

GREAT BADDOW HIGH SCHOOL
(A Company Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

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GREAT BADDOW HIGH SCHOOL
(A Company Limited by Guarantee)

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GREAT BADDOW HIGH SCHOOL
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REFERENCE AND ADMINISTRATIVE DETAILS

Members	T. Metson P. Draper J. Hull A. Oades A. Bell
Trustees	A. Oades, Chair P. Farmer, Accounting Officer J. Hull A. Bell C. Garcea S. Howell R. Hanson P. Delf (resigned 7 June 2023) K. Massingham J. Rogers D. Mayman (appointed 3 November 2023) G. Richards (appointed 3 November 2023)
Company registered number	07662023
Company name	Great Baddow High School
Principal and registered office	Duffield Road Chelmsford Essex CM2 9RZ
Independent auditors	Price Bailey LLP Chartered Accountants Causeway House 1 Dane Street Bishop's Stortford Hertfordshire CM23 3BT
Bankers	Lloyds TSB Bank 88-89 High Street Chelmsford CM1 1DX
Solicitors	Winckworth Sherwood LLP Minerva House 5 Montague Close London SE1 9BB

GREAT BADDOW HIGH SCHOOL
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2023

The Trustees present their Annual Report together with the financial statements and Auditor's Report of Great Baddow High School ("the Charitable Company" or "the Trust") for the year to 31 August 2023. The Annual Report serves the purposes of both a Trustees' Report and a Directors' Report under company law.

The Trust operates an academy for pupils aged 11 to 19 serving a catchment area in Chelmsford, Essex. It has a pupil capacity of 1,520 and had a roll of 1,543 in the school census on 6 October 2022.

Structure, Governance and Management

Constitution

The Trust is a company limited by guarantee and an exempt charity. The Charitable Company's memorandum and articles of association ("The Articles") are the primary governing documents. The Trustees of Great Baddow High School are also the Directors of the Charitable Company for the purposes of company law. The Charitable Company operates as Great Baddow High School ("the Academy" or "the School").

Details of the Trustees who served during the year, and to the date these accounts are approved are included in the Reference and Administrative Details on page 1. Throughout this report the terms "Trustee" and "Governors" are interchangeable.

Members' Liability

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

Trustees' and Officers' Indemnities

The Trust has opted to be covered under the Government's Risk Protection Arrangement (RPA) scheme to protect Trustees, Governors and Officers, from claims arising from negligent acts, omissions or errors whilst performing Trust business.

Method of Recruitment and Appointment or Election of Trustees

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

Trustees are appointed for a fixed term of four years. The Headteacher is an ex officio member of the Board of Trustees. Parent Trustees and the staff Trustees are elected to office or appointed if there are insufficient candidates offering themselves for election. The Articles make provision for up to 14 Trustees (3 Parents, 2 Staff, and 8 others plus the Headteacher).

Policies and Procedures Adopted for the Induction and Training of Trustees

The Trust subscribes to the Governor and Clerk Professional Learning and Development Service delivered by Juniper Education Services Ltd. Currently, the Vice-Chair of Trustees is responsible for organising the induction of new Trustees and the training link governor is responsible for arranging/recording training for all Trustees through this programme. A log is kept of all Trustees training and reviewed annually at full Board of Trustees meeting.

Organisational Structure

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

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

The Board of Trustees, (also referred to as the Governing Body) which meets on at least six occasions per year and each individual committee at least three times per year, is responsible for the strategic direction of the Trust. The Board reviews progress towards educational objectives and results; approves major expenditure requests; sets the budget for the following year; sets the organisational staffing structure; agrees the performance objectives of the Headteacher with the School Improvement Partner and reviews them.

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

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

Arrangements for setting pay and remuneration of key management personnel

Key Management Personnel include Trustees and those staff to whom the Trustees have delegated significant authority and responsibility in the day-to-day running of the Trust.

Pay and remuneration of Key Management Personnel is decided by a variety of contributory factors, such as the school group size, ISR, the pay scales for each role and the level of experience of each staff member. In addition, pay levels may be affected by nationally agreed pay awards, the ability to recruit and retain in post, all of which are in accordance with the Trust's appointment and pay policies.

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

Related Parties and other Connected Charities and Organisations

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

Objectives and Activities

Objects and Aims

The principal object and aim of the Trust is the operation of the School to provide free education and care for pupils of different abilities between the ages of 11 and 19. Specifically to enable each child to realise his or her full academic, creative and physical potential and to develop positive social and moral values.

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FOR THE YEAR ENDED 31 AUGUST 2023

Our school motto translates as 'Always striving for higher things' which encapsulates our vision for our students and our staff. Consequently, we aim to:

- ensuring that every child enjoys the same high-quality education in terms of resourcing, tuition and care;
- raising the standard of educational achievement of all pupils;
- developing resilient, resourceful students;
- adapting and applying skills for flexible life-long learning;
- improving the effectiveness of the School by keeping the curriculum and organisational structure under continual review;
- providing value for money for the funds expended; and
- conducting the Academy's business in accordance with the highest standards of integrity.

Our success in fulfilling our aims can be measured by:

- The current structure of the curriculum across all Key stages that provides the necessary breadth and depth with a maintained variety of options at KS4 and KS5
- The evidence from subject deep dives that took place across the last year combined with the most recent Ofsted section 8 inspection in June 2022 show the school is clearly meeting the needs of children from an academic perspective and with their personal development.
- Ongoing staff surveys show staff are happy working at GBHS.
- Student attendance figures are well above the national average. School is over subscribed for Y6 into Y7 applications. 6th form is bigger than ever with around 280 students in 2022/23 up from 235 in 2021/22.

Public Benefit

In setting our objectives and planning our activities the Trustees have carefully considered the Charity Commission's general guidance on public benefit.

Strategic Report

Achievements and Performance

The Trust continued its mission to ensure that students achieved their potential in public examinations; encouraged a wide range of extra-curricular activities; developed and retained suitable staff and guided students in suitable progression when they left the school.

Specific achievements were as follows:

- GCSE outcomes were the best ever recorded in 2023. 80% achieved 4+ in English and Maths and 60% achieved 5+.
- The Trust ranked top of all Mid-Essex Non-Selective schools.
- Highest ever numbers of the top grades (8 and 9) for students sitting examinations.
- Attainment 8 score 53.24 is strong, above the national average and the highest when compared to a group of Essex schools with similar intake for that year. Progress 8 score of +0.21 which is again above the national average.
- Key stage 5 results are strong with 70% of grades at A*-C. Average grades for A-Level was C+.
- Vocational results were outstanding with 87% achieving Distinction*/Distinction.
- The school provides excellent support for all Y11 and Y13 students to secure sustainable and ambitious destinations.

Key Performance Indicators (KPI)

The Trustees receive regular information at each committee meeting to enable them to monitor the performance of the Trust compared to aims, strategies and financial budgets.

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FOR THE YEAR ENDED 31 AUGUST 2023

Financial

As funding is based on pupil numbers this is a KPI. Pupil numbers for 2022/23 were 1,543 against a budget of 1,508.

A further KPI is staffing costs as a percentage of total recurring income. For 2022/23 this was 74.3% against set parameters of 80.0%. The Board of Trustees is confident that staffing levels are closely monitored to agreed Full Time Equivalent and staffing structures all approved by them.

The Finance Committee also monitor premises costs to General Annual Grant (GAG) income, capitation spend for curriculum departments to GAG income, total income less grants and cash flow on a regular basis to ensure that the budget is set and managed appropriately. All the above KPI's were within the parameters set by the Board.

Non-Financial

The school continues to perform at a level above the national average for attainment and progress (where available)) giving positive results. Attendance is at 93.69% which is again well above the national average.

The positive outcome from the recent Ofsted report (June 2022) is a clear endorsement that the school is continuing to deliver an excellent educational experience for children.

Specialist teaching staff are employed to cover all areas of the current curriculum apart from A Level Economics which is currently being delivered by experienced Maths, Business and Computing staff. Recruitment has been more challenging for in class support staff and site management.

Going Concern

After making appropriate enquiries, the Board of Trustees 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.

Financial Review

The principal source of funding for the Trust is the GAG and other grants that it receives from the Education and Skills Funding Agency (ESFA). For the year ended 31 August 2023 the Trust received £13,351,252 of GAG and other income (2022: £9,695,256). A high percentage of this income is spent on wages and salaries and support costs to deliver the Trust's primary objective of the provision of education. During the year the Trust spent a total of £10,944,326 (2022: £9,828,504) including capital projects.

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An overview of the Trust's financial activity for the year can be seen below:

	Restricted General Funds	Unrestricted Funds	Fixed Asset Fund	Pension Reserve	Total
Incoming Resources	9,977,023	681,282	2,692,947	-	13,351,252
Resources Expended	(10,005,656)	(519,562)	(199,915)		(10,725,133)
LGPS Charge				(404,000)	(404,000)
Depreciation			(163,193)		(163,193)
Employer contributions paid				348,000	348,000
Total Resources Expended	(10,005,656)	(519,562)	(363,108)	(56,000)	(10,944,326)
Assets Purchased from GAG	-	-	-		-
Actuarial Gains				1,112,000	1,112,000
Surplus / (Deficit) for the year	(28,633)	161,720	2,329,839	1,056,000	3,518,926
Balance at 1 September 2022	584,850	986,750	5,172,491	(1,149,000)	5,595,091
Balance at 31 August 2023	556,217	1,148,470	7,502,330	(93,000)	9,114,017

Due to the accounting rules for the Local Government Pension Scheme under FRS102, the Trust is recognising a pension fund deficit of £93,000. This does not mean that an immediate liability for this amount crystallises and such a deficit generally results in a cash flow effect in the form of increased employer contributions over a number of years. While there has been a significant reduction in the opening deficit of £1,149,000 resulting from the application of actuarial assumptions and does not guarantee that contribution rates will reduce and ease the cash flow effect on the Trust.

Reserves Policy

The Trustees are aware of the requirement to balance current and future needs and always aim to set a balanced budget with annual income balancing annual expenditure. The Trustees monitor estimated year-end carry forward figures via the monthly reports from the Business Manager. The budget plan identifies how any carry forward will be allocated in the plan for the following academic year, including the identification of any funds earmarked for a specific project or purpose.

The Trust's current level of free reserves (total funds less the amount held in fixed assets and restricted funds) is £1,148,470. This has been built up from a mixture of locally raised income and balances transferred from the predecessor school.

The Trust's balance on restricted general funds (excluding pension reserve) plus the balance on unrestricted funds at 31 August 2023 was £1,704,687.

The cash balance of the Trust has been very healthy all year, ending the year with a balance of £2,812,835. A

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significant proportion of this cash is held against specific projects and is not available to meet normal recurring expenditure.

Investment Policy

An Investment Policy was approved by the Board of Trustees in March 2023.

The aim of the policy is to ensure funds that the Trust does not immediately need to cover anticipated expenditure are invested to maximise the Trust's income but with minimal risk. The aim is to research where funds may be deposited applying prudence in ensuring there is minimum risk. The Trustees do not consider the investment of surplus funds as a primary activity, rather as good stewardship and as and when circumstances allow.

Principal Risks and Uncertainties

The Trustees maintain a risk register identifying the major risks to which the Trust is exposed and identifying actions and procedures to mitigate those risks. A formal review of the risk register process is undertaken on an annual basis and the internal control systems and the exposure to said risks are monitored on behalf of the Trustees at each Audit and Risk Committee meeting. The principal risks facing the Trust are outlined below; those facing the Trust at an operational level are addressed by its systems and by internal financial and other controls.

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

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

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

The Trustees assess the other principal risks and uncertainties facing the Trust as follows:

- the Trust has considerable reliance on continued Government funding through the ESFA and whilst there has been a small injection of additional funding this will not be enough to counteract the rise of the minimum wage, teachers pensions contribution rise and any other additional costs that the Government may choose to introduce;
- failures in governance and/or management - the risk in this area arises from potential failure to effectively manage the Trust's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Trustees continue to review and ensure that appropriate measures are in place to mitigate these risks;
- reputational - the continuing success of the School is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk Trustees ensure that student progress and outcomes are closely monitored and reviewed;
- safeguarding and child protection - the Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health & safety and discipline;
- staffing - the success of the School is reliant on the quality of its staff and the Trustees monitor and review policies and procedures and recruitment to ensure continued development and training of staff as well as ensuring there is clear succession planning;

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- fraud and mismanagement of funds - the Trustees have appointed SBM Services Ltd. to carry out a programme of internal scrutiny which includes independent and external checks on financial systems and records as required by the Academy Trust Handbook. All finance staff receive training to keep up to date with financial practice requirements and develop their skills in this area;
- financial instruments – the Trust only deals with bank balances, cash, and trade creditors, with limited trade (and other) debtors. The risk in this area is low; and
- defined benefit pension scheme liability – as the Government has agreed to meet the defined benefit pension liability of any school ceasing to exist the main risk to the Trust is the annual cash flow funding of part of the deficit. Trustees take these payments into account when setting the annual budget plan.
- estate management – the trust ensures that its estate is kept safe by following guidance provided by the government on good estate management. Health & safety is at the forefront of everything we do and all required documentation and checks such as asbestos management, legionella management, fire safety and EICR is kept up to date and closely monitored.

The Trust has continued to strengthen its risk management process throughout the year by improving the process and ensuring staff awareness.

Estates Management

The Trustees are mindful of, and actively implementing the recommendations set out in the ESFA Good Estates Management Guide as a tool to assess and mitigate risks associated with the management of the Trust's estate.

Fundraising

The Trust only held small fundraising events during the year including an ongoing annual request to parents for voluntary donations and a few non-uniform days where students pay £1 or £2 to wear non-uniform clothes to school. The proceeds are divided between student wellbeing funds and the house fund which is used for enrichment activities for all students. The Trust does not work with professional fundraisers or companies who carry out fundraising on its behalf. During the year no complaints or issues have arisen because of the fundraising events. All fundraising undertaken during the year was monitored by the Trustees.

Plans for Future Periods

Complete whole school heating distribution replacement (Subject to CIF bid)

Complete whole school water quality improvements (Subject to CIF bid)

Second phase of fire door replacement program continuing in the Hopkins block.

New canopied area to satellite café area, providing protection from the elements during break and lunch times.

Funds Held as Custodian Trustee on Behalf of Others

The Trust acts as an agent in distributing 16-19 Bursary Funds from the ESFA. Payments received from the ESFA and subsequent disbursements to students are excluded from the Statement of Financial Activities as the Trust does not have control over the charitable application of the funds. The Trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the Statement of Financial Activities. Where the funds have not been fully applied in the accounting period then an amount will be included as amounts due to the ESFA.

The Trust also administers the income and expenditure accounts on behalf of the Behaviour and Attendance Partnership (BAP) consisting of the academy trust and eleven Mid-Essex Secondary Schools. The balance of £70,255 will be recognised as a liability on the balanced sheet and carried forward to 2023/24.

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TRUSTEES' REPORT (CONTINUED)
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Auditors

The Auditors, Price Bailey LLP, are willing to continue in office and a resolution to appoint them will be proposed at the Annual General Meeting.

Insofar as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware
- 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 auditor is aware of that information.

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

Andy Oades

A. Oades (Dec 20, 2023, 10:40am)

A. Oades

Chair of Trustees

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GOVERNANCE STATEMENT

Scope of responsibility

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

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

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

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 3 times during the year. While the Board met fewer than 6 times during the year, the Trustees believe that through the use of Committees, the Board has sufficient oversight of Trust funds.

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

Trustee	Meetings attended	Out of a possible
A. Oades, Chair	2	3
P. Farmer, Accounting Officer	3	3
J. Hull	1	3
A. Bell	3	3
C. Garcea	3	3
S. Howell	3	3
R. Hanson	3	3
P. Delf	2	3
K. Massingham	3	3
J. Rogers	2	3
D. Mayman	0	0
G. Richards	0	0

Review of year

The Trustees of Great Baddow High School reviewed their governance arrangements in 2022/23 by:

- reviewing and updating a self-assessment of governance;
- identifying skills gaps and training needs;
- raising awareness of the ESFA 'Musts' requirements for governors.

Actions include the engagement of a new governance professional during the year to help support and develop the Governing Body and ensure that they are kept informed of any changes in legislation and that their training needs are monitored and maintained. Commencement of recruitment for a new parent governor following the resignation of one governor prior to their end of tenure

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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

Conflicts of interest

To avoid any conflict between their business and personal interests, every Member and Trustee with financial influence is required to complete annually, a declaration of business interests and connected parties. The Trust maintains a register of these interests which also includes declarations relating to any gifts or hospitality received from current or potential suppliers.

The first item of every committee or Governing Body meeting is to enquire if there have been any changes to the annual declaration and if so, for this to be made known.

Governance reviews

The Governing Body reviews its current performance levels against the list of 20 questions every autumn term and then prioritises several items to progress during the coming year, agreeing the actions required. Progress is reported at the end of each academic year and actions carried over where required.

During 2022/23 the Governing Body identified that the clerk required additional training, time and support to progress to Governance Professional in order to continue to meet the governance needs of the school; that the chair of governors 360 degree feedback process was due for completion; that the strategic plan needed to inform more of the governance work and agenda setting, in addition to governors visiting the school more often to carry out monitoring and getting to know it better, returning to pre pandemic practices. These actions would also support continued development of new governors. Due to recent changes in personnel and financials systems it was also decided to focus on these aspects of financials controls within the internal audit schedule for the year.

Each year governors' complete individual self-assessments to identify areas that they feel are weaker for them and that they may wish to develop. All responses are reviewed and support the identification and purchase of training tools, conference attendance, mentoring or presentations to the whole group from subject experts.

In addition, the Governing Body engages a third party to carry out internal audit functions, looking at specific areas of financial and personnel controls. This external function was last engaged to review Governance on the 6th of May 2022. All items identified were minor and therefore flagged green or amber and have since been progressed. Another audit of this type would not be undertaken for another couple of years unless concerns are raised or there are significant changes in personnel or to legal requirements.

Committees

The Finance, Premises and Personnel Committee is a sub-committee of the main Board of Trustees. Its purpose is to assist the decision making of the Board of Trustees by enabling more detailed consideration to be given to the best means of ensuring sound management of the Trust's finances and resources, including the proper planning, monitoring and probity and to make appropriate comments, recommendations and decisions to the Governing Body.

During the year the following issues were dealt with by the Committee:

All premises, finance and personnel related information is shared with this committee. This includes annual budget setting and oversight, review of monthly management accounts and financial forecasts, oversight of capital projects and premises development.

The launch of a new finance system (IRIS Financials) from September 2022 has presented additional challenges for the Committee this year as they have come to terms with the new monthly reporting systems.

During the year, there have been a vast number of large projects which have been carefully monitored by the Committee to ensure appropriate compliance with the Academy's financial regulations and confirm that costs remained on target.

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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

The Academy's success in the Condition Improvement Fund bid for 2023/24 has meant that this has been a regular agenda item and therefore additional scrutiny necessary of the tendering process and oversight of management for these contracts.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Andy Oades	3	3
Ann Bell	2	3
Kyle Massingham	3	3
Paul Farmer	3	3
Robert Hanson	3	3
Peter Delf	0	3
Susan Howell	3	3

The Audit, Risk & Business Continuity Committee is also a sub-committee of the main Board of Trustees. Its purpose is to provide assurance to the Governing Body that management is exercising full and effective control of the Trust's finance and resources, that risk management is embedded across all Trust processes and make appropriate comments and recommendations to the Board of Trustees. There were no particular issues dealt with by either the Finance, Premises and Personnel or the Audit committees during the year.

During the year the following issues were dealt with by the Committee:

Review of the management letter received from the new auditors Price Bailey. Verifying throughout the year that the points raised were being addressed. Overview of the Trust's internal controls and the internal audit focus for the year. Regular review of the Academy's risk register and commenting on its new format to ensure effectiveness. Approval of the annual report and financial statements

During the year the following changes to the committee took place:

Ann Bell was elected as an additional committee member.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Andy Oades	3	3
Ann Bell	3	3
Paul Farmer	3	3
Robert Hanson	3	3
Susan Howell	3	3
Kyle Massingham	3	3
Jo Rogers	2	3

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GOVERNANCE STATEMENT (CONTINUED)

Review of value for money

As Accounting Officer, the Headteacher has responsibility for ensuring that the 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 appropriate. The Accounting Officer for the Trust has delivered improved value for money during the year by:

- Ensuring a robust financial process is followed for all medium to high value projects that have taken place in the school throughout the year. Several large projects have taken place to improve the learning environment for the students and enhance the capacity available for the growing cohort.
- Regular use of 'View my Financial Insights' benchmarking tool to measure spending across the school and ensure comparison with other similar schools. In-year purchase of the ISBL ASOT Key Performance Indicator tool to monitor these spends on a month-to-month basis.
- Continuous review of long-term contracts including re-tendering where necessary to ensure value for money is upheld.

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 Trust 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 Great Baddow High School for the year 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the Trust 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 Trust's significant risks that has been in place for the year 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

The risk and control framework

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

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

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GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework (continued)

This option has been chosen because:

The previous service provided by Juniper Education Services had been in place for several years and it was felt that a change was required. SBM Services are an established provider of internal scrutiny programmes within the academy sector and offered good value for money against the alternatives.

The internal auditor's role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. In particular, the checks carried out in the current period included:

- Personnel Compliance Audit
- Financial Operations Audit – Budget: Finance Admin: Risk

On a biannual basis, the internal auditor reports to the Board of Trustees through the Audit committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities. On an annual basis the internal auditor prepares a summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

The internal auditor has delivered their schedule of work as planned and there were no material control issues arising as a result of the internal auditor's work.

Review of effectiveness

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

- the work of the internal auditor;
- the school resource management self-assessment tool;
- the work of the executive managers within Trust who have responsibility for the development and maintenance of the internal control framework.
- the work of the external auditors;

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Audit 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 and signed on their behalf by:

Andy Oades

A Oades
Chair of Trustees

Date: 20 Dec 2023

Paul Farmer

P Farmer
Accounting Officer

GREAT BADDOW HIGH SCHOOL
(A Company Limited by Guarantee)

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

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

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

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

Paul Farmer

P Farmer (c 19, 2023, 10:25am)
Accounting Officer

Date: 19 Dec 2023

GREAT BADDOW HIGH SCHOOL
(A Company Limited by Guarantee)

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

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

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

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

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

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

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

Approved by the Board of Trustees and signed on its behalf by:

Andy Oades

A. Oades (Dec 20, 2023, 10:40am)

Chair of Trustees

Date: 20 Dec 2023

GREAT BADDOW HIGH SCHOOL
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF GREAT BADDOW HIGH SCHOOL

Opinion

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

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

GREAT BADDOW HIGH SCHOOL
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF GREAT BADDOW HIGH SCHOOL (CONTINUED)

Other information

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees (who are also the directors of the Trust 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 Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Trust or to cease operations, or have no realistic alternative but to do so.

GREAT BADDOW HIGH SCHOOL
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF GREAT BADDOW HIGH SCHOOL (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

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

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

We gained an understanding of the legal and regulatory framework applicable to the Trust and the sector in which it operates and considered the risk of material misstatement in the respect of irregularities, including fraud and non-compliance with laws and regulations. This included those regulations directly related to the financial statements, including financial reporting and tax legislation and academy sector regulations including GDPR, employment law, health and safety and safeguarding.

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

- We reviewed systems and procedures to identify potential areas of management override risk. In particular, we carried out testing of journal entries and other adjustments for appropriateness, and evaluating the business rationale of any larger or unusual transactions to determine whether they were significant to our assessment.
- We reviewed key controls, authorisation procedures and decision making processes for any unusual or one-off transactions.
- We reviewed minutes of Trustee Board meetings and other relevant sub-committees of the Board such as the Finance Committee and agreed the financial statement disclosures to underlying supporting documentation.
- We have made enquiries of the Accounting Officer and senior management team to identify laws and regulations applicable to the Trust. We assessed details of any breaches where applicable in order to assess the impact upon the Trust.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to material misstatement in the financial statements or non-compliance with regulation. This risk reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

GREAT BADDOW HIGH SCHOOL
(A Company Limited by Guarantee)

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

Use of our report

This report is made solely to the Trust'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 Trust'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 Trust and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Tom Meeks FCCA (Senior Statutory Auditor)

for and on behalf of

Price Bailey LLP

Chartered Accountants

Statutory Auditors

Causeway House

1 Dane Street

Bishop's Stortford

Hertfordshire

CM23 3BT

Date: 20 December 2023

GREAT BADDOW HIGH SCHOOL
(A Company Limited by Guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO GREAT
BADDOW HIGH SCHOOL AND THE EDUCATION AND SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 28 September 2023 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 Great Baddow High School during the year 1 September 2022 to 31 August 2023 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Great Baddow High School's Accounting Officer and the Reporting Accountant

The Accounting Officer is responsible, under the requirements of Great Baddow High School's funding agreement with the Secretary of State for Education dated 7 February 2020 and the Academy Trust Handbook, extant from 1 September 2022, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

GREAT BADDOW HIGH SCHOOL
(A Company Limited by Guarantee)

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

Approach

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

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

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

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

The work undertaken to draw to our conclusion includes:

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

Conclusion

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

Reporting Accountant
Price Bailey LLP

Date: 20 December 2023

GREAT BADDOW HIGH SCHOOL
(A Company Limited by Guarantee)

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

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:						
Donations and capital grants	3	5,703	169,960	2,692,947	2,868,610	172,127
Other trading activities	5	216,561	-	-	216,561	220,696
Investments	6	10,269	-	-	10,269	227
Charitable activities	4	448,749	9,807,063	-	10,255,812	9,302,206
Total income		681,282	9,977,023	2,692,947	13,351,252	9,695,256
Expenditure on:						
Charitable activities	7	519,562	10,061,656	363,108	10,944,326	9,828,504
Total expenditure		519,562	10,061,656	363,108	10,944,326	9,828,504
Net movement in funds before other recognised gains/(losses)		161,720	(84,633)	2,329,839	2,406,926	(133,248)
Other recognised gains/(losses):						
Actuarial gains on defined benefit pension schemes	24	-	1,112,000	-	1,112,000	4,377,000
Net movement in funds		161,720	1,027,367	2,329,839	3,518,926	4,243,752
Reconciliation of funds:						
Total funds brought forward		986,750	(564,150)	5,172,491	5,595,091	1,351,339
Net movement in funds		161,720	1,027,367	2,329,839	3,518,926	4,243,752
Total funds carried forward		1,148,470	463,217	7,502,330	9,114,017	5,595,091

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

The notes on pages 27 to 52 form part of these financial statements.

GREAT BADDOW HIGH SCHOOL
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07662023

BALANCE SHEET
AS AT 31 AUGUST 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	12	5,077,518	5,155,539
Current assets			
Stocks	13	4,003	4,265
Debtors	14	2,255,348	190,719
Cash at bank and in hand		2,812,835	2,186,724
		<u>5,072,186</u>	<u>2,381,708</u>
Creditors: due within one year	15	(931,093)	(778,534)
Net current assets		<u>4,141,093</u>	<u>1,603,174</u>
Total assets less current liabilities		<u>9,218,611</u>	<u>6,758,713</u>
Creditors: due after more than one year	16	(11,594)	(14,622)
Net assets excluding pension liability		<u>9,207,017</u>	<u>6,744,091</u>
Defined benefit pension scheme liability	24	(93,000)	(1,149,000)
Total net assets		<u><u>9,114,017</u></u>	<u><u>5,595,091</u></u>
Funds of the Academy			
Restricted funds:			
Fixed asset funds	17	7,502,330	5,172,491
Restricted income funds	17	556,217	584,850
		<u>8,058,547</u>	<u>5,757,341</u>
Restricted funds excluding pension asset	17	8,058,547	5,757,341
Pension reserve	17	(93,000)	(1,149,000)
Total restricted funds	17	<u>7,965,547</u>	<u>4,608,341</u>
Unrestricted income funds	17	<u>1,148,470</u>	<u>986,750</u>
Total funds		<u><u>9,114,017</u></u>	<u><u>5,595,091</u></u>

GREAT BADDOW HIGH SCHOOL
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07662023

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2023

The financial statements on pages 23 to 52 were approved by the Trustees, and authorised for issue and are signed on their behalf, by:

Andy Oades

A. Oades (Dec 20, 2023, 10:40am)

A. Oades
Chair of Trustees

Date: 20 Dec 2023

The notes on pages 27 to 52 form part of these financial statements.

GREAT BADDOW HIGH SCHOOL
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash provided by operating activities	19	616,744	567,446
Cash flows from investing activities	21	12,395	(57,649)
Cash flows from financing activities	20	(3,028)	(2,141)
Change in cash and cash equivalents in the year		626,111	507,656
Cash and cash equivalents at the beginning of the year		2,186,724	1,679,068
Cash and cash equivalents at the end of the year	22, 23	<u>2,812,835</u>	<u>2,186,724</u>

The notes on pages 27 to 52 form part of these financial statements

GREAT BADDOW HIGH SCHOOL
(A Company Limited by Guarantee)

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

1. Accounting policies

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

1.1 Basis of preparation of financial statements

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

The Trust's functional and presentational currency is Pounds Sterling.

1.2 Going concern

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

1.3 Income

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

• **Grants**

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

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

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

• **Donations**

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

GREAT BADDOW HIGH SCHOOL
(A Company Limited by Guarantee)

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

1. Accounting policies (continued)

1.4 Expenditure

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

• **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Interest receivable

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

1.6 Tangible fixed assets

Assets costing £2000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

Depreciation is provided on the following bases:

Long-term leasehold property	- 20 - 50 years straight line
Furniture and equipment	- 4 years straight line
Computer equipment	- 4 years straight line
Motor vehicles	- 25% reducing balance

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

GREAT BADDOW HIGH SCHOOL
(A Company Limited by Guarantee)

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

1. Accounting policies (continued)

1.7 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.8 Debtors

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

1.9 Cash at bank and in hand

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

1.10 Liabilities

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

1.11 Financial instruments

The Trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Trust and their measurement bases are as follows:

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 14. Prepayments are not financial instruments.

Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 15 and 16. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

GREAT BADDOW HIGH SCHOOL
(A Company Limited by Guarantee)

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

1. Accounting policies (continued)

1.12 Pensions

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the 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 quadrennial valuations using a prospective unit credit method. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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

1.13 Fund accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the 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 with restrictions imposed by the funder/donor and include grants from the Department for Education Group.

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

1.14 Agency arrangements

The Trust acts as an agent in distributing 16-19 bursary funds from the ESFA, and distributing funds for the Behaviour and Attendance Partnership (BAP). Payments received from the ESFA and BAP, and subsequent disbursements are excluded from the Statement of Financial Activities incorporating Income and Expenditure Account as the Trust does not have control over the charitable application of the funds. The funds received and paid and any balances held are disclosed in note 15.

2. Critical accounting estimates and areas of judgment

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

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

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

circumstances.

Critical accounting estimates and assumptions:

The 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.

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 24, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2022 has been used by the actuary in valuing the pensions liability at 31 August 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

3. Income from donations and capital grants

	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £	Total funds 2022 £
Donations	5,703	169,960	-	175,663	141,993
Government grants	-	-	2,692,947	2,692,947	30,134
	<u>5,703</u>	<u>169,960</u>	<u>2,692,947</u>	<u>2,868,610</u>	<u>172,127</u>
Total 2022	<u>71,731</u>	<u>70,262</u>	<u>30,134</u>	<u>172,127</u>	

In 2022, £71,731 of the donations were unrestricted, and £70,262 of the donations were restricted. Capital grants of £30,134 were made entirely to restricted fixed asset funds.

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4. Funding for the Academy's charitable activities

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
DfE/ESFA grants				
General Annual Grant	-	8,452,730	8,452,730	7,748,242
Other DfE/ESFA grants				
Other DfE / ESFA	-	424,285	424,285	467,148
Pupil premium	-	230,313	230,313	216,337
MSAG	-	109,192	109,192	-
Teachers' pay grant	-	402	402	15,481
Teachers' pension grant	-	47,608	47,608	43,746
	-	9,264,530	9,264,530	8,490,954
Other Government grants				
Local authority grants	-	542,533	542,533	425,529
COVID-19 additional funding (DfE/ESFA)				
Covid recovery premium	-	-	-	31,671
Other income				
Catering income	448,749	-	448,749	354,052
	448,749	-	448,749	354,052
	448,749	9,807,063	10,255,812	9,302,206
Total 2022	354,052	8,948,154	9,302,206	

In 2022, DfE/ESFA and other government grants were entirely restricted, and other income was entirely unrestricted.

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5. Income from other trading activities

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Other trading income	164,895	164,895	152,980
Hire of facilities	51,666	51,666	67,716
	<u>216,561</u>	<u>216,561</u>	<u>220,696</u>
Total 2022	<u>220,696</u>	<u>220,696</u>	

In 2022, income from other trading activities was entirely unrestricted.

6. Investment income

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Investment income - local cash	10,269	10,269	227
	<u>227</u>	<u>227</u>	
Total 2022	<u>227</u>	<u>227</u>	

In 2022, all investment income was unrestricted.

7. Expenditure

	Staff Costs 2023 £	Premises 2023 £	Other 2023 £	Total 2023 £	Total 2022 £
Direct costs	6,042,411	-	790,982	6,833,393	5,894,557
Support costs	1,721,115	1,266,730	1,123,088	4,110,933	3,933,947
	<u>7,763,526</u>	<u>1,266,730</u>	<u>1,914,070</u>	<u>10,944,326</u>	<u>9,828,504</u>
Total 2022	<u>7,891,432</u>	<u>614,655</u>	<u>1,322,417</u>	<u>9,828,504</u>	

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**NOTES TO THE FINANCIAL STATEMENTS
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7. Expenditure (continued)

In 2023, of the total expenditure £519,562 (2022 - £708,457) was made from unrestricted funds, £10,005,656 (2022 - £8,481,304) was made from restricted funds, and £363,108 (2022- £151,743) was made from restricted fixed asset funds.

In 2022, direct costs consisted of £5,286,840 staff costs, £19,469 premises costs and £588,240 other costs.

In 2022, support costs consisted of £2,604,592 staff costs, £595,186 premises costs and £734,169 other costs.

	2023 £	2022 £
Charitable activities		
Direct costs	6,833,393	5,894,557
Support costs	4,110,933	3,933,947
	<u>10,944,326</u>	<u>9,828,504</u>

	2023 £	2022 £
Analysis of support costs		
Support staff costs	1,721,115	2,604,592
Depreciation	163,193	151,743
Technology costs	181,232	30
Premises costs	1,103,537	463,010
Governance costs	24,463	22,983
Other support costs	902,570	677,325
Legal costs	14,823	14,264
	<u>4,110,933</u>	<u>3,933,947</u>

8. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2023 £	2022 £
Operating lease rentals	27,841	831
Depreciation of tangible fixed assets	163,913	151,743
Fees paid to auditors for:		
- audit	13,800	12,000
- other services	7,245	6,300
	<u></u>	<u></u>

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

9. Staff

a. Staff costs

Staff costs during the year were as follows:

	2023 £	2022 £
Wages and salaries	5,824,051	6,905,159
Social security costs	583,062	151,293
Pension costs	1,336,955	714,574
	<u>7,744,068</u>	<u>7,771,026</u>
Agency staff costs	19,458	120,406
	<u><u>7,763,526</u></u>	<u><u>7,891,432</u></u>

b. Staff numbers

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

	2023 No.	2022 No.
Teaching	97	93
Leadership	10	11
Admin & Support	103	116
	<u>210</u>	<u>220</u>

c. Higher paid staff

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

	2023 No.	2022 No.
In the band £60,001 - £70,000	4	1
In the band £70,001 - £80,000	2	2
In the band £100,001 - £110,000	-	1
In the band £110,001 - £120,000	1	-
	<u><u>1</u></u>	<u><u>-</u></u>

d. Key management personnel

The Key Management Personnel of the Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of Key Management Personnel benefits (including employer pension

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

9. Staff (continued)

d. Key management personnel (continued)

contributions and employer national insurance contributions) received by Key Management Personnel for their services to the Trust was £949,471 (2022 - £880,829).

Employer National Insurance contributions included within key management personnel remuneration was £83,936 (2022 - £79,045).

Employer pension contributions included within key management personnel remuneration was £165,879 (2022 - £153,478).

10. Trustees' remuneration and expenses

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

		2023 £	2022 £
S. Howell	Remuneration	20,000 - 25,000	20,000 - 25,000
	Pension contributions paid	5,000 - 10,000	5,000 - 10,000
J. Butcher (resigned 1 April 2022)	Remuneration	£Nil	35,000 - 40,000
	Pension contributions paid	£Nil	5,000 - 10,000
P. Farmer, Accounting Officer	Remuneration	130,000 - 135,000	120,000 - 125,000
	Pension contributions paid	25,000 - 30,000	25,000 - 30,000

During the year ended 31 August 2023, 2 Trustees were reimbursed £452 (2022 - £Nil).

11. Trustees' and Officers' insurance

The Trust has opted into the Department of 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 act, errors or omissions occurring whilst on Trust 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 membership.

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NOTES TO THE FINANCIAL STATEMENTS
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12. Tangible fixed assets

	Long-term leasehold property £	Furniture and equipment £	Computer equipment £	Motor vehicles £	Total £
Cost or valuation					
At 1 September 2022	6,461,788	138,956	129,278	47,316	6,777,338
Additions	71,985	10,731	2,456	-	85,172
Disposals	-	-	(32,457)	-	(32,457)
At 31 August 2023	6,533,773	149,687	99,277	47,316	6,830,053
Depreciation					
At 1 September 2022	1,361,219	97,189	116,075	47,316	1,621,799
Charge for the year	138,717	19,434	5,042	-	163,193
On disposals	-	-	(32,457)	-	(32,457)
At 31 August 2023	1,499,936	116,623	88,660	47,316	1,752,535
Net book value					
At 31 August 2023	5,033,837	33,064	10,617	-	5,077,518
At 31 August 2022	5,100,569	41,767	13,203	-	5,155,539

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13. Stocks

	2023 £	2022 £
Catering stock	4,003	4,265

14. Debtors

	2023 £	2022 £
Due within one year		
Trade debtors	37,676	49,695
Prepayments and accrued income	2,135,851	93,459
VAT recoverable	81,821	47,565
	<u>2,255,348</u>	<u>190,719</u>

15. Creditors: Amounts falling due within one year

	2023 £	2022 £
Other loans	3,028	3,028
Trade creditors	219,528	-
Other taxation and social security	137,359	127,829
Other creditors	229,195	364,260
Accruals and deferred income	341,983	283,417
	<u>931,093</u>	<u>778,534</u>

	2023 £	2022 £
Deferred income at 1 September 2022	130,852	59,399
Resources deferred during the year	95,927	130,852
Amounts released from previous periods	(130,852)	(59,399)
	<u>95,927</u>	<u>130,852</u>

As at 31 August 2023, the Trust was holding funds of £73,826 received in advance for educational trips and visits booked for 2022/2023, and locker deposits, and deferred £22,101 of rates relief funding.

Loans of £3,028 from the ESFA, issued to be repaid within 8 years, with no interest charged, were outstanding at the year end and due within one year.

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16. Creditors: Amounts falling due after more than one year

	2023 £	2022 £
Other loans	11,594	14,622

Loans of £11,594 from the ESFA, issued to be repaid within 8 years, with no interest charged, were outstanding at the year end and due after one year.

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

17. Statement of funds

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
Unrestricted funds						
Unrestricted funds	941,541	595,788	(450,686)	-	-	1,086,643
CSSP	45,209	67,759	(68,876)	-	-	44,092
Dome Maintenance	-	17,735	-	-	-	17,735
	<u>986,750</u>	<u>681,282</u>	<u>(519,562)</u>	<u>-</u>	<u>-</u>	<u>1,148,470</u>
Restricted general funds						
General Annual Grant (GAG)	550,000	8,452,730	(8,446,513)	-	-	556,217
Other DfE/ESFA grants	32,065	581,487	(613,552)	-	-	-
Pupil premium	-	230,313	(230,313)	-	-	-
Local Authority revenue grants	-	519,428	(519,428)	-	-	-
Other government grants	-	23,105	(23,105)	-	-	-
Restricted donations	2,785	169,960	(172,745)	-	-	-
Pension reserve	(1,149,000)	-	(56,000)	-	1,112,000	(93,000)
	<u>(564,150)</u>	<u>9,977,023</u>	<u>(10,061,656)</u>	<u>-</u>	<u>1,112,000</u>	<u>463,217</u>
Restricted fixed asset funds						
Restricted fixed asset fund	5,155,539	-	(163,193)	85,172	-	5,077,518
Other ESFA capital grants	-	56,599	-	(56,599)	-	-
Devolved Formula Capital	16,952	30,699	-	(28,573)	-	19,078
CIF	-	2,605,649	(199,915)	-	-	2,405,734

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

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
	5,172,491	2,692,947	(363,108)	-	-	7,502,330
Total Restricted funds	4,608,341	12,669,970	(10,424,764)	-	1,112,000	7,965,547
Total funds	5,595,091	13,351,252	(10,944,326)	-	1,112,000	9,114,017

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

General Annual Grant (GAG)

This represents funding from the ESFA to cover the costs of recurrent expenditure.

Other DfE and ESFA funding

This represents funding received from the DfE/ESFA which is restricted in nature and falls outside the scope of core funding.

Pupil Premium

This represents funding to be used to help raise achievement and improve outcomes for pupils from low income families who are eligible for free school meals.

Local Authority revenue grants

This represents the restricted grant funding largely received from Essex County Council as a contribution towards the cost of the trust's revenue expenditure.

Restricted donations

This represents contributions made by parents towards the running costs of trips for the pupils of the schools and the associated costs.

Other educational income

This represents all other restricted funding that cannot be classified within the above, but fall outside the scope of its core activities.

Pension reserve

This represents the Trust's share of the deficit on the Local Government Pension Scheme (LGPS).

Restricted fixed asset fund

This fund represents the value of fixed assets held in line with the charitable objectives of the Trust.

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

17. Statement of funds (continued)

Transfers in represent capitalisation of expenditure incurred from various different funds.

Devolved Formula Capital

This represents funding received from the ESFA specifically for the maintenance and improvement of the Trust's building and facilities.

Other ESFA Capital Grants

This represents funding received from the ESFA specifically for the maintenance and improvement of the Trust's building and facilities.

Capital Improvement Fund (CIF)

The Academy is required to use the funding for the specific project as defined within the funding agreement.

CSSP

Together with 60 other schools in Chelmsford, The CSSP promotes and develops physical education and sport for all young people. It delivers virtual competitions, festivals, teachers courses and leadership opportunities for students within colleges, secondary and primary schools in Chelmsford.

Dome Maintenance

A sinking fund made available to contribute to the cost of the periodic replacement of the structures' fabric skin or related components.

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

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

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

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
Unrestricted funds						
Unrestricted funds	1,048,502	646,705	(708,457)	-	-	986,750
Restricted general funds						
General Annual Grant (GAG)	80,643	7,748,242	(7,208,667)	(70,218)	-	550,000
Other DfE/ESFA grants	29,138	558,046	(555,119)	-	-	32,065
Pupil premium	-	216,337	(216,337)	-	-	-
Local Authority revenue grants	4,785	425,529	(430,314)	-	-	-
Other educational income	3,390	-	(3,390)	-	-	-
Restricted donations	-	70,262	(67,477)	-	-	2,785
Pension reserve	(5,039,000)	-	(487,000)	-	4,377,000	(1,149,000)
	<u>(4,921,044)</u>	<u>9,018,416</u>	<u>(8,968,304)</u>	<u>(70,218)</u>	<u>4,377,000</u>	<u>(564,150)</u>
Restricted fixed asset funds						
Restricted fixed asset fund	5,219,272	-	(151,743)	88,010	-	5,155,539
Devolved Formula Capital	4,610	30,134	-	(17,792)	-	16,952
	<u>5,223,882</u>	<u>30,134</u>	<u>(151,743)</u>	<u>70,218</u>	<u>-</u>	<u>5,172,491</u>
Total Restricted funds	<u>302,838</u>	<u>9,048,550</u>	<u>(9,120,047)</u>	<u>-</u>	<u>4,377,000</u>	<u>4,608,341</u>
Total funds	<u>1,351,340</u>	<u>9,695,255</u>	<u>(9,828,504)</u>	<u>-</u>	<u>4,377,000</u>	<u>5,595,091</u>

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

17. Statement of funds (continued)

18. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £
Tangible fixed assets	-	-	5,077,518	5,077,518
Current assets	1,174,935	1,457,817	2,439,434	5,072,186
Creditors due within one year	(26,465)	(901,600)	(3,028)	(931,093)
Creditors due in more than one year	-	-	(11,594)	(11,594)
Provisions for liabilities and charges	-	(93,000)	-	(93,000)
Total	1,148,470	463,217	7,502,330	9,114,017

Analysis of net assets between funds - prior year

	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £
Tangible fixed assets	-	-	5,155,539	5,155,539
Current assets	986,750	1,360,356	34,602	2,381,708
Creditors due within one year	-	(775,506)	(3,028)	(778,534)
Creditors due in more than one year	-	-	(14,622)	(14,622)
Provisions for liabilities and charges	-	(1,149,000)	-	(1,149,000)
Total	986,750	(564,150)	5,172,491	5,595,091

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**NOTES TO THE FINANCIAL STATEMENTS
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19. Reconciliation of net income/(expenditure) to net cash flow from operating activities

	2023 £	2022 £
Net income/(expenditure) for the year (as per Statement of Financial Activities)	2,406,926	(133,248)
Adjustments for:		
Depreciation	163,193	151,743
Capital grants from DfE group	(87,298)	(30,134)
Interest receivable	(10,269)	(227)
Defined benefit pension scheme adjustments	56,000	487,000
Decrease/(increase) in stocks	262	(40)
(Increase)/decrease in debtors	(2,064,629)	26,615
Increase in creditors	152,559	65,737
Net cash provided by operating activities	616,744	567,446

20. Cash flows from financing activities

	2023 £	2022 £
Repayments of borrowing	(3,028)	(2,141)
Net cash used in financing activities	(3,028)	(2,141)

21. Cash flows from investing activities

	2023 £	2022 £
Investment income	10,269	227
Purchase of tangible fixed assets	(85,172)	(88,010)
Capital grants from DfE Group	87,298	30,134
Net cash provided by/(used in) investing activities	12,395	(57,649)

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

22. Analysis of cash and cash equivalents

	2023 £	2022 £
Cash in hand and at bank	2,812,835	2,186,724
Total cash and cash equivalents	<u>2,812,835</u>	<u>2,186,724</u>

23. Analysis of changes in net debt

	At 1 September 2022 £	Cash flows £	At 31 August 2023 £
Cash at bank and in hand	2,186,724	626,111	2,812,835
Debt due within 1 year	(3,028)	-	(3,028)
Debt due after 1 year	(14,622)	3,028	(11,594)
	<u>2,169,074</u>	<u>629,139</u>	<u>2,798,213</u>

24. Pension commitments

The Trust'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 Essex County Council. Both are multi-employer defined benefit schemes.

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

Contributions amounting to £147,371 were payable to the schemes at 31 August 2023 (2022 - £246,034) and are included within creditors.

Teachers' Pension Scheme

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

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

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24. Pension commitments (continued)

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The 31 March 2016 TPS actuarial valuation results were implemented from 1 September 2019. The key elements of the valuation and subsequent consultation were

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

The latest actuarial TPS valuation results, as at 31 March 2020, were released in October 2023. The revised employer contribution rate, arising from this valuation, is due to be implemented from 1 April 2024.

The employer's pension costs paid to TPS in the year amounted to £983,621 (2022 - £226,440).

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

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The Trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Trust 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 £433,000 (2022 - £429,000), of which employer's contributions totalled £348,000 (2022 - £344,000) and employees' contributions totalled £85,000 (2022 - £85,000). The agreed contribution rates for future years are 25 per cent for employers and 5.5 to 12.5 per cent for employees.

As described in note 1.13 The LGPS obligation relates to the employees of the Trust who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Trust at the balance sheet date.

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

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

Principal actuarial assumptions

	2023	2022
	%	%
Rate of increase in salaries	3.85	4.00
Rate of increase for pensions in payment/inflation	2.85	3.00
Discount rate for scheme liabilities	5.35	4.25
Inflation assumption (CPI)	2.85	3.00

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

	2023	2022
	Years	Years
Retiring today		
Males	20.7	21.0
Females	23.2	23.5
Retiring in 20 years		
Males	22.0	22.3
Females	24.6	24.9

Sensitivity analysis

	2023	2022
	£000	£000
Discount rate +0.1%	(100)	(139)
Discount rate -0.1%	102	142
Mortality assumption - 1 year increase	187	200
Mortality assumption - 1 year decrease	(183)	(194)
CPI rate +0.1%	7	(132)
CPI rate -0.1%	(7)	130

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24. Pension commitments (continued)

Share of scheme assets

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

	At 31 August 2023 £	At 31 August 2022 £
Equities	3,641,000	3,195,000
Gilts	63,000	109,000
Other bonds	-	251,000
Property	502,000	537,000
Cash	188,000	170,000
Alternative assets	1,004,000	850,000
Other managed funds	879,000	564,000
Total market value of assets	6,277,000	5,676,000

The actual return on scheme assets was £257,000 (2022 - £13,000).

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

	2023 £	2022 £
Current service cost	403,000	749,000
Interest income	(240,000)	(92,000)
Interest cost	280,000	172,000
Administrative expenses	3,000	2,000
Liabilities assumed on settlements	(239,000)	-
Settlement prices paid	197,000	-
Total amount recognised in the Statement of Financial Activities	404,000	831,000

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24. Pension commitments (continued)

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

	2023 £	2022 £
At 1 September	6,825,000	10,484,000
Interest cost	280,000	172,000
Employee contributions	85,000	85,000
Actuarial gains	(884,000)	(4,456,000)
Benefits paid	(100,000)	(209,000)
Liabilities extinguished on settlements	(239,000)	-
Current service cost	403,000	749,000
At 31 August	<u>6,370,000</u>	<u>6,825,000</u>

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

	2023 £	2022 £
At 1 September	5,676,000	5,445,000
Interest income	240,000	90,000
Actuarial gains/(losses)	228,000	(79,000)
Employer contributions	348,000	344,000
Employee contributions	85,000	85,000
Benefits paid	(100,000)	(209,000)
Administration expenses	(3,000)	-
Settlement prices paid	(197,000)	-
At 31 August	<u>6,277,000</u>	<u>5,676,000</u>

25. Operating lease commitments

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

	2023 £	2022 £
Not later than 1 year	28,281	1,220
Later than 1 year and not later than 5 years	1,711	2,554
	<u>29,992</u>	<u>3,774</u>

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

26. Members' liability

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

27. Agency arrangements

The Trust acts as an agent in managing funds for a number of separate entities. Payments received and subsequent disbursements are excluded from the SOFA as the Trust does not have control over the charitable application of these funds.

The Trust administers the distributions of the discretionary support for learners, 16-19 Bursary Funds, on behalf of the ESFA. During the year, the Academy Trust received £9,631 (2022 - £7,395) and disbursed £10,714 (2022 - £4,702). A balance of £11,528 (2022 - £12,611) was owed to the ESFA as at the balance sheet and is included within other creditors.

The Trust holds funds on behalf of the Behaviour and Attendance Partnership (B.A.P.) whose members are local schools who contribute to the fund from which a range of pastoral and educational services are purchased for pupils at risk of exclusion. During the year, the Trust received income of £93,068 (2022 - £71,818) and expenditure of £128,428 (2022 - £104,040). At the balance sheet date, £70,255 (2022 - £105,615) was owed back to the B.A.P. and is included within other creditors.

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28. Related party transactions

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

The following related party transactions took place;

The Trust made payments totalling £960 (2022: £1,169) to Mr J Hull, a Member and Trustee of Great Baddow High School for the provision of peripatetic music tuition services. There were amounts outstanding as at 31 August 2023 of £Nil (2022: £1,169). The Trust made the purchases at arm's length for which Board approval was sought. Mr J Hull did not participate in this approval process. In entering into the transaction the Academy Trust has complied with the requirements of the Academy Trust Handbook.

The Trust made no payments (2022: £NIL) to Bridge Academy Trust, of which Mr P Farmer's brother is the Chief Executive Officer. There were no amounts outstanding as at 31 August 2023 (2022: £NIL). Receipts of £13,091 (2022: £8,756) were received from Moulsham High School, a school within the Trust, received for the intervention scheme for which Great Baddow High School acts as an agent for, as well as the sale of textbooks. There were amounts outstanding to be received as at 31 August 2023 of £8,956 (2022: £8,756). The Trust made the purchases at arm's length for which Board approval was sought. Mr P Farmer did not participate in this approval process.

The Trust made payments totalling £475 (2022: £1,095) to Paul Draper, a Member of Great Baddow High School. These payments related to consultancy work provided. There were amounts outstanding as at 31 August 2023 of £NIL (2022: £1,095). The Trust made the purchases at arm's length for which Board approval was sought. Mr P Draper did not participate in this approval process. In entering into the transaction the Trust has complied with the requirements of the Academy Trust Handbook.

The Trust made payments totalling £40 (2022: £Nil) to Caterina Garcea, a Trustee of Great Baddow High School. These payments related to exam access translation services provided. There were amounts outstanding as at 31 August 2023 of £NIL (2022: £Nil). The Trust made the purchases at arm's length for which Board approval was sought. Ms C Garcea did not participate in this approval process. In entering into the transaction the Trust has complied with the requirements of the Academy Trust Handbook.

Family members of three of Key Management Personnel were employed during the year:

- M Farmer, spouse of P Farmer, a Trustee and the Trust's Accounting Officer, is employed by the Trust as a communicator for the deaf;
- T Howell, step-daughter-in-law of S Howell, a Trustee, is employed by the Trust as a member of the catering team;
- L Lewis, spouse of M Lewis, a member of the Senior Leadership Team, is employed by the Trust as a teacher of humanities.

Appointment of each of the above was made in open competition and associated Trustees were not involved in the decision-making process regarding appointment. Each of the above persons is paid within the normal pay scale for their role and receives no special treatment as a result of their relationship to a Trustee.