**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of charitable company policies aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Reach Learning Limited for the period 1 September 2022 to 31 August 2023 and up to date of approval of the annual report and financial statements.

#### **Capacity to Handle Risk**

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

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

**The Risk and Control Framework**

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees.
- regular reviews by the Finance and Resources Committee of reports which indicate financial performance against forecasts and of major purchase plans, capital works and expenditure programmes.
- setting targets to measure financial and other performance.
- clearly defined purchasing (asset purchase and capital investment) guidelines.
- delegation of authority and segregation of duties.
- identification and management of risks (in accordance with Management of Risk best practice approved and sponsored by UK central Government).

The board of trustees appointed an internal audit committee for the financial year 2022/23. This comprised a small number of governors who report back to the Finance and Resources Committee.

The internal audit committee's role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems. Included in these checks are a review of the annual accounts, a review of the auditor's action plan, and a review of the effectiveness and resources of the external auditor, including a recommendation of whether to continue with the auditor the following year, or to tender for a new auditor.

On a monthly basis, the Responsible Officer reports to the board of trustees, on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

Governance Statement  
for the Year Ended 31 August 2023

**Review of Effectiveness**

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


- . the work of the responsible officer.
- . the work of the external auditor.
- . the financial management and governance self-assessment process.
- . the work of the internal audit committee.

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the Finance and Resources Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the board of trustees on 13<sup>th</sup> December 2023 and signed on its behalf by:

  
.....

Mrs C L Venn - Trustee

  
.....

R J Booth - Accounting Officer

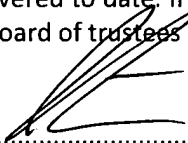
Reach Learning Limited

Statement on Regularity, Propriety and Compliance  
for the Year Ended 31 August 2023

As accounting officer of Reach Learning Limited I have considered my responsibility to notify the charitable company board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding, including for estates safety and management, under the funding agreement between the charitable company and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2022, including responsibilities for estates safety and management.

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

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



.....  
R J Booth - Accounting Officer

Date: 13<sup>th</sup> December 2023

Reach Learning Limited

Statement of Trustees' Responsibilities  
for the Year Ended 31 August 2023

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

In so far as the trustees are aware:

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

Approved by order of the board of trustees on 13<sup>th</sup> December 2023 and signed on its behalf by:

  
.....

Mrs C L Venn - Trustee

### **Opinion**

We have audited the financial statements of Reach Learning Limited (the 'charitable company') for the year ended 31 August 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Accounts Direction 2022 to 2023 issued by the Education and Skills Funding Agency (ESFA).

In our opinion the financial statements:

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

### **Basis for opinion**

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

### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the 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 charitable company'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 trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

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

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

### **Responsibilities of trustees**

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

In preparing the financial statements, the trustees are responsible for assessing the charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

**Our 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 a Report of the Independent Auditors 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.

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

- we discussed with management what systems they use to prevent and detect potential fraud as well as the key areas in the financial statements where fraud might occur;
- we reviewed the training procedures for staff and governors to ensure appropriate training was in place around fraud including what actions should be taken if fraud is suspected;
- the audit engagement team were briefed on how and where fraud may occur and potential indicators of fraud.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Independent Auditors.

**Use of our report**

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



John David Lee BA FCA (Senior Statutory Auditor)  
for and on behalf of Xeinadin Audit Limited  
8th Floor Becket House  
36 Old Jewry  
London  
EC2R 8DD

Date: 13/12/23



Independent Reporting Accountant's Assurance Report on Regularity to  
Reach Learning Limited and the Education and Skills Funding Agency

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

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

**Respective responsibilities of Reach Learning Limited's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Reach Learning Limited's funding agreement with the Secretary of State for Education and the Academy Trust Handbook, extant from 1 September 2022, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

**Approach**

We conducted our engagement in accordance with the Academies Accounts Direction 2022 to 2023 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw to our conclusion includes:

- an assessment of the risk of material misstatement and irregularity across the Academy's activities;
- testing and review of areas identified through risk assessment including enquiry, observation, inspection and review of supporting evidence;
- consideration of evidence obtained through the work performed as part of our financial statements audit in order to support the regularity conclusion;
- reviewing the minutes of the meetings of the Governing Body relevant to our consideration of regularity.

Independent Reporting Accountant's Assurance Report on Regularity to  
Reach Learning Limited and the Education and Skills Funding Agency

**Conclusion**

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

*Xeinadin Audit Ltd*

Xeinadin Audit Limited  
Reporting Accountant  
8th Floor Becket House  
36 Old Jewry  
London  
EC2R 8DD

Date: .....13/12/23.....

Reach Learning Limited

Statement of Financial Activities  
(Incorporating an Income and Expenditure Account)  
for the Year Ended 31 August 2023

				31.8.23	31.8.22
		Unrestricted	Restricted	Restricted	
	Notes	fund	funds	fixed	
		£	£	asset	
		£	£	funds	
		£	£	£	
<b>INCOME AND</b>					
<b>ENDOWMENTS FROM</b>					
Donations and capital grants	3	-	1,619	-	1,619
					314,736
<b>Charitable activities</b>					
Funding for the academy's educational operations	4	-	4,695,987	-	4,695,987
					4,395,376
Other trading activities	5	87,370	12,822	-	100,192
Investment income	6	2,171	-	-	2,171
					113
Other income	7	396,311	206,682	-	602,993
					274,258
<b>Total</b>		<b>485,852</b>	<b>4,917,110</b>	<b>-</b>	<b>5,402,962</b>
					5,061,058
<b>EXPENDITURE ON</b>					
Raising funds		4,235	(5,000)	-	(765)
					14,000
<b>Charitable activities</b>					
Academy's educational operations	9	430,114	5,036,575	501,127	5,967,816
					5,405,067
<b>Total</b>		<b>434,349</b>	<b>5,031,575</b>	<b>501,127</b>	<b>5,967,051</b>
					5,419,067
<b>NET</b>					
<b>INCOME/(EXPENDITURE)</b>		<b>51,503</b>	<b>(114,465)</b>	<b>(501,127)</b>	<b>(564,089)</b>
Transfers between funds	19	(66,616)	29,239	37,377	-
Other recognised gains/(losses)					
Actuarial gains/(losses) on defined benefit schemes		-	(115,000)	-	(115,000)
					1,079,000
<b>Net movement in funds</b>		<b>(15,113)</b>	<b>(200,226)</b>	<b>(463,750)</b>	<b>(679,089)</b>
					720,991
<b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward		15,205	202,141	17,249,365	17,466,711
					16,745,720

The notes form part of these financial statements

Reach Learning Limited

Statement of Financial Activities

(Incorporating an Income and Expenditure Account)

for the Year Ended 31 August 2023

				31.8.23	31.8.22
	Unrestricted	Restricted	Restricted		
	fund	funds	fixed	Total	Total
	£	£	asset	funds	funds
Notes	£	£	funds	£	£
			£		
TOTAL FUNDS CARRIED FORWARD	92	1,915	16,785,615	16,787,622	17,466,711

The notes form part of these financial statements

**Balance Sheet**  
**31 August 2023**

				31.8.23	31.8.22
	Notes	Unrestricted fund £	Restricted funds £	Restricted fixed asset funds £	Total funds £
<b>FIXED ASSETS</b>					
Tangible assets	15	-	-	16,818,583	16,818,583
<b>CURRENT ASSETS</b>					
Debtors	16	79,158	105,552	-	184,710
Investments	17	-	25	-	25
Cash at bank and in hand		14,123	531,227	-	545,350
		93,281	636,804	-	730,085
<b>CREDITORS</b>					
Amounts falling due within one year	18	(93,189)	(634,889)	(32,968)	(761,046)
<b>NET CURRENT ASSETS</b>		92	1,915	(32,968)	(30,961)
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		92	1,915	16,785,615	16,787,622
<b>PENSION ASSET</b>	20	-	-	-	126,000
<b>NET ASSETS</b>		92	1,915	16,785,615	16,787,622

The notes form part of these financial statements

Balance Sheet - continued

31 August 2023

<b>FUNDS</b>	19		
Restricted funds:			
Restricted general fund		1,915	76,141
Restricted fixed asset fund		266,270	330,260
Pension fund		-	126,000
Restricted new premises fund		<u>16,519,345</u>	<u>16,919,105</u>
		<u>16,787,530</u>	<u>17,451,506</u>
Unrestricted funds:			
Unrestricted general fund		<u>92</u>	<u>15,205</u>
<b>TOTAL FUNDS</b>		<u>16,787,622</u>	<u>17,466,711</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 13<sup>th</sup> December 2023 and were signed on its behalf by:



.....  
Mr R J Booth - Trustee



.....  
Mrs C L Venn - Trustee

Reach Learning Limited

Cash Flow Statement  
for the Year Ended 31 August 2023

	Notes	31.8.23 £	31.8.22 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	23	48,646	193,804
Interest paid		<u>(5,461)</u>	<u>(3,725)</u>
Net cash provided by operating activities		<u>43,185</u>	<u>190,079</u>
 <b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(37,377)	(55,020)
Capital grants from DfE/EFA		-	312,938
Sale of tangible fixed assets		-	2,921
Interest received		<u>2,171</u>	<u>113</u>
Net cash (used in)/provided by investing activities		<u>(35,206)</u>	<u>260,952</u>
		<hr/>	<hr/>
Change in cash and cash equivalents in the reporting period		7,979	451,031
Cash and cash equivalents at the beginning of the reporting period		<u>537,371</u>	<u>86,340</u>
Cash and cash equivalents at the end of the reporting period		<u>545,350</u>	<u>537,371</u>

The notes form part of these financial statements

## **1. ACCOUNTING POLICIES**

### **Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Academies Accounts Direction 2022 to 2023 issued by the ESFA, the Charities Act 2011 and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Reach Learning Limited meets the definition of a public benefit entity under FRS 102.

### **Going concern**

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of the financial statements. As a result, there are no material uncertainties regarding going concern.

### **Income**

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

### **Grants**

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

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

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

### **Donations**

Donations are recognised on a receivable basis (where there are no performance related conditions), where it is probable that the income will be received and the amount can be measured reliably.

### **Other income**

Other income includes £214k (2022: £192k) of Catering income, and is recognised in the period it is receivable and to the extent the goods or services have been provided.



**1. ACCOUNTING POLICIES - continued**

**Donated goods, facilities and services**

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

**Expenditure**

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

All expenditure is inclusive of irrecoverable VAT.

**Raising funds**

Raising funds includes all expenditure incurred by the academy trust/charity to raise funds for its charitable purposes and includes costs of all fundraising activities, events and non-charitable trading.

**Charitable activities**

Costs of charitable activities are incurred on the academy trust's educational operations, including support costs.

**Governance costs**

These include the costs attributable to the academy trust's compliance with constitutional and statutory requirements, including audit, strategic management and trustees' meetings and reimbursed expenses.

**Tangible fixed assets**

Assets costing £2,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the academy trust's depreciation policy. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

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

- . Long leasehold property                      50 years

Notes to the Financial Statements - continued  
for the Year Ended 31 August 2023

**1. ACCOUNTING POLICIES - continued**

**Tangible fixed assets**

. Fixtures and fittings	5 - 10 years
. Computer equipment	3 - 5 years
. Motor vehicles	10 years

Where an asset comprises of two or more components which have substantially different expected useful life, each component is depreciated separately over its useful economic life.

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

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

**Financial instruments**

**Debtors**

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

**Creditors**

Short term trade creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method

**Taxation**

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

**Fund accounting**

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

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

Restricted general funds comprise all other restricted funds received and include grants from the Education Funding Agency as well as any actuarial adjustments to pension liabilities.

**Pensions benefits**

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

**1. ACCOUNTING POLICIES - continued**

**Pensions benefits**

Retirement benefits to employees of the academy trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes and the assets are held separately from those of the academy trust.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in Note 20, the TPS is a multi-employer scheme and the academy trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

The LGPS is a funded scheme and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the Statement of Financial Activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The expected return on assets and the interest cost are shown as a net finance amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in other gains and losses.

**2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

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

Critical accounting estimates and assumptions:

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

**2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY - continued**

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 20, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

**3. DONATIONS AND CAPITAL GRANTS**

	<b>31.8.23</b>	<b>31.8.22</b>
	<b>£</b>	<b>£</b>
Donations	<b>1,619</b>	<b>1,798</b>
Grants	<b>-</b>	<b>312,938</b>
	<b><u>1,619</u></b>	<b><u>314,736</u></b>

Grants received, included in the above, are as follows:

	<b>31.8.23</b>	<b>31.8.22</b>
	<b>£</b>	<b>£</b>
Capital income	<b>-</b>	<b>312,938</b>

Notes to the Financial Statements - continued  
for the Year Ended 31 August 2023

**4. FUNDING FOR THE ACADEMY'S EDUCATIONAL OPERATIONS**

	Unrestricted funds £	Restricted funds £	31.8.23 Total funds £	31.8.22 Total funds £
<b>DfE/ESFA grants</b>				
General Annual Grant(GAG)	-	4,213,422	4,213,422	3,924,585
Other ESFA Grants	-	151,721	151,721	168,685
Pupil Premium	-	142,021	142,021	154,615
	-	4,507,164	4,507,164	4,247,885
<b>Other Government grant</b>				
Other Government Grants	-	187,676	187,676	95,976
<b>COVID-19 additional funding (DfE/ESFA)s</b>				
Catch-up premium	-	1,147	1,147	22,507
Other DfE/ESFA COVID-19 funding	-	-	-	29,008
	-	188,823	188,823	147,491
	-	4,695,987	4,695,987	4,395,376

The academy received £1k (2022: 52k) of funding for catch-up premium and costs incurred in respect of this funding totalled £1k (2022: £52k).

**5. OTHER TRADING ACTIVITIES**

	31.8.23 £	31.8.22 £
Shop item sales	1,432	1,679
Hire of facilities	85,938	60,011
Device indemnity charges	9,325	10,155
Other trading income	3,497	4,730
	<u>100,192</u>	<u>76,575</u>

Notes to the Financial Statements - continued  
for the Year Ended 31 August 2023

6. INVESTMENT INCOME

	31.8.23	31.8.22
	£	£
Deposit account interest	<u>2,171</u>	<u>113</u>

7. OTHER INCOME

	31.8.23	31.8.22
	£	£
Other income	206,682	28,349
Catering income	214,189	191,620
Trip income	<u>182,122</u>	<u>54,289</u>
	<u>602,993</u>	<u>274,258</u>

8. EXPENDITURE

	Non-pay expenditure			31.8.23	31.8.22
	Staff costs	Premises	Other costs	Total	Total
	£	£	£	£	£
<b>Raising funds</b>					
<b>Costs incurred by trading for a fundraising purpose</b>					
Direct costs	-	-	(765)	(765)	14,000
<b>Charitable activities</b>					
<b>Academy's educational operations</b>					
Direct costs	3,587,176	-	277,670	3,864,846	3,651,540
Allocated support costs	<u>399,181</u>	<u>513,738</u>	<u>1,190,051</u>	<u>2,102,970</u>	<u>1,753,527</u>
	<u>3,986,357</u>	<u>513,738</u>	<u>1,466,956</u>	<u>5,967,051</u>	<u>5,419,067</u>

Net income/(expenditure) is stated after charging/(crediting):

	31.8.23	31.8.22
	£	£
Auditors' remuneration	6,000	5,250
Other non-audit services	8,870	6,850
Depreciation - owned assets	501,127	465,925
Surplus on disposal of fixed assets	<u>-</u>	<u>(234)</u>

Notes to the Financial Statements - continued  
for the Year Ended 31 August 2023

**9. CHARITABLE ACTIVITIES - ACADEMY'S EDUCATIONAL OPERATIONS**

	Unrestricted funds £	Restricted funds £	31.8.23 Total funds £	31.8.22 Total funds £
Direct costs	-	3,864,846	3,864,846	3,651,540
Support costs	<u>430,114</u>	<u>1,672,856</u>	<u>2,102,970</u>	<u>1,753,527</u>
	<u>430,114</u>	<u>5,537,702</u>	<u>5,967,816</u>	<u>5,405,067</u>

	31.8.23 Total £	31.8.22 Total £
<b>Analysis of support costs</b>		
Support staff costs	399,181	392,829
Depreciation	136,413	112,938
Telephone, postage, stationery	160,131	165,719
Premises costs	513,738	458,041
Other support costs	878,637	611,900
Governance costs	<u>14,870</u>	<u>12,100</u>
Total support costs	<u>2,102,970</u>	<u>1,753,527</u>

**10. STAFF COSTS**

	31.8.23 £	31.8.22 £
Wages and salaries	3,013,274	2,751,250
Social security costs	307,503	292,538
Operating costs of defined benefit pension schemes	<u>665,580</u>	<u>807,203</u>
	<u>3,986,357</u>	<u>3,850,991</u>

The average number of persons (including senior management team) employed by the charitable company during the year was as follows:

	31.8.23	31.8.22
Teachers	54	54
Educational support	24	20
Administrative and support	<u>13</u>	<u>13</u>
	<u>91</u>	<u>87</u>

Notes to the Financial Statements - continued  
for the Year Ended 31 August 2023

**10. STAFF COSTS - continued**

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

	31.8.23	31.8.22
£60,001 - £70,000	5	5
£70,001 - £80,000	-	1
£80,001 - £90,000	2	-
£90,001 - £100,000	<u>1</u>	<u>1</u>
	<u>8</u>	<u>7</u>

The eight employees above participated in the Teachers' Pension Scheme. During the year ended 31 August 2023, pension contributions for these staff amounted to £139,911 (2022: £116,002).

**11. KEY MANAGEMENT PERSONNEL**

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £779,356 (2022: £721,559).

**12. RELATED PARTY TRANSACTIONS - TRUSTEES' REMUNERATION AND EXPENSES**

The headteacher and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of headteacher and staff, and not in respect of their services as trustees. Other trustees did not receive any payments, other than expenses, from the academy trust in respect of their role as trustees. The value of trustees' remuneration was as follows:

R J Booth (headteacher and trustee):

Remuneration £95,000 - £100,000 (2022: £90,000 - £95,000)

Employer's pension contributions £20,000 - £25,000 (2022: £20,000 - £25,000)

Mrs C Da Silva (teacher and trustee):

Remuneration £40,000 - £45,000 (2022: £35,000 - £40,000)

Employer's pension contributions £5,000 - £10,000 (2022: £5,000 - £10,000)

Mr S Robinson (teacher and trustee):

Remuneration £45,000 - £50,000 (2022: £45,000 - £50,000)

Employer's pension contributions £10,000 - £15,000 (2022: £10,000 - £15,000)

During the year ended 31 August 2023, no expenses were reimbursed or paid directly to trustees (2022: £nil).



Notes to the Financial Statements - continued  
for the Year Ended 31 August 2023

**13. TRUSTEES' AND OFFICERS' INSURANCE**

The charitable company has opted into the Department for Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business, and provides cover up to £10,000,000. It is not possible to quantify the trustees and officers indemnity element from the overall cost of the RPA scheme.

**14. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted fund £	Restricted funds £	Restricted fixed asset funds £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>				
Donations and capital grants	-	314,736	-	314,736
<b>Charitable activities</b>				
Funding for the academy's educational operations	-	4,395,376	-	4,395,376
Other trading activities	61,690	14,885	-	76,575
Investment income	113	-	-	113
Other income	245,909	28,349	-	274,258
<b>Total</b>	<b>307,712</b>	<b>4,753,346</b>	<b>-</b>	<b>5,061,058</b>
<b>EXPENDITURE ON</b>				
Raising funds	-	14,000	-	14,000
<b>Charitable activities</b>				
Academy's educational operations	283,337	4,656,039	465,691	5,405,067
<b>Total</b>	<b>283,337</b>	<b>4,670,039</b>	<b>465,691</b>	<b>5,419,067</b>
<b>NET INCOME/(EXPENDITURE)</b>	<b>24,375</b>	<b>83,307</b>	<b>(465,691)</b>	<b>(358,009)</b>
<b>Transfers between funds</b>	<b>(13,590)</b>	<b>(10,429)</b>	<b>24,019</b>	<b>-</b>
<b>Other recognised gains/(losses)</b>				
Actuarial gains on defined benefit schemes	-	1,079,000	-	1,079,000
<b>Net movement in funds</b>	<b>10,785</b>	<b>1,151,878</b>	<b>(441,672)</b>	<b>720,991</b>
<b>RECONCILIATION OF FUNDS</b>				
Total funds brought forward	4,420	(949,737)	17,691,037	16,745,720

Notes to the Financial Statements - continued  
for the Year Ended 31 August 2023

14. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted fund £	Restricted funds £	Restricted fixed asset funds £	Total funds £
<b>TOTAL FUNDS CARRIED FORWARD</b>	<b>15,205</b>	<b>202,141</b>	<b>17,249,365</b>	<b>17,466,711</b>

15. TANGIBLE FIXED ASSETS

	Long leasehold £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
<b>COST</b>					
At 1 September 2022	18,235,690	777,608	56,662	673,667	19,743,627
Additions	-	12,772	-	24,605	37,377
At 31 August 2023	18,235,690	790,380	56,662	698,272	19,781,004
<b>DEPRECIATION</b>					
At 1 September 2022	1,458,797	435,533	34,724	532,240	2,461,294
Charge for year	364,714	81,933	5,669	48,811	501,127
At 31 August 2023	1,823,511	517,466	40,393	581,051	2,962,421
<b>NET BOOK VALUE</b>					
At 31 August 2023	16,412,179	272,914	16,269	117,221	16,818,583
At 31 August 2022	16,776,893	342,075	21,938	141,427	17,282,333

The asset shown under long leasehold is the permanent premises the academy now occupies. The academy has been granted a long lease on the site at a peppercorn rent from the ESFA.

Notes to the Financial Statements - continued  
for the Year Ended 31 August 2023

**16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.8.23	31.8.22
	£	£
Trade debtors	74,522	56,327
VAT	31,162	36,256
Prepayments and accrued income	<u>79,026</u>	<u>27,058</u>
	<u><b>184,710</b></u>	<u><b>119,641</b></u>

**17. CURRENT ASSET INVESTMENTS**

	31.8.23	31.8.22
	£	£
Unlisted investments	<u>25</u>	<u>25</u>

**18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.8.23	31.8.22
	£	£
Trade creditors	268,730	235,189
Social security and other taxes	78,099	72,204
Teachers pension control	59,938	56,905
LGPS control	16,445	12,292
Amounts owed to ESFA	19,445	19,445
Student Deposits	2,875	2,192
Accruals and deferred income	299,016	179,799
Accrued expenses	<u>16,498</u>	<u>20,633</u>
	<u><b>761,046</b></u>	<u><b>598,659</b></u>

	31.8.23	31.8.22
	£	£
<b>Deferred income:</b>		
At 1 September 2022	179,799	38,850
Released from previous years	(57,737)	(38,850)
Resources deferred in the year	<u>176,954</u>	<u>179,799</u>
At 31 August 2023	<u><b>299,016</b></u>	<u><b>179,799</b></u>

At the balance sheet date the academy trust was holding funds of £54,567 (2022: £57,737) received in advance for school trips in 2024 and £241,279 (2022: £122,062) received in advance for capital expenditure.

Notes to the Financial Statements - continued  
for the Year Ended 31 August 2023

19. MOVEMENT IN FUNDS

	At 1.9.22 £	Net movement in funds £	Transfers between funds £	At 31.8.23 £
<b>Restricted general funds</b>				
Restricted general fund	76,141	(103,465)	29,239	1,915
Restricted fixed asset fund	330,260	(101,367)	37,377	266,270
Pension fund	126,000	(126,000)	-	-
Restricted new premises fund	16,919,105	(399,760)	-	16,519,345
	<u>17,451,506</u>	<u>(730,592)</u>	<u>66,616</u>	<u>16,787,530</u>
<b>Unrestricted fund</b>				
Unrestricted general fund	15,205	51,503	(66,616)	92
	<u>17,466,711</u>	<u>(679,089)</u>	<u>-</u>	<u>16,787,622</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Restricted general funds</b>				
Restricted general fund	4,917,110	(5,020,575)	-	(103,465)
Restricted fixed asset fund	-	(101,367)	-	(101,367)
Pension fund	-	(11,000)	(115,000)	(126,000)
Restricted new premises fund	-	(399,760)	-	(399,760)
	<u>4,917,110</u>	<u>(5,532,702)</u>	<u>(115,000)</u>	<u>(730,592)</u>
<b>Unrestricted fund</b>				
Unrestricted general fund	485,852	(434,349)	-	51,503
	<u>5,402,962</u>	<u>(5,967,051)</u>	<u>(115,000)</u>	<u>(679,089)</u>

Notes to the Financial Statements - continued  
for the Year Ended 31 August 2023

19. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.9.21 £	Net movement in funds £	Transfers between funds £	At 31.8.22 £
<b>Restricted general funds</b>				
Restricted general fund	(220,737)	307,307	(10,429)	76,141
Restricted fixed asset fund	381,446	(78,126)	26,940	330,260
Pension fund	(729,000)	855,000	-	126,000
Restricted new premises fund	<u>17,309,591</u>	<u>(387,565)</u>	<u>(2,921)</u>	<u>16,919,105</u>
	<u>16,741,300</u>	<u>696,616</u>	<u>13,590</u>	<u>17,451,506</u>
<b>Unrestricted fund</b>				
Unrestricted general fund	4,420	24,375	(13,590)	15,205
	<u>4,420</u>	<u>24,375</u>	<u>(13,590)</u>	<u>15,205</u>
<b>TOTAL FUNDS</b>	<u>16,745,720</u>	<u>720,991</u>	<u>-</u>	<u>17,466,711</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Restricted general funds</b>				
Restricted general fund	4,753,346	(4,446,039)	-	307,307
Restricted fixed asset fund	-	(78,126)	-	(78,126)
Pension fund	-	(224,000)	1,079,000	855,000
Restricted new premises fund	<u>-</u>	<u>(387,565)</u>	<u>-</u>	<u>(387,565)</u>
	<u>4,753,346</u>	<u>(5,135,730)</u>	<u>1,079,000</u>	<u>696,616</u>
<b>Unrestricted fund</b>				
Unrestricted general fund	307,712	(283,337)	-	24,375
	<u>307,712</u>	<u>(283,337)</u>	<u>-</u>	<u>24,375</u>
<b>TOTAL FUNDS</b>	<u>5,061,058</u>	<u>(5,419,067)</u>	<u>1,079,000</u>	<u>720,991</u>

Transfers between funds

The unrestricted general fund is set up for the receipt of any unrestricted income including donations and investment income.

The restricted general fund is set up for the receipt of funding from DfE/ESFA to support the

**19. MOVEMENT IN FUNDS - continued**

**Transfers between funds - continued**

The restricted fixed asset fund is set up to support capital expenditure on fixed assets.

The restricted new premises fund is set up for the receipt of funding from DfE/ESFA to support expenditure on the construction of the academy's new permanent premises. The overall ownership of the new site is in the name of the Department of Communities and Local Government (DCLG).

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

**20. PENSION AND SIMILAR OBLIGATIONS**

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

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

Contributions amounting to £76,646 were payable to the schemes at 31 August 2023 (2022 - £69,197) and are included within creditors.

**Teachers' pension scheme**

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

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

**20. PENSION AND SIMILAR OBLIGATIONS - continued**

**Valuation of the teachers' pension scheme**

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

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

The next valuation result is due to be implemented from 1 April 2024.

The employer's pension costs paid to TPS in the period amounted to £499,986 (2022 - £476,257).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

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

**Local government pension scheme**

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2023 was £189,904 (2022 - £153,318), of which employer's contributions totalled £149,594 (2022 - £120,945) and employees' contributions totalled £40,310 (2022 - £32,373). The agreed contribution rates for future years are 23.30 per cent for employers and 12.50 per cent for employees.

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

Notes to the Financial Statements - continued  
for the Year Ended 31 August 2023

**20. PENSION AND SIMILAR OBLIGATIONS - continued**

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

	<b>Defined benefit pension plans</b>	
	<b>31.8.23</b>	<b>31.8.22</b>
	<b>£</b>	<b>£</b>
Current service cost	166,000	332,000
Net interest from net defined benefit asset/liability	(5,000)	14,000
Past service cost	-	-
	<u>161,000</u>	<u>346,000</u>
Actual return on plan assets	<u>51,000</u>	<u>18,000</u>

The actuarial gains and losses for the current year are recognised in the statement of financial activities. The cumulative amount of actuarial gains and losses recognised in the statement of financial activities is £161,000 gain (2022: £1,079,000 gain).

The Academy has an unrecognised surplus of £276,000 in respect of its defined benefit pension scheme as it does not expect to recover the plan surplus either through reduced contributions in the future or through refunds from the plan.

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

	<b>Defined benefit pension plans</b>	
	<b>31.8.23</b>	<b>31.8.22</b>
	<b>£</b>	<b>£</b>
Opening defined benefit obligation	982,000	1,753,000
Current service cost	166,000	332,000
Contributions by scheme participants	40,000	33,000
Interest cost	46,000	32,000
Benefits paid	-	(1,000)
Remeasurements:		
Actuarial (gains)/losses from changes in demographic assumptions	(67,000)	(5,000)
Actuarial (gains)/losses from changes in financial assumptions	(451,000)	(1,166,000)
Remeasurement of obligations	<u>510,000</u>	<u>4,000</u>
	<u>1,226,000</u>	<u>982,000</u>



Notes to the Financial Statements - continued  
for the Year Ended 31 August 2023

**20. PENSION AND SIMILAR OBLIGATIONS - continued**

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

	<b>Defined benefit pension plans</b>	
	<b>31.8.23</b>	<b>31.8.22</b>
	<b>£</b>	<b>£</b>
Opening fair value of scheme assets	<b>1,108,000</b>	1,024,000
Contributions by employer	<b>150,000</b>	122,000
Contributions by scheme participants	<b>40,000</b>	33,000
Expected return	<b>51,000</b>	18,000
Benefits paid	-	(1,000)
Remeasurements:		
Return on plan assets (excluding interest income)	<b>(86,000)</b>	(88,000)
Assets other remeasurement	<b>(37,000)</b>	-
	<b><u>1,226,000</u></b>	<b><u>1,108,000</u></b>

The amounts recognised in other recognised gains and losses are as follows:

	<b>Defined benefit pension plans</b>	
	<b>31.8.23</b>	<b>31.8.22</b>
	<b>£</b>	<b>£</b>
Actuarial (gains)/losses from changes in demographic assumptions	<b>67,000</b>	5,000
Actuarial (gains)/losses from changes in financial assumptions	<b>451,000</b>	1,166,000
Remeasurement of obligations	<b>(510,000)</b>	(4,000)
Return on plan assets (excluding interest income)	<b>(86,000)</b>	(88,000)
Assets other remeasurement	<b>(37,000)</b>	-
	<b><u>(115,000)</u></b>	<b><u>1,079,000</u></b>

Notes to the Financial Statements - continued  
for the Year Ended 31 August 2023

**20. PENSION AND SIMILAR OBLIGATIONS - continued**

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

	<b>Defined benefit pension plans</b>	
	<b>31.8.23</b>	<b>31.8.22</b>
Equities	<b>51%</b>	50%
Bonds	<b>24%</b>	23%
Property	<b>14%</b>	15%
Cash	<b>11%</b>	12%
	<b><u>100%</u></b>	<b><u>100%</u></b>

Principal actuarial assumptions at the Balance Sheet date (expressed as weighted averages):

	<b>31.8.23</b>	<b>31.8.22</b>
Discount rate	<b>5.20%</b>	4.25%
Future salary increases	<b>3.45%</b>	3.45%
Future pension increases	<b>2.95%</b>	3.05%

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

Retiring today		
Males	<b>21.6</b>	21.9
Females	<b>24.3</b>	24.4
Retiring in 20 years		
Males	<b>21.7</b>	22.9
Females	<b>25.3</b>	26

**Sensitivity analysis**

	<b>31.8.23</b>	<b>31.8.22</b>
	<b>£</b>	<b>£</b>
Discount rate +0.1%	<b>(36,000)</b>	(31,000)
Discount rate -0.1%	<b>36,000</b>	31,000
Mortality assumption - 1 year increase	<b>49,000</b>	39,000
Mortality assumption - 1 year decrease	<b>(49,000)</b>	(39,000)
CPI rate +0.1%	<b>35,000</b>	32,000
CPI rate -0.1%	<b>(35,000)</b>	(32,000)

Notes to the Financial Statements - continued  
for the Year Ended 31 August 2023

**21. RELATED PARTY DISCLOSURES**

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

**22. ULTIMATE CONTROLLING PARTY**

The trustees believe the academy has no ultimate controlling party.

**23. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	31.8.23 £	31.8.22 £
<b>Net expenditure for the reporting period (as per the Statement of Financial Activities)</b>	<b>(564,089)</b>	<b>(358,009)</b>
<b>Adjustments for:</b>		
Depreciation charges	501,127	465,925
Capital grants from DfE/ESFA	-	(312,938)
Profit on disposal of fixed assets	-	(234)
Interest received	(2,171)	(113)
Interest paid	5,461	3,725
Increase in debtors	(65,069)	(30,168)
Increase in creditors	162,387	201,616
Difference between pension charge and cash contributions	11,000	224,000
<b>Net cash provided by operations</b>	<b>48,646</b>	<b>193,804</b>

**24. ANALYSIS OF CHANGES IN NET FUNDS**

	At 1.9.22 £	Cash flow £	At 31.8.23 £
<b>Net cash</b>			
Cash at bank and in hand	537,371	7,979	545,350
	<u>537,371</u>	<u>7,979</u>	<u>545,350</u>
<b>Liquid resources</b>			
Deposits included in cash	-	-	-
Current asset investments	25	-	25
	<u>25</u>	<u>-</u>	<u>25</u>

Reach Learning Limited

Notes to the Financial Statements - continued  
for the Year Ended 31 August 2023

**24. ANALYSIS OF CHANGES IN NET FUNDS - continued**

<b>Total</b>	<b><u>537,396</u></b>	<b><u>7,979</u></b>	<b><u>545,375</u></b>
--------------	-----------------------	---------------------	-----------------------