

**Shooters Hill Sixth Form
College**

**Annual Report and Financial
Statements**

31 August 2023

Company Limited by Guarantee
Registration Number
08270802 (England and Wales)

Contents

Reports

Reference and administrative information	1
Directors' report	3
Governance statement	23
Statement on regularity, propriety and compliance	28
Statement of Trustees' responsibilities	29
Independent auditor's report	30
Independent reporting accountant's report on regularity	35

Financial Statements

Statement of financial activities	37
Balance sheet	38
Statement of cash flows	39
Principal accounting policies	41
Notes to the financial statements	48

Reference and administrative information

Members Mother A van den Hof (appointed 11 September 2019)
Karen Hunter (re-appointed 8 July 2020)
Helen Laker (re-appointed 8 July 2020)
Tomris Ibrahim (appointed 9 Dec 2020, resigned 11 April 2023)
Dennis Hyland (appointed 24 May 2022)

Trustees Jacqueline Gray (reappointed by members 22 May 2023 Chair from 8 July 2020)
Valliyappan Balaguru (reappointed by members 22 May 2023)
Danville Berbeck (appointed by staff 8 September 2021 and resigned 5 July 23)
James Demetre (appointed 7 September 2022, co-opted, and resigned 5 July 2023)
Spencer Drury (appointed by members 22 May 2023)
Fred Gichuhi (appointed by staff 9 Dec 2020)
Susan Hammond (appointed by members 5 June 2019 and resigned 6 Dec 2022)
Neil Jones (appointed by members 01 December 2019 and resigned 6 Dec 2022)
Clive Mardner (reappointed by members 22 May 2023)
Pamela Morgan (appointed 6 December 2022, Parent Trustee)
Paul Proctor (reappointed by members 22 May 2023)
Scott Rattray (appointed 17 January 2023, Parent Trustee)
Dominic Scarlett (reappointed by members 22 May 2023)
Andrew Stanley (appointed 8 September 2021, co-opted)

College Strategic Group (Senior leadership team)

Principal	Geoffrey Osborne
Deputy Principal	Theresa Bray
Assistant Principal	Sophie Farmer
Assistant Principal	Andrea Knight (from Feb 2023)
Assistant Principal	Natalie Osborne
Assistant Principal	Alexander Rolfe
Assistant Principal	Kevin Standish (from Nov 2021 to Jan 2023)
Assistant Principal	Jacqueline Takpimivbiomo (from Aug 2020 to March 2023)
HR Director	Larrissa Alexander
Chief Financial Officer	Mary Obemeasor

Registered office Shooters Hill Sixth Form College
Red Lion Lane
London
SE18 4LD
United Kingdom

Company registration number 08270802 (England and Wales)

Reference and administrative information

Independent external auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Independent internal auditor	Kreston Reeves Chartered Accountants Montague Place, Quayside Chatham Maritime Chatham Kent ME4 4QU
Bankers	Lloyds Bank 78 New Road Gravesend Kent DA11 OAR United Kingdom
Solicitors	Eversheds Sutherland LLP 1 Wood Street London EC2V 7WS United Kingdom

Trustees' report Year to 31 August 2023

The Trustees present their statutory report together with their financial statements of Shooters Hill Sixth Form College (also referred to in this document as the 'Academy Trust', the 'College', or the 'charitable company') for the year from 1 September 2022 to 31 August 2023.

The report has been prepared in accordance with Part 8 of the Charities Act 2011 and constitutes the directors' report for the purposes of the Companies Act 2006. The annual report serves the purposes of both a trustees' report, and a directors' report and strategic report under company law.

The Academy Trust operates an academy for students aged 16-19 and up to 25-year-olds for High Needs students and those with an Educational and Health Care Plan (EHCP), servicing a catchment area in Woolwich, Royal Greenwich Borough, and Southeast London.

The College has a student capacity of 1,500 and had a roll of 1,488 for funding purposes in the 2022-23 academic year.

The financial statements have been prepared in accordance with the accounting policies set out therein and comply with the Academy Financial Handbook, Articles of Association, applicable laws and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom (FRS 102).

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy Trust is a company limited by guarantee (Company Registration No. 08270802) and is an exempt charity with no share capital. The charitable company's memorandum and articles of association are the primary governing documents for the purpose of company law. Shooters Hill Sixth Form College was incorporated on 26 October 2012 and obtained Academy status from 1 November 2012.

The Full Governing Board (FGB) are the trustees of Shooters Hill Sixth Form College and are also the directors of the company for the purposes of company law. The term Governors, Trustees, and Directors are used interchangeably within this document. Details of the trustees who served throughout the period and to the date of approval of this report, except as noted, are included in the Reference and Administrative Details on page 1.

Method of recruitment and appointment or election of Trustees

At the first FGB meeting of the year, the Board confirmed the appointment of those serving and its sub committees for 2022-23 academic year.

Trustees are appointed on a 4-year term of office to ensures a staggered re-election or replacement process as trustees retire, they may wish to resign before the term ends if they want to do or are free to run for another 4-year term.

Trustees are appointed in line with the Department for Education (DFE) Academy Governance guidance, and this includes appointment, application, and peer recommendation.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Method of recruitment and appointment or election of Trustees (continued)

When appointing a new trustee, the board considers a range of skills and experience within existing membership to ensure that the board has the necessary skills to contribute fully to the Academy's development and strategic direction.

As set out in college's articles of association the number of Trustees shall be not less than 3. The Academy Trust has the following Trustees:

- ◆ 6 Trustees appointed by Members under Article 50.
- ◆ 1 staff Trustee, comprising teachers and support staff, subject to Article 50A.
- ◆ 2 parent Trustees appointed under Articles 53-56B.
- ◆ 1 Co-opted Trustee appointed under Article 58.

Policies and procedures adopted for the induction and training of Trustees

An induction is provided for new Trustees who undergo a skills audit and are offered additional training to address any highlighted training needs. The Trustee Training Plan for the academic year is included within the Quality Improvement Plan (QIP). Their first meeting of the Full Governing Board is attended by all Trustees and induction includes introductory meetings with the Principal, Chair and Governance Professional. A tour of the Academy's estate forms part of this.

The Governor Hub Portal and the College Staff Hub provide Trustees with links to essential policies and procedures, agendas and minutes, handbooks, guidance notes, strategic documents, and other links.

Papers relating to financial planning and performance are provided to the Audit & Risk and Finance & HR Committees and are summarised with different emphasis at each meeting before papers go to the Full Governing Board. Advice and guidance for Trustees is updated annually in the Schemes of Delegation and includes details of the sub-committee framework and functions as well as information on how the Academy operates, the roles and responsibilities of the Governing Board, its standing orders and the role of the trustees and the structure of the Trust's College Strategic Group (CSG) comprising of the College's senior management.

At the end of each academic year the schedule of committee meetings for the following academic year is compiled by the Governance Professional (formerly called Clerk to the Governing Board), circulated, and agreed at the at the final Full Governing Board of the year in preparation for the start of the next academic year.

An annual general meeting for Members is held centrally at which financial year-end matters are presented, aimed at keeping members updated on relevant developments that impact on their roles and responsibilities. Internal and external training for trustees is undertaken throughout the academic year as required in the skills audit and Quality Improvement Plan (QIP).

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Policies and procedures adopted for the induction and training of Trustees (continued)

Training is delivered using both internal and external resources as appropriate, the latter providing insights to both national trends and comparable institutions. External training is undertaken as required both remotely and face to face.

The Trust is an active member of The Key, the Sixth Form Colleges Association (SFCA) network and the National Governance Association (NGA) giving Trustee's access to up-to-date information, training, and conferences.

During the financial year, a review of the effectiveness of Board governance including structure, management and decision-making processes was carried out by an independent external third part, with recommendations on improving governance submitted to the Board. The Board are currently working through an action plan developed out of this review, with progress reported at each Full Governing Board meeting.

Trustees' indemnities

Shooters Hill Sixth Form College in accordance with normal practice is a member of the Department for Education (DfE) Risk Protection Arrangement (RPA) to protect trustees, members and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business.

The RPA Administrator's limit of liability shall be £10,000,000 for every Loss and shall be the maximum aggregate liability of the RPA Administrator from all losses from the trustee as a member during any one membership year.

Members' liability

Each member of the charitable company undertakes to contribute to the assets of Shooters Hill Sixth Form College 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.

Organisational structure

The Academy is governed by a Full Governing Board (Board of Trustees) constituted under memorandum and articles of association. The Board is responsible for ensuring that high standards of corporate governance are maintained, exercising its powers and functions in fulfilling a strategic leadership role in the running of the Trust. The Full Governing Board meets at least once a term.

The following Committees are in place during the period ended 31 August 2023:

- ◆ Finance & HR
- ◆ Quality Standards and Personal Development, Behaviour and Attitude.
- ◆ Audit & Risk.
- ◆ Multi-Academy Trust (MAT) Steering Group.
- ◆ Pay and Personnel Sub Committee.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Organisational structure (continued)

Trustees are linked based on their experience or interest to key College strategic areas of Employability, Equality, Diversity, and Inclusion; High Needs and SEND; Safeguarding; GDPR, Estates and Health and Safety, T Levels, Digital Services, Science, Technology, Engineering and Maths (STEM) and to the Student Leadership Council.

The Board determines membership, terms of reference and delegated responsibilities and procedures for its committees. It receives minutes and reports from each committee for consideration and/or ratification and monitor their activities through reports from the relevant Chairs to the Full Governing Board.

Decisions reserved for the consideration of the Full Governing Board include proposals for changes to the constitution of the Academy, committee structure, appointment or removal of the Chair, Vice Chair, appointment of the Principal and/or Accounting Officer, and Governance Professional, approval of College Quality Improvement Plan (QIP), Self-Assessment Review (SAR) and, on the recommendation of the Finance & HR, Audit & Risk Committees to the Board, the budget and year-end Annual Report and Financial Statements.

The Board devolves responsibility for the day-to-day management of the Academy to the Principal through the Scheme of Delegation. The principal directs the College Strategic Group (CSG) which consists of Deputy Principal, Assistant Principals, Chief Financial Officer, and HR Director. The College Strategic Group (CSG) meets on a frequent basis at an executive level implementing the policies laid down by the Trustees and reporting back to them, providing evidence, assurance reports, and data analysis at Board meetings, enabling Trustees to monitor effectively and discharge their oversight functions.

The principal is responsible for staff appointment and representatives from the Board are included as part of the interview panel for senior appointments. Authorisation of spend within agreed budgets are summarised in the Scheme of Delegation approved by the Board annually.

Arrangements for setting pay and remuneration of key management personnel

The Trustees consider that they together with the CSG comprise the key management personnel of the Academy Trust.

The Board has determined through its Pay and Personnel Committee that the pay scale for leadership posts will be in line with School Teachers' Pay and Conditions Document (STPCD) minimum and maximum levels by taking account of the volume and complexity of the College's operations with regards to High Needs and other specialist activities, and that the Pay and Personnel Committee will use reference points when making pay determinations.

The pay range for the principal will be seven points and five points for other leadership posts. Pay and Personnel Committee was chaired by the Vice Chair of Finance & HR Committee and comprised of two other Trustees and the Chair of Trustees. Annual review by Pay and Personnel Committee agrees the College Strategic Group (CSG) salaries for recommendation to the Board. The principal undertakes an annual review of other staff salaries, in accordance with the Pay Policy.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Equality, Diversity, and Inclusion

The Trustees recognise that equality, diversity, and inclusion should be an integral part of good practice within the workplace. The College works hard to establish equality of access in all areas of its activities including creating a working environment in which the contribution and needs of all people are fully valued and respected. The College complies with the Equalities Act 2010 and welcomes any young person or adult with a disability and/or special education needs.

During the financial year, the Trust's Equality, Diversity, and Inclusion (EDI) strategy birthed EDI Champions comprising of teaching and support staff to drive EDI issues at staff level. The group of EDI Champions meets monthly under the leadership of the Principal and HR Director and present their report and recommendation to the Full Governing Board yearly.

Disabled persons

The policy of the Academy Trust is to support the recruitment and retention of students and employees with disabilities. Disabled employees are accorded equal opportunities for training, career development and promotion.

Trade union facility time

No employees of the academy trust were relevant union officials during the relevant period.

Related parties and other connected charities and organisations

The Trust is a member of the Sixth Form Colleges Association (SFCA) network and works in close partnership with the Royal Greenwich Borough and other community groups to help support College improvements and benchmarking, as well as share good practice and expertise in all aspects of teaching and learning as well as educational, administration, leadership, and management.

The Trust's collaborations in the Community include Greenwich School Sports Partnership (GSSP), working with local schools, employers, and community groups. All funds associated with the partnership are for the benefit of primary sport. The Trust partners with Christ the King College Centre of Excellence for Maths and generates additional funding to help improve Maths outcomes.

Community engagement is at the heart of the trust's operations and the principal meets with the Neighbourhood groups regularly, works with local community groups to foster community involvement and is a member of the Headteachers Greenwich Community Schools Partnership.

There are no third-party related activities which control or significantly influence the decisions and operations of the College. There are no sponsors or formal parent teacher associations associated with the academy.

OBJECTIVES AND ACTIVITIES

Objects, aims and activities

The Trust's objectives ("the Objectives") and principal activity are to advance education for the public benefit in the UK by establishing, maintaining, managing, and developing through teaching and learning, a broad and balanced curriculum plan.

In making the decision to become an Academy from 1 November 2012, the Board articulated a strong belief that an inclusive education providing a broad curriculum mix was its paramount commitment for all students regardless of ability, race, religion, gender, ethnicity, colour, sexuality, or class.

The Board's overall aim is to ensure that the Trust delivers its charitable objectives, as set out in its Articles of Association, in the context of its Guiding Principles and to ensure that:

- ◆ Teaching, learning & assessment is consistently effective in all curriculum areas.
- ◆ All learners and groups of learners are achieving well and that increasing numbers are making better than expected progress so that they can progress to higher level qualifications, employment, apprenticeships, and independent living.
- ◆ Attendance of all learners on all courses is consistently high.
- ◆ The range of English and Maths programmes offered meet student needs and that numeracy and literacy is being addressed across programmes by embedding them into the curriculum to ensure that the career aims of learners are met.
- ◆ Good destination outcomes for all students.
- ◆ Good student experience to transform their lives.

Public benefit

The Trustees confirm that they have complied with the duty in Section 4 of the Charities Act 2006 to have due regard to the Charity Commissioner's general guidance on public benefit in exercising their powers or duties.

They have referred to this guidance when reviewing the Academy's aims and objectives and in planning its future activities. For the benefit of the inhabitants of Greenwich and the surrounding areas of Southeast London, the Academy promotes the provision of facilities for recreation and leisure time to the local neighbourhood in the interests of community cohesion, social welfare and with the objective of improving wellbeing of those involved with the students and their guardians.

The creation of Football, Boxing, Swimming and Basketball Academies for student's enrichment activities, plastic free 4G football pitch, upgrades to the Multi Use Games Area (MUGA) and swimming pool have all improved access for local community and led to an increase in the number of sporting activities, including primary sports partnership on the College site.

STRATEGIC REPORT

Achievements and performance

The Principal along with the Trustees and other stakeholders have created a strategic vision for the next three to five years. The five strategic intents to improve the performance of the college are to:

- ◆ Create a truly inclusive environment that is fully accessible, enhances social mobility and addresses the individual needs of all learners.
- ◆ Provide high quality student experience that enables personal growth, development, and the confidence to achieve personal ambitions.
- ◆ Enable our staff to develop into truly inspirational practitioners.
- ◆ Enhance our digital capabilities and access to learning beyond the timetable.
- ◆ Further develop our capacity to sustain growth and expand the college offering to meet the needs of our local context.

The College has made good progress with these intents over the past academic year with a significant change in culture regarding the student experience and inclusivity as well as major investments in the infrastructure and the resources to support our student's progress.

The Principal has also collaborated with staff and spent considerable time in establishing a set of core values that the organisation will work against daily.

Core Values

In support of these strategic intents, the following core values were adopted:

- ◆ Working collaboratively to ensure a positive and rewarding experience for all our community.
- ◆ Valuing fairness for all and promoting personal growth.
- ◆ Leading by example with compassion, empathy and understanding.
- ◆ Conducting ourselves with honesty, integrity, and respect.

The College mission is to continue to be the first-choice college in the Borough, transforming students' lives by inspiring them to take full advantage of the high quality educational and enrichment opportunities on offer; enabling individuals to reach and exceed their potential and respond to the community we serve. Our learning environment will have equipped our learners with the skills necessary to thrive in a globalised world.

Trustees remain committed to the values of inclusivity as set out in the guiding principles established when it converted to Academy status in November 2012 and works collaboratively with the College Strategy Group (CSG) to continue to develop and monitor plans.

STRATEGIC REPORT (continued)

Achievements and performance (continued)

Following the 'Good' Ofsted report in 2019, the Academy became increasingly popular as an inclusive Sixth Form College. Despite reduced student numbers in this financial year, student numbers are up again in 2023-24 academic year.

The College provides a link school support for 14–16-year-old secondary schools students with an alternative provision of offering vocational courses with core subjects. During 2022-23, the College welcomed 76 students from seven (7) local colleges and schools.

The College caters well for a broad spectrum of students on full time study programmes and offer a wide range of programmes at all levels, vocational qualifications continue to be the most significant, 84.4%, A levels has remained at around 9-10% over the last 2 years.

Type of course	Number	%
Vocational	1,242	84.43
A Levels	133	9.04
SEN	96	6.53
Total	1,471	100.00

The College, since 2012, has successfully addressed local needs through its diverse curriculum offer which embraces those students looking for a second chance or a fresh start in education. We have contributed significantly to the reduction in numbers of young people "Not in Education, Employment or Training" (NEET), and increased the numbers of students progressing into Apprenticeship, employment, and higher education. The numbers of students joining us from alternative providers, such as the Newhaven School Pupil Referral Unit (PRU) is increasing.

The composition of the student cohort remains comparatively stable year-on-year, the gender breakdown of students in 2022-23 was:

Gender split 2022-23	Number	%
Female	692	47.04
Male	779	52.96
	1,471	100.00

Based in Southeast London, the College is faced with the challenges typical in an area with high levels of social and economic deprivation. We support a significant proportion of 'high needs' students (17.68%) with Education and Health Care Plans (EHCPs). The number of students with EHCP has increased nationally to 4.3%, up from 4% in 2022.

The majority of our students come from lower income backgrounds as evidenced by high levels qualifying for Free School Meals (FSM). 26.30% of our students are eligible for Vulnerable and Discretionary Bursary Grant. The number of students eligible for Free School Meals (FSM) in 2022-23 was 33.04% (26% in 2021-22). This compares with the number of pupils eligible for free school meals nationally for all schools and state-funded alternative provision at 23.8% in 2022-23, up from 22.5% in 2021-22.

STRATEGIC REPORT (continued)

Achievements and performance (continued)

Other characteristics 2022-23	Number	%
Education Health and Care Plan (EHCP)	260	17.68
Free School Meals (FSM)	486	33.04

The ethnicity of our students is broadly representative of the borough as detailed in the table below:

Ethnicity	2022-23 Number	2022-23 %	2021-22 Number	2021-22 %
African	189	12.85	188	11.90
Any other Asian background	51	3.47	50	3.20
Any other Black / African / Caribbean background	82	5.57	118	7.50
Any other ethnic group	44	2.99	49	3.10
Any Other Mixed / multiple ethnic background	97	6.59	57	3.60
Any Other White background	69	4.69	83	5.30
Arab	4	0.27	7	0.40
Bangladeshi	5	0.34	12	0.80
Caribbean	58	3.94	62	3.90
Chinese	4	0.27	8	0.50
English / Welsh / Scottish / Northern Irish / British	513	34.87	602	38.20
Indian	19	1.29	22	1.40
Irish	2	0.14	8	0.50
Not provided	273	18.56	238	15.10
Pakistani	12	0.82	16	1.00
White and Asian	11	0.75	10	0.60
White and Black African	16	1.09	20	1.30
White and Black Caribbean	22	1.50	27	1.70
Total	1,471	100.00	1,577	100.00

College cohort Borough breakdown:

Borough	2022-23 Number	2022-23 %	2021-22 Number	2021-22 %
Bexley	248	16.86	289	18.30
Bromley	50	3.40	54	3.40
Dartford	19	1.29	27	1.70
Greenwich	830	56.42	878	55.70
Lewisham	275	18.69	258	16.40
Southwark	8	0.54	18	1.10
Other	41	2.79	53	3.30
Total	1,471	100.00	1577	100.00

Approximately 56.42% of students are Greenwich residents with the remaining 43.58% coming from neighbouring boroughs, predominantly Bexley and Lewisham.

Our Ofsted inspection in October 2019, rated the College "Good" in all categories and it is in the top 20% of colleges in the country for achievement and progress sustained over the last 5 years.

STRATEGIC REPORT (continued)

Achievements and performance (continued)

Fixed term exclusions and other forms of bullying remain rare and are on a downward trend within the College. Students, parents, and staff see the College as providing a safe, secure, and inclusive learning environment where students' personal, social and employability needs are developed through the taught curriculum, as well as through active enrichment programmes.

Despite the Covid-19 pandemic lockdown and closure, the College was relentless in providing laptops and other resources to students including those in hardship that did not qualify for Bursary support to engage them in learning and continues to make progress with improving attendance and because of this, our student outcomes and results have been sustained.

The Education and Skill Funding Agency (ESFA) enabled the College through a 16-19 Tuition grant of £125,000 in 2022-23 (£263,000 in 2021-22) to provide additional catch-up tuition to students. The grant which is ring fenced for strategies specifically targeted to mitigate the disruption to learning arising from COVID-19 impact is used to provide small groups (maximum of up to 5) for 1:1 lesson in English, Math, academic and vocational learning for 16-19-year-old or up to 24-year-old if the students have an Educational, Health and Care Plan.

This strategy has had significant impact as those students who have received additional tuition have achieved higher than those that have not. The college is working extremely hard to ensure that every student benefits from the additional tuition fund. Although there is no guarantee that the college will receive this funding in the next academic year the impact warrants a particular budget allocation going forward to further improve the learning and outcomes for young people.

Impact of Covid-19

The College continued to provide teaching, learning, wellbeing, and mental health support for students following Government's announcement for all Schools and Colleges to return to in college learning.

The Covid-19 contingency plan was still monitored closely by the College Strategic Group (CSG) and updated regularly to ensure all risks were appropriately mitigated as some pockets of staff and students were still catching the virus and other communicable diseases.

The College Strategic Group (CSG) and Trustees continue to work tirelessly to comply with Government directions and to keep the College open to all staff and students.

STRATEGIC REPORT (continued)

Student Achievement

The below table shows student achievement by department. Percentages are calculated based on the number of students who have passed their learning aims and includes all those that have started the programme and may have since been withdrawn.

Department Achievement	2018/19	2019/20	2020/21	2021/22	2022/23
Art & Design	88.72%	96.40%	91.80%	86.10%	85%
Building Services	85.71%	84.10%	84.10%	60.60%	70.4%
Sciences	76.64%				
Humanities	75.81%	86.70%	75.40%	78.00%	90.1%
Care and Early Years	90.84%	90.20%	87.30%	78.70%	70%
Business	80.70%	89.60%	82.70%	70.40%	76.3%
Computing & Media	87.26%				
Construction Trades	87.50%	95.10%	76.20%	74.00%	58.1%
English (Level 3)	58.33%	84.60%	67.10%	65.90%	66.7%
Hospitality & Catering	90.32%	83.60%	91.20%	91.80%	79.8%
Inclusive Learning	98.94%	97.80%	89.90%	90.40%	95.1%
Maths (Level 3)	68.00%	78.90%	79.20%	62.30%	59.1%
Hair, Beauty & Theatrical Media Make-Up	84.72%	82.50%	85.99%	84.30%	65.8%
Sport & Public Services	92.22%				
Grand Total	84.10%	85.60%	81.30%	73.30%	77.5%

Performance Management

The College has its own internal performance management system. An academic performance management cycle linked to lesson observations, quality of teaching and learning, attendance and achievement results has addressed the support and developmental needs of underperforming teachers.

A sharper focus on personal development for all staff which is reflected in the strategic intents has been implemented this academic year. This not only enables our staff to become truly inspirational practitioners but also supports staff progression and succession planning.

Self-evaluation is supported by the Quality Improvement Plan (QIP) and the Self-Assessment Review (SAR) and weekly Raising Achievement and Progression (RAP) sessions, timetabled for all students designed to raise achievement and secure positive destinations for all students.

The College has robust HR, Finance, Safeguarding and Health and Safety systems and procedures that also reflects "Prevent" responsibilities. The College utilises Iris Connect for its educational performance, Iris PS Financials to enhance financial management system and day-to-day financial operation and control of the College.

The Full Governing Board have a range of relevant skills to provide strategic support and hold the Senior Leadership Team (SLT) to account. The views of parents/carers, students and other key stakeholders are regularly sought and help shape strategic developments within the College. Resources and buildings have been managed well despite reductions in funding.

STRATEGIC REPORT (continued)

Capital grants

In 2022-23, the ESFA approved capital funding for the College as follows. (Part of this award will be receivable in the 2023-24 financial year)

Description of Capital grant	£
CIF-Fire Doors	139,675
T-Level Wave 4 Special Equipment Allocation	404,540
Post 16 New Build (feasibility and professional fees refund)	118,259
T-Level Wave 4 (50% match funded)	591,311
Devolved Formula Cap	113,098
Total	1,366,883

Whilst the Post-16 Capacity Building grant was awarded to the College, we were unable to confirm completion within the permitted timeframes, so the project was not undertaken. The Education Skills and Funding Agency (ESFA) did provide for the cost expended on feasibility costs and professional fees incurred. The College also received funding from London Academies Green Project of £42k for capital and £25k for revenue claims.

The College in its 2022-23 budget, made a revenue contribution of £52k towards Condition Improvement Fund (CIF) Fire Doors grant and £591k being match funding to T-Levels Wave 4, being conditions of grants to prepare the delivery of T-Level course provision from September 2023.

Trust's Key Priorities

The key priorities for the trust during 2022-23 academic year were:

- 1. Quality of Education** – the college sought to:
 - ◆ continue to embed pedagogical approaches to check that students are learning effectively and building on their subject knowledge.
 - ◆ improve the teaching, learning and assessment in mathematics and science.
 - ◆ significantly improve achievement across all STEM subjects, to include mathematics functional Skills programmes, and high grades in science, mathematics A levels and GCSEs.
- 2. For Behaviour & Attitudes, the College** sought to Improve attendance and punctuality across college and significantly improve attendance to English and Maths.
- 3. Personal Development of students included:**
 - ◆ Further embedding into curriculum delivery, British Values and how they relate to living in London.
 - ◆ Increasing the proportion of students including High Needs who take part in work experience related to the subjects they study and to their career aims.
 - ◆ Further improving the quality of the tutorial and enrichment offer.

STRATEGIC REPORT (continued)

Trust's Key Priorities (continued)

4. Leadership and Management in Financial planning and Human Resources:

- ◆ Stabilised the investment of the IT infrastructure that enables staff to confidently develop their skills.
- ◆ Reviewed the performance management cycle to enable staff to engage effectively and take personal ownership of key college intents. Responsibility and accountability.
- ◆ Ensured continuing professional development for all staff to ensure they can maximise their impact with students.
- ◆ Embedded a culture of high expectations and standards that truly impacts on the student experience.
- ◆ Externally validated the effectiveness of the Governing body.

5. Provision for learners with High Needs and Special Education Needs and Disability:

- ◆ Adopted a clear intent and impact for all Foundation Learning Programmes.
- ◆ Developed a leadership structure that builds capacity and enables the specialist staff to effectively support the transition and planned destination of HN learners.

Key performance indicators

The trust's key performance indicator spans across teaching and learning as its key are embedding quality of education provided to monitoring the effectiveness of its policies and practices.

1. For Quality of Education, the trust set out targets of:

- a. Achieving 100% of teaching and learning at expected standards or better.
- b. Increase staff performance at above expected level.
- c. A level achievement of 87% or better.
- d. Vocational achievement of 90% or better.
- e. In-year retention of 90% for T level.
- f. A level ALPS and BTEC at grade 2 or above.
- g. English and Maths grade 3 to 4 conversion rate of 40%.

STRATEGIC REPORT (continued)

Key performance indicators (continued)

2. Attendance set at 90% or over to drive positive behaviour and attitudes.
3. College to maintain an average class size of 18.
4. 80% progression rate.
5. 100% of T level students to achieve placement.
6. 90% positive student satisfaction survey.
7. Increase estates development and repairs to increase by 25%.

Robust monitoring of finances by the Accounting Officer,

Chief Financial Officer, Finance & HR committee and other Trustees has resulted in a healthy financial position in 2022-23 academic year.

As funding is based on student numbers, this is considered a key performance indicator by the Trustees and is monitored closely. The student cohort for funding purposes in 2022-23 was 1488.

Another key financial performance indicator is staffing costs as a percentage of total operational income.

For 2022-23, the College achieved 74% staffing costs as a percentage of operational revenue during the year.

Quality

The College was inspected in September 2019 and judged Good in all categories. Ofsted recognised the significant improvements leaders have made to teaching since the last college inspection. The College continues to ensure that identified strengths are built on and that areas for improvement are identified and are closely monitored as part of the Quality Improvement Action Plan (QIP). The QIP is a standing agenda item at Full Governing Body and associated committees to include Quality Standards and Finance & HR. The QIP is updated every six weeks by the College Strategy Group (CSG), this includes progress against each of the identified key priorities and is risk rated. The curriculum priorities in the QIP are used to inform future budget priorities.

All actions outlined in the 2022-23 QIP were met. Leaders worked at the end of the academic year to identify new priorities for the next academic year of 2023-24 to include the three outstanding issues from our Good Ofsted:

- ◆ Increase the proportion of students who take part in work experience related to the subjects they study and to their career aims.
- ◆ Teachers should teach students more about the importance of how British values relate to their lives and living in London.

STRATEGIC REPORT (continued)

Key performance indicators (continued)

Quality (continued)

- ◆ Teachers should use strategies to check that students are learning and building their knowledge in a subject. Where students are not doing this, teachers should ensure that they adapt their lessons so that all students are learning.

There are 11 key priorities in addition to the three above, a total of 14. These include priorities under the following headings.

- ◆ Quality of Education- 3 key priorities.
- ◆ Personal Development- 1 key priority.
- ◆ Behaviours and Attitudes- 1 key priority.
- ◆ Leadership and Management-5 key priorities.
- ◆ High needs – 1 key priority.

Financial review

Results for the year

The results for the year are shown on the statement of financial activities on page 37.

Total income for the year ended 31 August 2023 amounted to £15,188,000 (2022: £15,333,000).

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

Total expenditure for the year ended 31 August 2023 amounted to £15,060,000 (2022: £13,814,000). The largest component of the College's expenditure is in relation to its staff costs which totalled £10,428,000 (2022: £10,153,000).

Overall net income (before actuarial gains and losses) on the Local Government Pension Scheme (LGPS) was therefore £128,000 (2022: net income of £1,519,000). After accounting for actuarial gains of £1,578,000 (2022: actuarial gains of £7,178,000) on the LGPS, the overall net increase in the Academy Trust's fund balances were £1,706,000 (2022: net increase of £8,697,000).

Excluding movements relating to the Academy Trust's fixed assets and the effects of non-cash adjustments made in respect of the LGPS liability, the operational surplus for the year (before the utilisation of revenue reserves to finance investment in fixed assets) amounted to £177,000 (2022: operational surplus of £2,667,000).

STRATEGIC REPORT (continued)

Financial review (continued)

Financial position

The total funds held by the Academy Trust at 31 August 2023 were £33,220,000 (2022: £31,514,000). This comprised unrestricted funds of £877,000 (2022: £634,000), restricted fixed assets fund of £29,096,000 (2022: £27,641,000) and other restricted funds of £3,247,000 (2022: £3,239,000).

The unrestricted funds are available to the academy trust for use towards meeting any of the charitable objects of the academy trust at the discretion of the trustees. This therefore forms part of the academy trust's operational revenue reserves as discussed below.

The restricted fixed assets fund is equal to the carrying value of the academy trust's tangible fixed assets, together with any capital grants which remain unspent at the balance sheet date. It is separated on the balance sheet in recognition of the fact that the funds are not readily available for use without the sale of tangible fixed assets, a major part of which is required for the day-to-day operation of the Academy. This therefore does not form part of the academy trust's operational revenue reserves (as discussed below).

The other restricted funds principally relate to unspent funding from the ESFA and the Local Authority, and incorporates the Academy Trust's share of the net liability in the LGPS. The London Borough of Greenwich Pension Fund, in which the academy participates, showed a deficit of £682,000 on 31 August 2023 (2022: £1,961,000) Of this sum, £1,261,000 was inherited by Shooters Hill Sixth Form College Ltd from the London Borough of Greenwich on 1 November 2012, the date the local authority's staff transferred to employment with the academy. The deficit recovery plan is in place with contributions being recouped via payroll on an ongoing monthly basis.

Excluding the pension reserve, the restricted revenue funds at 31 August 2023 were £3,929,000 (2022: £5,200,000). Aggregating this with unrestricted revenue reserves of £877,000 (2022: £634,000) provides the Academy with total operational revenue reserves of £4,806,000 (2022: £5,834,000). This is effectively the reserves available to fund the day-to-day operations of the Academy Trust.

Reserves policy and position

The Trustees review the reserve levels of the academy annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees have determined that the appropriate level of unrestricted reserves should be equivalent to one (1) month of GAG funding, which is equivalent to approximately £1m.

The reason for this is to provide enough working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance. The academy's current level of unrestricted reserves is £877,000, and whilst this falls slightly short of the target desired by the Trustees, it is acknowledged that the restricted income funds of £3,929,000 are available and may generally be applied towards a broad range of day-to-day operational expenditure.

STRATEGIC REPORT (continued)

Financial review (continued)

Going concern

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

Treasury and Investment Policy

Under the Memorandum and Articles of Association, the Academy has the power to invest funds not immediately required for its own purposes in any way the Trustees see fit in future. The College has a positive cash balance to cover eventualities and unforeseen expenses. The banking facilities are reviewed by the Chief Financial Officer and the Principal on a regular basis. During 2022-23, £1m of total reserves was placed on a 95-day Notice Deposit Savings Account with a UK Bank and another £1m via the Insignis Cash Management portal, with multiple Financial Services Compensation Scheme (FSCS) protected banks, making a total short-term investment of £2m.

Shortly after the end of the financial year the Board approved a further investment of £1m via the Insignis Cash Management Portal, raising total short-term investment to £3 for 2023-24 financial year.

Fundraising

The College trust does not engage actively in fundraising activities (by way of appeals, collections, or otherwise seeking donations). The Trustees therefore do not consider that they are obliged to take account of regulations or best practice guidance notes for this area covered by the Charities (Protection and Social Investment) Act 2016.

PRINCIPAL RISKS AND UNCERTAINTIES

The Academy maintains a risk register which is reviewed by the Audit & Risk Committee on a regular basis. The register identifies the various type of risks that the trust is exposed to and monitor the systems in place to mitigate those risks.

The College as an Academy has a formal risk management process including a detailed risk register to assess business risks and to implement risk management strategies. This process involves identifying the types of risk the Academy faces, scoring and prioritising these in terms of their potential operational and financial impact, assessing the likelihood of occurrence and identifying means of mitigating them. The Trustees approved the introduction of systems, including operational procedures and internal financial controls, by college leadership to minimise risk. Where significant financial risk remains, the Academy has ensured it has adequate risk protection cover through its membership of the Department of Education (DFE) Risk Protection Arrangement (RPA).

PRINCIPAL RISKS AND UNCERTAINTIES (continued)

The risk categories on the register are:

Funding	Business continuity	Financial	IT
Fraud	Management Information System (MIS)	Staff recruitment	Cyber-attacks
Compliance	Environmental	GDPR	Estates & Physical assets
Reputational	Safeguarding, Attendance and Behavior	Legal	Student numbers
College Projects	Communicable diseases and Pandemic	Staffing	Strike action

The Trustees assessed the major risks to which the Academy is exposed, those relating specifically to teaching, Ransome, and Cyber Attack, increase in project costs of Education and Skills Funding Agency (ESFA) funded capital works and increasing material costs, pandemic and communicable disease, other operational areas of the Academy and its finances.

The Trustees approved Management's implementation of number of systems to assess risks that the College faces, especially in operational areas (e.g., in relation to teaching, health and safety, replacement of old IT resources) and in relation to the control of finance. The Academy has an effective system of internal financial control, and this is explained in more detail in the Governance Statement on page 23.

The College works alongside the DFE GEMS framework for all its compliance needs which includes the college Health and Safety Committee meeting 3 times a year. They review first aid statistics, health, safety and wellbeing concerns, departmental audit feedback and relevant policy reviews. The Health and Safety Committee is set out as in the college Health and Safety Terms of Reference. Minutes and actions from these meetings are available on the staff Hub.

All Health and safety information is now stored for easy access on the staff Hub, this includes Asbestos Management, Catering Management, Contractor Management, Fire, HCID monitoring, Air quality monitoring, Risk Assessments, Portable Appliance Testing, Tree Management, Security reviews, COSHH Assessments and Data sheets, Swimming Regulations, external Audits, college Health and Safety policy, Condition surveys, Accessibility surveys and 5 year maintenance plan.

PLANS FOR FUTURE PERIODS

The Quality Improvement Plan (QIP) is regularly monitored by the Full Governing Board and its associated committees. The QIP is amended annually by the CSG after consultation and input from students, staff, and Trustees.

The curriculum priorities in the QIP are used to inform future budget priorities. The College continues to invest in and increase its use of technology and digital capabilities in all areas.

The newly appointed role of a Director Learning in 22/23 and a Digital Champion Apprentice further supports this ambition and our strategic intents. The College has invested in digital resources to enhance learning and accessibility for all students, this includes an increase in the number of laptops so that all curriculum areas have parity regardless of the level or course.

The College continues to develop and implement a broad and balanced curriculum strategy that is coherent, progressive, challenging and meets the needs of our students, progression to further learning, university, employers, apprenticeships, or work.

This includes the delivery of new T level qualifications in the areas of Engineering, Health, and Childcare and Digital starting from September 2023. Investment in classrooms and workshops has been required, in addition to higher specification computers.

To support the curriculum the College offers staff and students a more visible mental health and well-being support system, this is through a well-resourced team, lead and managed by a Head of Mental Health and Wellbeing.

- ◆ Financial stability towards the delivery of Academy vision and mission. This will involve sustaining the existing framework of effective and efficient management of financial resources, curriculum-led financial planning, obtaining value for money, effective internal financial controls, all geared towards ensuring increased student outcome, employability, destinations, and increased enrichment for the students.
- ◆ Introduction of a Basketball academy and Martial Arts to support student's mental health.

The College plan to increase project spending in Estate management and safety in next financial year.

Future Objectives

We recognise the need to continue developing relationships with other academies, schools and wider education and work-based learning providers to benefit from the economies of scale in procuring products and services, developing staff, and sharing knowledge, skills, and expertise.

Leaders, staff, and Trustees are actively exploring opportunities to:

- ◆ Join/create a MAT to secure and improve the College's financial future.
- ◆ Expand the 14-16 school link to 15 schools.
- ◆ Create traineeship opportunity for students Not in Education, Employment and Training (NEET).

Trustees' report Year to 31 August 2023

AUDITOR

In so far as the Trustees are aware:

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

The Trustees' Report, incorporating a Strategic Report, was approved by order of the Governing Body, as the company's directors and signed on its behalf by:


Jacqueline Gray
Chair of Trustees

Date: 7/12/2023

Governance statement Year to 31 August 2023

Scope of responsibility

As Trustees we acknowledge we have overall responsibility for ensuring that Shooters Hill Sixth Form College has an effective and appropriate system of control, financial and non-financial. 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.

Governance

The Governing Body has delegated the day-to-day responsibility to the Principal, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Shooters Hill Sixth Form College and the Secretary of State for Education. The Accounting Officer is also responsible for reporting to the Governing Body any material weaknesses or breakdowns in internal control.

Full Governing Board Attendance during 2022-23 are:

Director	Number of meetings attended	Out of a possible
Jacqueline Gray (Chair)	5	5
Valliyappan Balaguru	4	5
Danville Berbeck	3	5
James Demetre	4	4
Spencer Drury	1	1
Fred Gichuhi	5	5
Susan Hammond	2	2
Neil Jones	2	2
Clive Mardner	5	5
Pamela Morgan	3	3
Paul Proctor	3	5
Scott Rattray	3	3
Dominic John Scarlett	5	5
Andrew Stanley	4	5

During the financial year period three (3) new Trustees were appointed to replace the three (3) that resigned.

Trustees have effective oversight through a series of calendared meetings, which include, a full board meeting 4 times a year and an extra-ordinary meeting.

At the Annual General Meeting held on 22nd May 2023, Members appointed a new external audit firm, Buzzacott LLP, and re-appointed the Chairs of Full Governing Body (FGB), the Finance & HR Committee and five (5) other trustees as Member appointed.

The Annual report and Financial Statement for year ended August 2023 were presented to Members, who received the report. Reflections on last academic year issues were discussed and outlook for academic year 2023-24.

Governance statement Year to 31 August 2023

Governance (continued)

The **Finance & HR Committee** is a sub-committee of the main Governing Body.

Attendance at meetings in the year was as follows:

Trustees	Meetings attended	Out of possible
Valliyappan Balaguru (Chair)	3	3
Danville Berbeck	2	3
Neil Jones (left Dec 2022)	0	1
Dominic John Scarlett	3	3
Pamela Morgan (from Dec 2022)	1	2

The Audit & Risk Committee is a sub-committee of the main Governing Body. Its purpose is to meet to consider reports on the effectiveness of internal controls, including those from Responsible Officer reviews and to monitor the risk register, business continuity and disaster management plans and policies.

The **Audit & Risk Committee** is a sub-committee of the main Governing Body.

Attendance at meetings in the year was as follows:

Trustees	Meetings attended	Out of possible
Clive Mardner (Chair)	3	3
Jacqueline Gray	3	3
Susan Hammond (left Dec 2022)	1	1
Paul Proctor	3	3
Scott Rattray (from Dec 2022)	2	2

During the year, trustees from both the Finance & HR and Audit & Risk committees attended an extra ordinary meeting for draft accounts presentation of the 2021-22 Annual Report and Accounts for the year ended 31 August 2022 by the external audit firm, Azets Audit Services.

Review of value for money

As Accounting Officer, the Principal has responsibility for ensuring that the Academy Trust delivers good value in the use of public resources. The Accounting Officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

The Accounting Officer considers how the Trust's use of its resources has provided good value for money during each academic year, and reports to the Governing Body where value for money can be improved, including the use of benchmarking data where available. The Accounting Officer for the Academy Trust has delivered improved value for money during the year by ensuring that:

- ◆ All purchases are made using the Academy's purchase order system enabling all transactions to be checked and critically analysed for value for money.
- ◆ The Academy has a proper financial management system called Iris PS Financials for its day-to-day financial operations.

Review of value for money (continued)

The financial authorisation limits are published within the College Scheme of Delegation (SoD) and updated annually detailing the expenditure limit authorisation level for purchase order:

- ◆ up to £2,000 is approved by the Finance Manager.
- ◆ over £2,000 and up to £5,000 are approved by the Chief Financial Officer (CFO).
- ◆ over £5,000 and up to £25,000 by the Principal and Deputy Principal.
- ◆ over £25,000 and up to £99,999 by the Chair, on behalf of the Finance & HR committee.
- ◆ all procurement over £100k is approved by the Chair, on behalf of the Full Governing Body (FGB).

The Scheme of Delegation (SoD) also include the college's tendering and procurement policy which states that all contracts above £50k should be advertise for open competition.

The College carries out regular monthly budget monitoring and the Finance & HR Committee meet termly. The work of the committees is further informed by a process of independent checking of financial controls, which is fulfilled by the Academy's Responsible Officer who carries out an internal audit and reports back to the Audit and Risk committee on a termly basis.

Pastoral Care

The Pastoral Support staffing structure has been realigned to allow for greater efficiencies and supportive intervention needed for our students, including the most vulnerable.

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the Academy 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 ongoing process for identifying, evaluating, and managing the Academy Trust's significant risks that have been in place for the period 1 September 2022 to 31 August 2023 and up to the date of the approval of the annual report and accounts. This process is regularly reviewed by the Board of Trustees. An internal audit report on the College's Risk Management Framework provided additional assurance during the financial on the effectiveness of the framework.

The risk and control framework

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

- ◆ comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Full Governing Board.
- ◆ regular reviews by the Finance and HR Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes.

The risk and control framework (continued)

- ◆ setting targets to measure financial and other performance.
- ◆ clearly defined purchasing (asset purchase or capital investment) guidelines.
- ◆ delegation of authority and segregation of duties.
- ◆ identification and management of risks with governance scrutiny by the Audit and Risk Committee.

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 compliance with 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 Academy 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. This has been in place at Shooters Hill Sixth Form College for the period 1 September 2022 to 31 August 2023 and up to the date of the approval of the annual report and accounts.

The Governing Body appointed Kreston Reeves Chartered Accountancy Firm as the internal auditor of the College. Two internal audits were conducted in 2022-23, covering Risk Management Framework and General IT Controls. Management responses were agreed and recommendations within the reports were actioned and monitored by the Audit & Risk Committee.

The College Internal Auditors act as Responsible Officer (RO), includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. The RO reports to the Full Governing Board through the Audit & Risk and Finance & HR Committees on the operation of the systems of control and on the discharge of the financial responsibilities of the Full Governing Board.

Review of effectiveness

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

- ◆ the work of the internal auditor.
- ◆ the work of the external auditor.
- ◆ the financial management and governance self-assessment process; and
- ◆ the work of the College Strategic Group (CSG) within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

Governance statement Year to 31 August 2023

Review of effectiveness (continued)

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance & HR and Audit & Risk Committees and, a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the Governing Body on and signed on its behalf by:


Jacqueline Gray
Chair of Trustees

Date: 7/12/2023


Geoff Osborne
Accounting Officer

7/12/23

Statement on regularity, propriety and compliance Year to 31 August 2023

As Accounting Officer of Shooters Hill Sixth Form College (the 'Academy Trust'), I have considered my responsibility to notify the Academy Trust's Full Governing Body and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety, and non-compliance with ESFA terms and conditions of funding, including for estates safety and management, under the funding agreement in place between the academy trust and the Secretary of State. As part of my consideration, I have had due regard to the requirements of the Academy Trust Handbook 2022, including responsibilities for estates safety and management.

I confirm that I and the Academy Trust's Full Governing Body are able to identify any material irregular or improper use of funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academies 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 Full Governing Body and the Education & Skills Funding Agency (ESFA).



Geoff Osborne
Accounting Officer

Date: 7/12/23

Statement of Trustees' responsibilities Year to 31 August 2023

The Trustees (who are also the Directors of Shooters Hill Sixth Form College (the 'Academy Trust') for the purposes of Company Law) are responsible for preparing the Trustees' report and the financial statements in accordance with the Annual Accounts Direction issued by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

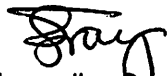
- ◆ select suitable accounting policies and then apply them consistently.
- ◆ observe the methods and principles in the Charities' SORP (FRS 102) and the ESFA Academies Accounts Direction 2022 to 2023.
- ◆ make judgement and estimates that are reasonable and prudent.
- ◆ state whether applicable United Kingdom Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements.
- ◆ prepare the financial statements and annual accounts on the going concern basis unless it is inappropriate to presume that the Academy Trust will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Academy Trust's transactions and disclose with reasonable accuracy at any time the financial position of the Academy Trust and enable them to ensure that the financial statement complies with the Companies Act 2006. They are responsible for safeguarding the assets of the Academy 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 Academy Trust applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from the ESFA/DfE have been applied for the purposes intended.

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

Approved by order of the members of the Full Governing Body and signed on its behalf by:


Jacqueline Gray
Chair of Trustees

Date: 7/12/2023

Independent auditor's report to the members of Shooters Hill Sixth Form College

Opinion

We have audited the financial statements of Shooters Hill Sixth Form College (the 'charitable company') for the year ended 31 August 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies, and the notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), 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) (the Charities SORP (FRS 102)) and the ESFA Academies Accounts Direction 2022 to 2023.

In our opinion, the financial statements:

- ◆ give a true and fair view of the state of the charitable company's affairs as at 31 August 2023 and of its income and expenditure for the period then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- ◆ have been prepared in accordance with the requirements of the Companies Act 2006; and
- ◆ have been prepared in accordance with the Charities SORP FRS 102 and Academies Accounts Direction 2022 to 2023.

Basis for opinion

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

Conclusions relating to going concern

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

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

Independent auditor's report 31 August 2023

Conclusions relating to going concern (continued)

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

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report and Financial Statements other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

Independent auditor's report 31 August 2023

Responsibilities of Trustees

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

- ◆ the engagement director ensured that the engagement team collectively had the appropriate competence, capabilities, and skills to identify or recognise non-compliance with applicable laws and regulations;
- ◆ we identified the laws and regulations applicable to the charitable company through discussions with management, and from our knowledge of the academy trust sector;
- ◆ the identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit;
- ◆ we considered the legal and regulatory frameworks that are applicable to the charitable company and determined that the most significant are the Companies Act 2006, the Charities SORP FRS 102, the Academies Accounts Direction 2022 to 2023, the Academy Trust Handbook 2022, and the Academy Trust's funding agreement with the ESFA as well as legislation pertaining to safeguarding in the UK;

Independent auditor's report 31 August 2023

Auditor's responsibilities for the audit of the financial statements (continued)

- ◆ we understood how the charitable company is complying with those legal and regulatory frameworks by making inquiries to management and those responsible for legal, compliance and governance procedures. We corroborated our inquiries through our review of the minutes of Trustees' meetings.
- ◆ we planned and carried out a separate limited assurance engagement in respect of regularity, propriety, and compliance in accordance with the Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts issued by the ESFA, as set out in our separate independent reporting accountant's assurance report on regularity.

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

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

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

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

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

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

Independent auditor's report 31 August 2023

Auditor's responsibilities for the audit of the financial statements (continued)

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

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

Use of our report

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

A handwritten signature in black ink that reads "Buzzacott LLP". The signature is written in a cursive, stylized font.

Gumayel Miah (Senior Statutory Auditor)
For and on behalf of Buzzacott LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL

Date: 18 December 2023

Independent reporting accountant's report on regularity 31 August 2023

Independent reporting accountant's assurance report on regularity to Shooters Hill Sixth Form College and the Education and Skills Funding Agency

In accordance with the terms of our engagement letter 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 Shooters Hill Sixth Form College during the period from 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 Shooters Hill Sixth Form College and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Shooters Hill Sixth Form College and the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Shooters Hill Sixth Form College and the ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Shooters Hill Sixth Form College's Accounting Officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of Shooters Hill Sixth Form College's funding agreement with the Secretary of State for Education dated 31 July 2023 and the Academy Trust Handbook, extant from 1 September 2022, for ensuring that expenditure disbursed, and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

We conducted our engagement in accordance with the Framework and Guide for External Auditors and Reporting Accountant of Academy Trusts issued by ESFA.

The objective of a limited assurance engagement is to perform such procedures as to obtain information and explanations 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.

Independent reporting accountant's report on regularity 31 August 2023

Approach (continued)

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

The work undertaken to draw to our conclusion includes:

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

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period from 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.



Buzzacott LLP
Chartered Accountants
130 Wood Street
London
EC2V 6DL

Date: 18 December 2023

Statement of financial activities Year to 31 August 2023
(including income and expenditure account and statement of total recognised gains and losses)

	Notes	Restricted funds		2023 Total funds £'000	2022 Total funds £'000
		Un- restricted funds £'000	General £'000		
Income from:					
Donations and capital grants	1	—	—	968	358
Charitable activities					
. Funding for the Academy's educational operations	2	—	13,760	—	14,505
Other trading activities	3	440	—	—	469
Investments	4	20	—	—	1
Total income		460	13,760	968	15,333
Expenditure on:					
Charitable activities					
. Academy's educational operations	6	217	14,125	718	13,814
Total expenditure	5	217	14,125	718	13,814
Net income (expenditure) before transfers		243	(365)	250	1,519
Transfers between funds	15	—	(1,205)	1,205	—
Net income (expenditure) after transfers		243	(1,570)	1,455	1,519
Other recognised gains and losses					
Actuarial gain on defined benefit pension schemes	19	—	1,578	—	7,178
Net movement in funds		243	8	1,455	8,697
Reconciliation of funds					
Funds brought forward at 1 September 2022		634	3,239	27,641	22,817
Funds carried forward at 31 August 2023		877	3,247	29,096	31,514

All the Academy's activities derived from continuing operations during the above two financial periods.

A separate Statement of Total Recognised Gains and Losses is not required as all gains and losses are included in the above Statement of Financial Activities.

Balance sheet as at 31 August 2023

	Notes	2023 £	2023 £	2022 £	2022 £
Fixed assets					
Tangible fixed assets	10		29,150		27,675
Current assets					
Debtors	11	693		386	
Investments	12	2,000		1,000	
Cash at bank and in hand		3,763		5,265	
		<u>6,456</u>		<u>6,651</u>	
Creditors: amounts falling due within one year	13	(1,660)		(797)	
Net current assets			4,796		5,854
Total assets less current liabilities			33,946		33,529
Creditors: amounts falling after more than one year	14		(44)		(54)
Net assets excluding defined benefit pension scheme liability			33,902		33,475
Defined benefit pension scheme liability	19		(682)		(1,961)
Total net assets			33,220		31,514
The funds of the Academy:					
Restricted funds					
. Fixed asset funds			29,096		27,641
. Restricted income funds	15		3,929		5,200
. Pension reserve	15		(682)		(1,961)
Total restricted funds			32,343		30,880
Unrestricted income funds	15		877		634
Total funds			33,220		31,514

The accounts on pages 37 to 63 were approved by the Trustees and authorised for issue on and are signed on their behalf by:


 Jacqueline Gray
 Chair of Trustees

Date: 7/12/2023

Company Registration Number: 08270802

Statement of cash flows Year to 31 August 2023

		2023 £	2022 £
Net cash flow from operating activities			
Net cash provided by operating activities	A	713	2,728
Cash flows from financing activities			
	B	(10)	(11)
Cash flows from investing activities			
	C	(2,205)	(1,225)
Change in cash and cash equivalents in the year		(1,502)	1,492
Reconciliation of net cash flow to movement in net funds:			
Cash and cash equivalents at 1 September 2022		5,265	3,773
Cash and cash equivalents at 31 August 2023	D	3,763	5,265

A Reconciliation of expenditure to net cash flow from operating activities

	2023 £'000	2022 £'000
Net (expenditure) income for the reporting period (as per the statement of financial activities)	128	1,519
Adjusted for:		
Depreciation charges	718	544
Capital grants from DfE and other capital income	(968)	(345)
Finance costs payable	—	1
Interest receivable	(20)	(1)
Defined benefit pension scheme service cost adjustment	222	1,000
Defined benefit pension scheme finance cost adjustment	77	132
(Increase) decrease in debtors	(307)	216
Increase (decrease) in creditors	863	(338)
Net cash provided by operating activities	713	2,728

B Cash flows from financing activities

	2023 £'000	2022 £'000
Repayments of borrowing	(10)	(10)
Cash inflows from new borrowing	—	(1)
Net cash used in financing activities	(10)	(11)

C Cash flows from investing activities

	2023 £'000	2022 £'000
Dividends, interest, and rents from investments	20	1
Proceeds from sale of tangible fixed assets	—	345
Purchase of tangible fixed assets	(2,193)	(571)
Capital grants from DfE/ESFA	968	—
Payments to acquire investments	(1,000)	(1,000)
Net cash used in investing activities	(2,205)	(1,225)

Statement of cash flows Year to 31 August 2023

D Analysis of cash and cash equivalents

	2023	2022
	£'000	£'000
Cash at bank and in hand	3,763	5,265
Total cash and cash equivalents	3,763	5,265

E Analysis of change in net debt

	At 1 September 2022 £'000	Cash flows £'000	At 31 August 2023 £'000
Cash at bank and in hand	5,265	(1,502)	3,763
Loans due within one year	(10)	—	(10)
Loans due after more than one year	(54)	10	(44)
	<u>(64)</u>	<u>10</u>	<u>(54)</u>
Total	5,201	(1,492)	3,709

Principal accounting policies 31 August 2023

Statement of accounting policies

Shooters Hill Sixth Form College (the 'Academy Trust') is a charitable company. The address of its main place of business is given on page 1 and the nature of its operations are set out in the Trustees' report.

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

Basis of preparation

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

The Academy Trust meets the definition of a public benefit entity under FRS 102. The financial statements are presented in Sterling presented to the nearest thousand pounds.

Assessment of 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 charitable company 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 accounts and have concluded that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy Trust's ability to continue as a going concern. Thus, they continue to adopt the going concern basis of accounting in preparing the accounts.

Income

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

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.

Principal accounting policies 31 August 2023

Income (continued)

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

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

Donations

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

Other income

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

Donated fixed assets

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

Interest receivable

Interest receivable is included within the Statement of Financial Activities on a receivable basis.

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 are allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

Principal accounting policies 31 August 2023

Expenditure on raising funds

This includes all expenditure incurred by the Academy Trust to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Charitable activities

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

Governance costs

These include the costs attributable to the Academy Trust's compliance with constitutional and statutory requirements, including audit, strategic management, Trustees' meetings and reimbursed expenses.

Tangible fixed assets

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment. Where a group of assets are purchased collectively and cost £5,000 or more, these are capitalised.

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

On conversion to Academy status the Local Authority gifted the school buildings to the Academy Trust with a 125 year long term lease. The properties were professionally valued as at 1 November 2012, the date of transfer. The valuation was based on the Depreciated Replacement Cost (DRC) for specialist property and the land uses the market value. As the buildings are of a specialist nature then a Depreciated Replacement Cost method has been used to calculate the fair value of the buildings. The amounts originally recognised are now taken to be the deemed cost of the relevant assets and are not revalued.

Principal accounting policies 31 August 2023

Tangible fixed assets (continued)

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

Leasehold buildings	50 Years
Leasehold land	125 Years
Improvements to land and buildings	50 years
Computer equipment	3 years
Fixtures, fittings & equipment	5 years
Motor vehicles	5 years

Assets under the course of construction are not depreciated until they are available for their intended use.

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.

Liabilities

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Academy 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.

Leasing commitments

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

Investments

Current asset investments are stated at market value.

Financial Instruments

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

Financial assets

Trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

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

Financial Instruments (continued)

Financial liabilities

Trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. Taxation and social security are not included in the financial instruments disclosure definition.

Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

Taxation

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

Pensions benefits

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

The TPS is an unfunded scheme and contributions are calculated to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary based on quadrennial valuations using a prospective unit credit method. The 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 are recognised in the period to which they relate.

The LGPS is a funded multi-employer scheme, and the assets are held separately from those of the Academy 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.

Pensions benefits (continued)

The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to net income or expenditure 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.

Fund accounting

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the Education and Skills Funding Agency/Department for Education where the asset acquired or created is held for a specific purpose.

Restricted general funds comprise all other restricted funds received and include grants from the Education and Skills Funding Agency/Department for Education.

Agency arrangements

The academy trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from 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. The funds received and paid, and any balances held are disclosed in note 27.

Critical accounting estimates and areas of judgement

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

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

Critical accounting estimates and areas of judgement (continued)

Critical accounting estimates and assumptions (continued)

LGPS

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 will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation, and the physical condition of the assets.

Notes to the financial statements 31 August 2023

1 Donations and capital grants

	Un-restricted funds £'000	Restricted fixed assets funds £'000	2023 Total funds £'000	2022 Total funds £'000
Capital grants	—	947	947	345
Donated fixed assets	—	21	21	—
Other donations	—	—	—	13
	—	968	968	358

	Unrestricted funds £'000	Restricted funds £'000	2022 Total funds £'000
Capital grants	—	345	345
Other donations	13	—	13
	13	345	358

2 Funding for the Academy's educational operations

	Unrestricted funds £'000	Restricted funds £'000	2023 Total funds £'000	2022 Total funds £'000
Education and Skills Funding Agency (ESFA) grants				
General Annual Grant (GAG)	—	11,058	11,058	11,308
Other DfE/ ESFA grants				
. Academy free school meals	—	157	157	179
. Tuition fund	—	125	125	263
. Rates	—	—	—	43
. Teachers' pension grants	—	324	324	376
. Teachers pay grants	—	—	—	133
. Other grants	—	291	291	59
	—	11,955	11,955	12,361
Other government grants				
Local Authority EHCP income	—	1,652	1,652	2,011
	—	1,652	1,652	2,011
COVID-19 additional funding (DfE/ESFA)				
Mass testing	—	—	—	14
	—	—	—	14
Other income from educational operations				
	—	153	153	119
	—	13,760	13,760	14,505

Notes to the financial statements 31 August 2023

2 Funding for the Academy's educational operations (continued)

	<i>Unrestricted funds £'000</i>	<i>Restricted funds £'000</i>	<i>2022 Total funds £'000</i>
Education and Skills Funding Agency (ESFA) grants			
General Annual Grant (GAG)	—	11,308	11,308
Other DfE/ ESFA grants			
. Academy free school meals	—	179	179
. Tuition fund	—	263	263
. Rates	—	43	43
. Teachers' pension grants	—	376	376
. Teachers pay grants	—	133	133
. Other grants	—	59	59
	<u>—</u>	<u>12,361</u>	<u>12,361</u>
Other government grants			
Local Authority EHCP income	—	2,011	2,011
	<u>—</u>	<u>2,011</u>	<u>2,011</u>
COVID-19 additional funding (DfE/ESFA)			
Mass testing	—	14	14
	<u>—</u>	<u>14</u>	<u>14</u>
Other income from educational operations			
	<u>—</u>	<u>119</u>	<u>119</u>
	<u>—</u>	<u>14,505</u>	<u>14,505</u>

3 Other trading activities

	<i>Unrestricted funds £'000</i>	<i>Restricted funds £'000</i>	<i>2023 Total funds £'000</i>	<i>2022 Total funds £'000</i>
Hire of facilities	194	—	194	171
Catering income	154	—	154	131
Other income	92	—	92	167
	<u>440</u>	<u>—</u>	<u>440</u>	<u>469</u>

	<i>Unrestricted funds £'000</i>	<i>Restricted funds £'000</i>	<i>2022 Total funds £'000</i>
Hire of facilities	171	—	171
Catering income	131	—	131
Other income	167	—	167
	<u>469</u>	<u>—</u>	<u>469</u>

Notes to the financial statements 31 August 2023

4 Investment income

	Unrestricted funds £'000	Restricted funds £'000	2023 Total funds £'000	2022 Total funds £'000
Interest receivable	20	—	20	1

5 Expenditure

	Staff costs (note 7) £'000	Non pay expenditure		2023 Total funds £'000	2022 Total funds £'000
		Premises £'000	Other costs £'000		
Academy's educational operations					
. Direct costs	6,134	718	1,235	8,087	7,475
. Support costs (note 6)	4,294	1,671	1,008	6,973	6,339
	10,428	2,389	2,243	15,060	13,814

	Staff costs (note 7) £'000	Non pay expenditure		2022 Total funds £'000
		Premises £'000	Other costs £'000	
Academy's educational operations				
. Direct costs	6,151	377	947	7,475
. Support costs (note 6)	3,968	1,519	852	6,339
	10,119	1,896	1,799	13,814

Net income/(expenditure) for the year includes:

	2023 £'000	2022 £'000
Operating lease rentals	37	42
Depreciation	718	544
Fees payable to auditor for		
. Audit	19	13
. Other services	3	4

6 Charitable activities

	2023 Total funds £'000	2022 Total funds £'000
Direct costs - educational operations	8,087	7,475
Support costs - educational operations	6,973	6,339
	15,060	13,814

Notes to the financial statements 31 August 2023

6 Charitable activities (continued)

	2023 £'000	2022 £'000
Analysis of support costs		
Support staff costs	4,294	3,968
Technology costs	329	209
Premises costs	1,671	1,352
Legal costs	9	31
Other support costs	635	749
Governance costs (note 7)	35	30
	6,973	6,339

7 Staff

a) Staff costs

Staff costs during the year were:

	2023 £'000	2022 £'000
Wages and salaries	6,946	6,819
Social security costs	750	701
Operating costs of defined benefit pension schemes	2,552	2,248
	10,248	9,768
Supply staff costs	159	351
Staff development and other staff costs	—	34
Staff restructuring	21	—
	10,428	10,153
Staff restructuring costs comprise:		
Severance payments	21	—
Total staff expenditure	21	—

b) Severance payments

The academy trust paid one severance payments in the year, disclosed in the following bands:

	2023 No.
£25,000 - £50,000	1

c) Special staff severance payments

Included in staff restructuring costs is one special severance payments totalling £21,000.

Notes to the financial statements 31 August 2023

7 Staff (continued)

d) Staff numbers

The average number of persons employed by the Academy during the year ended 31 August 2023 was as follows:

	2023 No.	2022 No.
Teachers	78	82
Administration and support	105	114
Management	9	10
	192	206

e) Higher paid staff

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

	2023 No.	2022 No.
£60,001 to £70,000	8	3
£80,001 to £90,000	1	—
£100,001 to £110,000	—	1
£110,001 to £120,000	1	—

f) Key management personnel

The key management personnel of the Academy Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £994,000 (2022: £864,000).

8 Trustees' remuneration and expenses

The Trustees only receives remuneration in respect of services they provide undertaking the roles of Director and staff, and not in respect of their services as Trustees. The value of Trustees remuneration, including pension contributions, was as follows:

	2023 £	2022 £
J Atkinson (Principal) (resigned 31 December 2021):		
. Remuneration	—	£35,001 - £40,000
. Employer's pension contributions	—	£Nil - £5,000
F Gichuhi (Staff):		
. Remuneration	50,000 - 55,000	£50,001 - £55,000
. Employer's pension contributions	10,000 - 15,000	£10,001 - £15,000
D Berbeck (Staff) (appointed 8 September 2021):		
. Remuneration	55,000 - 60,000	£50,001 - £55,000
. Employer's pension contributions	10,000 - 15,000	£5,001 - £10,000

Other Trustees did not receive any remuneration from the Academy Trust. During the year, no expenses (2022: £nil) were reimbursed to Trustees (2022: 0 Trustees).

Notes to the financial statements 31 August 2023

9 Trustees' and officers' insurance

The Academy Trust has opted into the Department for Education's Risk Protection Arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy 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.

10 Tangible fixed assets

	Freehold land and buildings £'000	Leasehold land and buildings £'000	Furniture and equipment £'000	Asset under construction £'000	Computer equipment £'000	Motor vehicles £'000	Total £'000
Cost							
At 1 September 2022	30,285	535	545	—	1,510	69	32,944
Additions	—	575	548	715	336	19	2,193
At 31 August 2023	30,285	1,110	1,093	715	1,846	88	35,137
Depreciation							
At 1 September 2022	3,703	22	316	—	1,179	49	5,269
Charge for the year	381	17	96	—	216	8	718
At 31 August 2022	4,084	39	412	—	1,395	57	5,987
Net book values							
At 31 August 2023	26,201	1,071	681	715	451	31	29,150
At 31 August 2022	26,582	513	229	—	331	20	27,675

The asset under construction at 31 August 2023 relates to the development of the facilities in preparation for the launch of T-Level courses. Contractual commitments in relation to works yet to be completed at the balance sheet data (and therefore not included within additions above) are disclosed within note 16 to the financial statements.

11 Investments

	2023 £'000	2022 £'000
Balance brought forward	1,000	1000
Additions	1,000	—
Balance carried forward	2,000	1,000

12 Debtors

	2023 £'000	2022 £'000
Trade debtors	37	77
VAT recoverable	619	185
Other debtors	—	16
Prepayments and accrued income	37	108
	693	386

Notes to the financial statements 31 August 2023

13 Creditors: amounts falling due within one year

	2023 £'000	2022 £'000
Trade creditors	348	37
ESFA creditors: abatement of GAG	396	—
CIF Loan	10	10
Other creditors	273	241
Accruals and deferred income	633	509
	<u>1,660</u>	<u>797</u>
Deferred income		
Deferred income at 1 September 2022	39	63
Released during the year	(39)	(63)
Resources deferred in the year	—	39
Deferred income at 31 August 2023	<u>—</u>	<u>39</u>

14 Creditors: amounts falling due after more than one year

	2023 £'000	2022 £'000
CIF Loan	44	54

Analysis of loans

	2023 £'000	2022 £'000
Not wholly repayable within five years by instalments	7	13
Wholly repayable within five years	47	51
	<u>54</u>	<u>64</u>
Less: included in current liabilities (note 13)	(10)	(10)
Amounts included above	<u>44</u>	<u>54</u>
Loan maturity		
Debt due in one year or less (note 13)	10	10
Due in more than one year but not more than two years	10	10
Due in more than two years but not more than five years	27	31
Due in more than five years	7	13
	<u>54</u>	<u>64</u>

Included above are three CIF loans received in 2018, 2019, and 2021 which are interest free and repayable over a term of 8 years.

15 Funds

The income funds of the Academy include restricted funds comprising the following unexpended balances of grants held for specific purposes:

	At 1 September 2022 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	At 31 August 2023 £'000
Restricted general funds					
General Annual Grant (GAG)	5,200	11,058	(11,124)	(1,205)	3,929
Academy free school meals	—	157	(157)	—	—
Tuition fund	—	125	(125)	—	—
Teachers' pension grant	—	324	(324)	—	—
Other DfE/ESFA grants	—	291	(291)	—	—
Local Authority grants	—	1,652	(1,652)	—	—
Other restricted income	—	153	(153)	—	—
Pension reserve	(1,961)	—	(299)	1,578	(682)
	3,239	13,760	(14,125)	373	3,247
Restricted fixed asset funds					
Fixed asset fund	27,675	21	(718)	2,172	29,150
DfE group capital grants	30	947	—	(977)	—
CIF loans	(64)	—	—	10	(54)
	27,641	968	(718)	1,205	29,096
Total restricted funds	30,880	14,728	(14,843)	1,578	32,343
Unrestricted funds					
. General funds	634	460	(217)	—	877
Total unrestricted funds	634	460	(217)	—	877
Total funds	31,514	15,188	(15,060)	1,578	33,220

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

Restricted general funds

All restricted funds are grants received from the Department for Education and the Local Authority for the purpose of running the Academy.

General Annual Grant (GAG)

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

Fixed assets fund

The fund includes the value of the tangible fixed assets of the academy on conversion, and monies transferred from the GAG or other restricted funds specifically for expenditure on tangible fixed assets, and the annual charges for depreciation of these assets.

Notes to the financial statements 31 August 2023

15 Funds (continued)

Transfers

Transfers from GAG restricted funds and other ESFA grant funds to the fixed assets fund represent the purchase of fixed assets from GAG funding and other ESFA funding.

Comparative information

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

	At 1 September 2022 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	At 31 August 2023 £'000
Restricted general funds					
General Annual Grant (GAG)	2,871	11,308	(8,796)	(183)	5,200
Academy free school meals	—	179	(179)	—	—
Mass testing funding	—	14	(14)	—	—
Teachers Pay grant	—	133	(133)	—	—
Teachers' pension grant	—	376	(376)	—	—
Rates reclaim	—	43	(43)	—	—
Tuition fund	—	263	(263)	—	—
Other DfE/ESFA grants	—	59	(59)	—	—
Other government grants	—	2,011	(2,011)	—	—
Other restricted funds	—	119	(119)	—	—
Pension reserve	(8,007)	—	(1,132)	7,178	(1,961)
	<u>(5,136)</u>	<u>14,505</u>	<u>(13,125)</u>	<u>6,995</u>	<u>3,239</u>
Restricted fixed asset funds					
DfE group capital grants	83	345	—	(398)	30
CIF loans	(74)	—	—	10	(64)
Fixed asset fund	27,648	—	(544)	571	27,675
	<u>27,657</u>	<u>345</u>	<u>(544)</u>	<u>183</u>	<u>27,641</u>
Total restricted funds	<u>22,521</u>	<u>14,850</u>	<u>(13,669)</u>	<u>7,178</u>	<u>30,880</u>
Unrestricted funds					
General funds	296	483	(145)	—	634
Total unrestricted funds	<u>296</u>	<u>483</u>	<u>(145)</u>	<u>—</u>	<u>634</u>
Total funds	<u>22,817</u>	<u>15,333</u>	<u>(13,814)</u>	<u>7,178</u>	<u>31,514</u>

16 Analysis of net assets between funds

	Unrestricted funds £'000	Restricted funds		Total 2023 £'000
		General £'000	Fixed asset £'000	
Fund balances at 31 August 2023 are represented by:				
Tangible fixed assets	—	—	29,150	29,150
Current assets	877	5,579	—	6,456
Creditors falling due within one year	—	(1,650)	(10)	(1,660)
Creditors falling due after one year	—	—	(44)	(44)
Defined benefit pension liability	—	(682)	—	(682)
Total net assets	877	3,247	29,096	33,220

Comparative information

	Unrestricted funds £'000	Restricted funds		Total 2022 £'000
		General £'000	Fixed asset £'000	
Fund balances at 31 August 2022 are represented by:				
Tangible fixed assets	—	—	27,675	27,675
Current assets	634	5,987	30	6,651
Creditors falling due within one year	—	(787)	(10)	(797)
Creditors falling due after one year	—	—	(54)	(54)
Defined benefit pension liability	—	(1,961)	—	(1,961)
Total net assets	634	3,239	27,641	31,514

17 Capital commitments

	2023 £'000	2022 £'000
Expenditure contracted for but not provided in the accounts	494	193

18 Commitments under operating leases

At 31 August 2023, the total of the Academy's future minimum lease payments under non-cancellable operating leases was as follows:

	2023 £'000	2022 £'000
Amounts due within one year	37	36
Amounts due in two and five years	37	26
	74	62

19 Pension and similar obligations

The Academy 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 Royal Borough of Greenwich. Both are multi-employer defined benefit schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. Prior to 31 August 2023, the latest actuarial valuation of the TPS related to the period ended 31 March 2016 and of the LGPS 31 March 2022. A further valuation of the TPS scheme, relating to the period ended 31 March 2020 was published in October 2023.

Contributions amounting to £149,000 were payable to the schemes at 31 August 2023 (2022: £143,000) and are included within creditors.

Teachers' Pension Scheme

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

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

Valuation of the Teachers' Pension Scheme (LGPS)

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The actuarial valuation of the TPS which applied during the year ended 31 August 2023 was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019.

The key elements of the valuation and subsequent consultation are:

- ◆ employer contribution rates set at 23.68% of pensionable pay (including a 0.08% employer administration charge)
- ◆ 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

19 Pension and similar obligations (continued)

Valuation of the Teachers' Pension Scheme (LGPS) (continued)

- ◆ the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI. The assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

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

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

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The Academy Trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Academy Trust has set out above the information available on the scheme. The pension costs paid to the TPS in the period amounted to £1,189,000 (2022: £794,000).

Local Government Pension Scheme (LGPS)

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 16.2% for employers and 5.5% - 12.5% for employees. The estimated value of employer contributions for the forthcoming year is £463k (2021: £363k).

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 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 the GOV.UK website.

	2023 £'000	2022 £ '000
Total contributions made		
Employer's contributions	545	454
Employees' contributions	193	160
Total contributions	738	614

	At 31 August 2023 %	At 31 August 2022 %
Principal Actuarial Assumptions		
Rate of increase in salaries	3.90%	3.95
Rate of increase for pensions in payment/inflation	2.90%	2.95
Discount rate for scheme liabilities	5.30%	4.25
Inflation assumption (CPI)	2.90%	2.95

Notes to the financial statements 31 August 2023

19 Pension and similar obligations (continued)

Local Government Pension Scheme (LGPS) (continued)

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

	At 31 August 2023 Years	At 31 August 2022 Years
<i>Retiring today</i>		
Males	19.2	20.6
Females	22.6	23.4
<i>Retiring in 20 years</i>		
Males	20.6	22
Females	24.1	25

The approximate increase in the Academy's overall pension liability as a result of change in the principal actuarial assumptions would be as follows:

	At 31 August 2023 £'000	At 31 August 2022 £'000
Discount rate + 0.1%	(149)	(194)
Discount rate -0.1%	153	198
Mortality assumption + 1 year	265	271
Mortality assumption - 1 year	(257)	(262)
Pension increases +0.1%	187	187
Pension increases -0.1%	(183)	183

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

	Fair value at 31 August 2023 £'000	Fair value at 31 August 2022 £'000
Equities	3,945	3,432
Corporate bonds	1,728	1,062
Property	795	310
Cash and other liquid assets	208	717
Other	900	775
Total market value of assets	7,576	6,296
Present value of scheme liabilities		
- Funded	(8,258)	(8,257)
Deficit in the scheme	(682)	(1,961)

Notes to the financial statements 31 August 2023

19 Pension and similar obligations (continued)

Local Government Pension Scheme (LGPS) (continued)

Amounts recognised in statement of financial activities	2023 £'000	2022 £'000
Current service cost	767	1,454
Interest income	(280)	(99)
Interest cost	357	231
Total amount recognised in the SOFA	844	1,586
Analysis of pension finance costs		
Expected return on pension scheme assets	(280)	(99)
Interest on pension liabilities	357	231
Pension finance costs	77	132

Changes in the present value of defined benefit obligations were as follows:	2023 £'000	2022 £'000
At 1 September 2022	8,257	13,991
Current service cost	767	1,454
Interest cost	357	231
Employee contributions	193	160
Actuarial gain	(1,424)	(7,485)
Benefits paid	108	(94)
At 31 August 2023	8,258	8,257

Changes in the fair value of the Academy's share of scheme assets:	2023 £'000	2022 £'000
At 1 September 2022	6,296	5,984
Interest income	280	99
Actuarial gain (loss)	154	(307)
Employer contributions	545	454
Employee contributions	193	160
Benefits paid	108	(94)
At 31 August 2023	7,576	6,296

Notes to the financial statements 31 August 2023

20 Related party transactions

Owing to the nature of the Academy Trust's operations and the composition of the Governing Body being drawn from local public and private sector organisations, transactions may take place with organisations in which the Academy Trust has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy Trust's financial regulations and normal procurement procedures. The following related party transaction took place in the period of account.

No material related party transactions took place with members or Trustees in the period of account.

During the year the Principal's, Geoff Osborne, wife Natalie Osborne worked as an Assistant Principal. The appointment was made in open competition and Geoff Osborne was not involved in the decision-making process regarding appointment. She is paid within the normal salary scale for her role and receives no special treatment as a result of her relationship to the Principal.

21 Members' liability

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

22 Agency arrangements

The academy trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ending 31 August 2023 the trust received £183,000 (2022: £128,000) and disbursed £97,000 (2022: £87,000) from the fund. An amount of £253,000 (2022: £190,000) is included in other creditors relating to undistributed funds that is repayable to ESFA.

Notes to the financial statements 31 August 2023

23 Comparative information

Analysis of income and expenditure in the year ended 31 August 2022 between restricted and unrestricted funds:

	Un- restricted funds £	Restricted funds		2022 Total funds £
		General Annual Grant £	Other £	
Income from:				
Donations and capital grants	13	—	345	358
Charitable activities				
. Funding for the Academy's educational operations	—	14,505	—	14,505
Other trading activities	469	—	—	469
Investments	1	—	—	1
Total income	483	14,505	345	15,333
Expenditure on:				
Charitable activities				
. Academy's educational operations	145	13,125	544	13,814
Total expenditure	145	13,125	544	13,814
Net income (expenditure) before transfers				
Transfers between funds	—	(183)	183	
Net income (expenditure)	338	1,380	(199)	1,519
Other recognised gains and losses				
Actuarial gain/(loss) on defined benefit pension schemes	—	7,178	—	7,178
Net movement in funds	338	8,375	(16)	8,697
Reconciliation of funds				
Funds brought forward at 1 September 2021	296	(5,136)	27,657	22,817
Funds carried forward at 31 August 2022	634	3,239	27,641	31,514