

Company Registration Number: 09148479 (England & Wales)

Attwood Academies
(A company limited by guarantee)

Annual report and financial statements
for the year ended 31 August 2024

Attwood Academies
(A company limited by guarantee)

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REFERENCE AND ADMINISTRATIVE DETAILS

Members

The Attwood Education Foundation
B Hayes
W Casement (resigned 31 March 2024)
J Zendel
S L Foley

Trustees

T R Attwood, Chair of Board of Directors^{1,2}
S M Attwood^{1,3}
C Bayliss^{1,3}
R Cohen¹
S C Gough^{1,2}
A F X Green¹
J J Wootten (appointed 14 October 2023)^{1,2}
J Hudson (appointed 21 March 2024)¹
J Wootton (appointed 20 January 2024, resigned 1 December 2024)^{1,2}
R Briscoe (appointed 21 March 2024)^{1,3}
W Casement (appointed 25 January 2024)¹

¹ Member of Trust Board

² Member of Finance Committee

³ Member of Education Committee

Company registered number
09148479

Company name
Attwood Academies

Registered office
Manor House
Slip Mill Road
Hawkhurst
Cranbrook
Kent
TN18 5AE

Company secretary
A Muzammal

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REFERENCE AND ADMINISTRATIVE DETAILS (continued)
for the year ended 31 August 2024

Senior leadership team

E Gordon, Senior Deputy Head
W Minns, Assistant Head
F Tumi, Deputy Head
J Miles, Deputy Head (started 03/06/2024)
T Hillman, Deputy Head
L Starkey, Assistant Head
C Steward, Assistant Head
M Linch, Senior Assistant Head
L Culshaw, Assistant Head
L Borland, Assistant Head (left 31/08/2024)
C Neal, Headteacher
S Williams, Assistant Head (started 01/09/2023)
R Dias-Jayasinghe, Operations and Business Director (started 26/02/2024)

Independent auditors

Kreston Reeves LLP
Statutory Auditor
Chartered Accountants
37 St Margaret's Street
Canterbury
Kent
CT1 2TU

Bankers

Lloyds Bank plc
25 Gresham Street
London
EC2V 7HN

Member Schools

Bexhill High Academy

Other addresses

Bexhill High Academy
Gunters Lane
Bexhill-on-Sea
TN39 4BY

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Directors' report
for the year ended 31 August 2024

The directors (who are also trustees of the charity for the purposes of the Charities Act) present their annual report together with the audited financial statements and Auditors' report of Attwood Academies (the Academy Trust) for the period ended 31 August 2024. The annual report serves the purposes of both a trustees' report and a directors' report under company law.

The Academy Trust operates one secondary school in the South East of England.

Bexhill Academy is an academy for pupils aged 11-16 serving the catchment area of Bexhill on Sea and the surrounding parishes. It has a pupil capacity of 1,500 and a roll of 1476 in the October 2024 school census. The Academy Trust was appointed as the new sponsors of Bexhill Academy on 1 December 2014.

Structure, governance and management

Constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The Charitable Company's Memorandum and Articles of Association are its primary governing documents. The trustees of the Attwood Academies Trust are also the directors for the purposes of company law. The terms trustee, director and governor are interchangeable. The Charitable Company is known as Attwood Academies.

Details of the directors who served throughout the year are included in the Reference and Administrative details section on page 1.

Members' liability

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

Directors' and officers' indemnities

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 business, and provides cover up to £10,000,000. It is not possible to quantify the directors and officers indemnity element from the overall cost of the RPA scheme.

Appointment of Board Members

The Members/Directors/Trustees/Governors are referred to as 'directors' and together form the 'Board'. There are different classes of board members as described below. All board members are appointed for four years:

Members: are appointed by the Members of the Academy Trust who established the Academy Trust Company, including themselves.

Trustees: Trustees are appointed by the members

Co opted Trustees: Co opted Trustees are appointed by the Board.

The Executive Principal (Bexhill Academy): The articles of Association include this post ex officio by virtue of office held.

Policies and procedures adopted for the induction and training of directors

New directors attend a training program. The induction program includes a tour of the school, meetings with students and staff and provision of policy and procedures documents that are appropriate to the role they undertake as directors with particular emphasis on the committee work that they will undertake.

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Directors' report (continued)
for the year ended 31 August 2024

Organisational structure

The governance of the Academy Trust is defined in the Memorandum and Articles of Association together with the funding agreement with the Department of Education.

The Trust Board meets at least once per term and is responsible for the strategic direction of the Academy Trust and agreement of the performance objectives for the Headteacher of Bexhill Academy.

The school has educational and finance meetings held at least termly. They approve major expenditure requests, set the budget, organise staffing structures and review progress towards educational objectives, on behalf of the board.

The Headteacher, where appropriate, has delegated financial management responsibilities to the Operations and Business Director, and responsibilities are further delegated to specific budget holders who are each responsible for managing their own departments within the constraints of their allocated budgets. A system of financial controls is in place to manage this process.

The Headteacher of Bexhill Academy manages the academy within the Trust on a daily basis supported by a Senior Leadership Team (SLT). The Headteacher and their SLT meet frequently to discuss emerging matters and develop strategies for future development. Each member of the SLT has specific responsibilities to assist the Headteacher to manage certain aspects of the academy with the Trust.

The members meet at least once each year to hold an Annual General Meeting.

Arrangements for setting pay and remuneration of key management personnel

Key management personnel are persons having authority and responsibility for planning, directing and controlling the activities of a reporting entity, directly or indirectly, including any director. The key, paid management personnel within the organisation are members of the Senior Leadership Team. Annual remuneration reviews are carried out for SLT members by their senior line managers (normally the Headteacher). Recommendations are taken for approval to the remuneration review committee, made up of two Trust Board Members. Any annual remuneration awards are linked directly to performance targets.

Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
2	1.88

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	1
1%-50%	1
51%-99%	-
100%	-

Percentage of pay bill spent on facility time (Bexhill Academy)

Total cost of facility time	£1,038
Total pay bill (rounded)	£8,382,582
Percentage of the total pay bill spent on facility time	0.01%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	-
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Directors' report (continued)
for the year ended 31 August 2024

Related Parties and other Connected Charities and Organisations

Owing to the nature of the Academy Trust's operations and the composition of the Trust Board being drawn from a cross section of the local and wider community, transactions may take place with organisations in which a director has an interest. In the event of any transactions involving such connected organisations, interests are declared and transactions conducted at arm's length and in accordance with the Academy Trust's financial regulations and normal procurement procedures.

Related party transactions during 2023/24

During the year, the Academy Trust received reimbursement of £7,878 (2023: £14,961) from the Attwood Education Foundation, a member of the Academy Trust and a charitable organisation in which T Attwood, S Attwood and S Gough are directors. These reimbursements were for various costs incurred during the year such as coach hire. At 31 August 2024 there were no outstanding amounts (2023: nil)

Objectives and Activities

The Trust's Objects and aims

The Articles of Association of the Academy Trust Company specifically states the Academy Trust's object is: 'To advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing schools offering a broad and balanced curriculum or educational institutions which are principally concerned with providing full time or part time education for children of compulsory school age who, by reason of illness, exclusion from school or otherwise, may not for any period receive suitable education unless alternative provision is made for them.

The principal object and aim of the Trust is the operation of Bexhill Academy to provide free education and care for pupils of different abilities between the ages of 11 and 16.

Our vision of Bexhill Academy is to be the school of first choice within the local community. We aim to be a centre of excellence with the highest standards of achievement in all subjects and operate a care and guidance system which promotes personal growth. To achieve this vision, we know that we will need to retain, recruit and train the best staff available. We try to create opportunities for everyone to make a contribution to the development and improvement of the school.

Our curriculum is regularly reviewed, and we aim to be innovative and supportive of our learners, particularly those with additional needs. We are proud of our strong community partnerships and we operate in an inclusive manner for all students within our community. We are committed to closing the progress gaps that historically exist between pupil premium and non-pupil premium students.

Student participation and leadership are vital to the health of the school and we promote these opportunities through our house system and our student council. The staff offer an extensive extracurricular programme to provide educational and sporting opportunities to all students.

Our list of guiding principles (to be focused, aspirational, independent and resilient) sets out what we aim to achieve for our students, staff and local community. These principles are supported by a range of policies that govern how we put them into practice every day.

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Directors' report (continued)
for the year ended 31 August 2024

Key objectives targeted were:

- 1) To make significant improvements in student learning progress, These improvements are measurable independently through KS4 GCSE results.
- 2) To focus on improving the learning progress of pupil premium students who represent over one third of the student body, and close the gap of learning attainment when compared with non-Pupil premium Students.
- 3) To continue to be oversubscribed and seen as a first choice for local families for secondary education

Public benefit

The directors believe that by working towards the objects and aims of the schools as detailed above, they have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission and defined by FRS102 as 'an entity whose primary objective is to provide goods or services for the general public, community or social benefit and where any equity is provided with a view to supporting the entity's primary objectives rather than with a view to providing a financial return to equity providers, shareholders or members.

Bexhill Academy accepts students from the locality of Bexhill on Sea in line with the identical admissions policy adhered to by East Sussex and welcomes students of all abilities. The Academy encompasses a high needs specialist provision for students diagnosed with autism.

Achievements and performance

37% of our students achieved a grade 9-5 in both English and Maths and 58% achieved a grade 4+ in both English and Maths. These are significant improvements in the key attainment figure for students and the highest the school has achieved in a very long time.

The progress score of -0.59 is an improvement on 2023.

GCSE Results 2024

Headline figures

	<u>2024</u>
<u>Students achieving 4+ in Eng & Maths</u>	<u>58%</u>
<u>Students achieving 5+ in Eng & Maths</u>	<u>37%</u>
<u>Overall Progress 8 Score (all subjects)</u>	<u>-0.59*</u>
<u>Attainment 8</u>	<u>40.6</u>
<u>EBacc Entry</u>	<u>43%</u>
<u>EBacc APS</u>	<u>3.63</u>

*P8 score is still an estimate as of 19th November 2024

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Directors' report (continued)
for the year ended 31 August 2024

Key Groups

Group	P8 Score 2024
All students (301 expected to be in count)	<u>-0.59</u>
SEN K (27)	<u>-2.16</u>
SEN E (12)	<u>-2.27</u>
Non SEN (262)	<u>-0.41</u>
PP (87)	<u>-0.98</u>
Non PP (214)	<u>-0.51</u>
Males (143)	<u>-0.83</u>
Females (158)	<u>-0.49</u>
High Prior Attainment (67)	<u>-0.62</u>
Mid Prior Attainment (161)	<u>-0.74</u>
Low Prior Attainment (50)	<u>-0.41</u>
No Prior Attainment Data (23)	<u>N/A</u>

Bexhill Academy

The Trust measures the performance of the Bexhill Academy based on:

- 1) meeting educational targets (detailed in objectives, strategies and activities)
- 2) addressing operational financial KPI's while adhering to these general principles:
 - Maintaining a 3 year balanced budget, utilising annual income and, as applicable, brought forward reserves, to fund annual required expenditure.
 - Ensuring best value is obtained in the procurement of resources, to ensure that these are used to the maximum possible benefit of student outcomes.
 - Utilising curriculum financial planning principals to maintain efficient staffing levels to meet both teaching and operational support staff requirements.
- 3) Consideration and comparison of key financial indicators compared with the prior year and target while maintaining and, where educational outcomes are not adversely affected, improved efficiencies. National averages are used to benchmark levels of efficiency.

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Directors' report (continued)
for the year ended 31 August 2024

Pupil numbers – Parental decisions are made for September enrolment in the prior year therefore the year 7 roll for 2024/25 is a KPI for 2023/24.

Year	24/25	23/24	22/23	21/22	20/21
7	302	300	308	306	335
8	291	299	300	331	319
9	290	295	325	303	281
10	291	314	274	274	305
11	302	307	303	303	224
Total	1476	1515	1522	1517	1464

Ofsted Inspection (22 and 23 November 2022)

During the Ofsted Inspection, the overall effectiveness of Bexhill High Academy was found to require improvement. Key areas of concern included:

- **Quality of Education:** The curriculum was broad and ambitious, but some pupils, including those with SEND, were not well supported to access it. There was variability in the implementation of curriculum plans, and some teaching approaches were not well matched to pupils' prior knowledge.
- **Behaviour and Attitudes:** There were concerns about poor behaviour and bullying. Some pupils did not always feel safe in school, and derogatory language was a concern. Leaders were taking action to improve behaviour and attendance.
- **Leadership and Management:** Leadership and management required improvement. Trustees supported and challenged leaders appropriately and were involved in regular external reviews. They were working to improve communication between all stakeholders.
- **Personal Development:** This area was rated as good. Pupils were taught how to keep themselves safe through PSHE lessons, assemblies, and visits from the school police officer.
- **Safeguarding:** Safeguarding arrangements were effective. Staff were trained and understood their role in keeping pupils safe.

Ofsted monitoring inspection (7 February 2024)

The Ofsted monitoring inspection showed significant improvements in several areas:

- **Leadership and Management:** Dr. Craig Neal was appointed as the substantive headteacher in January 2024, and other leaders were appointed to pivotal positions. The school worked closely with the Mulberry Schools Trust, which brought benefits such as leadership experience and shared training events.
- **Teaching and Learning:** A new teaching framework and assessment policy were implemented. Teachers were supportive of the new routines and expectations, and there was a focus on providing clear explanations and precise modeling of skills.
- **Special Educational Needs and Disabilities (SEND):** There was a more careful identification of pupils with SEND, and staff were developing a more expert understanding of how to support these pupils. New approaches to teaching pupils with lower reading ages were being embedded.
- **Behaviour and Attendance:** A new behaviour policy led to improved behaviour, and the school was working on reducing low-level disruption. The school was also focusing on improving attendance, particularly for pupils with low attendance.
- **Trustees' Role:** Trustees were involved in overseeing the implementation of new approaches and were committed to ensuring the school provided a good education.

Future Ofsted Inspection

The next Ofsted Inspection is expected to take place between now and the first half of 2025. This visit will assess the sustained improvements and the overall effectiveness of the school following the changes implemented since the monitoring inspection.

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Directors' report (continued)
for the year ended 31 August 2024

Going concern

After making appropriate enquiries, the Trust Board has a reasonable expectation that the Academy Trust has adequate resources to continue in operational existence for the next financial year by utilising existing reserves. Financial restraint will be required to balance the school budget in future years. For this reason, it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

Financial review

Bexhill Academy

Revenue received in 2023/24 exceeded the original forecast by £280k. Staff cost expenditure was £246k more than budgeted, as additional supply was needed for staffing resources, particularly on teaching and our SEN provision. Non staff cost expenditure was £94k more than budgeted, particularly in respect of repairs and maintenance and professional services.

The main source of revenue funding for the Academy Trust is the General Annual Grant (GAG) and other grants that it receives from the ESFA. For the period ended 31 August 2024 the Academy Trust received £9,621k in direct revenue funding from the ESFA.

The Trust is reporting a surplus on its revenue activities of £76k.

Reserves policy

The directors are aware of the requirement to balance current and future needs. The directors always aim to set a balanced budget with annual income balancing annual expenditure, but due to the lagged funding model, the policy to use brought forward reserves to balance future annual budgets (on a temporary and sustainable basis) is adopted. The level of unrestricted reserves at 31 August 2024 was £961k and the amount of cash reserves held by the Academy is £1.3m.

The pension plan surplus as at 31 August 2024 was £1,005,000. A pension plan asset is recognised to the extent that the company is able to recover the surplus either through reduced contributions in the future or through refunds from the plan. In the opinion of the trustees, the academy trust will not recover the surplus through reduced contributions, and they do not anticipate receiving any refunds from the plan and therefore the net surplus recognised within the financial statements has been restricted to £NIL.

Investments policy

The Trust Board invests funds in such a way as to maximise the Academy Trust's income but with minimal risk. Cash flow demands during 2023/24 required adequate funds available to be kept liquid, and short-term interest earning deposit accounts were utilised to provide a level of investment return. The investment policy is reviewed by the Trust Board Finance Committee.

Principal risks and uncertainties

The directors maintain a risk register identifying the major risks to which the Academy Trust is exposed and identifying actions and procedures to mitigate those risks. A formal review of the risk management process is undertaken on an annual basis and the exposure to these risks is monitored on behalf of the Trust board by the Finance Committee. Those facing the Academy Trust at an operational level are addressed by its systems and controls which are tested and reported on through annual independent internal and external audit checks.

The directors report that the Academy Trust's financial and internal controls conform to guidelines issued by the ESFA.

In academy schools, the level of financial risk is highest with regard to either a) long term fixed costs or b) expenditure increases set by third parties as matching in revenue cannot be relied upon.

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Directors' report (continued)
for the year ended 31 August 2024

Revenue and expenditure cash flows can be reliably forecast, monitored and reported on an annual basis. Staff costs make up the majority of expenditure and reporting systems on future staffing commitments are considered robust though the current high inflation levels increase the risk. Contingencies are in place to cover costs related to sickness and maternity absence.

The Trust Board and Headteacher assess the risks and uncertainties facing the Academy Trust as follows:

Operating to a balanced budget

Pressures on income and expenditure require the Trust Board to carefully monitor budgets and oversee strategies required to see any savings required, while ensuring that the provision of required learning resources remains sufficient to see student outcomes maximized. A three-year budget is forecast for Bexhill Academy using current information from principal feeder primary schools and historical recruitment percentages.

Increases in Expenditure

Significantly increased inflationary pressures are expected to continue in all expenditure areas, and in particular around staffing and other educational costs. The national Funding Formula is not expected to cover all these increases. The Trust Board monitors the strategies being followed to provide economies in Academy operations which do not affect student outcomes detrimentally.

Staff retention and recruitment

Current staff retention is good. There are, however, recruitment challenges in certain teaching departments, with a national shortage of teachers providing additional recruitment challenge above that of attracting staff to work in the area. Newly qualified teachers are typically more attracted to areas with greater social opportunities. The risk is mitigated by the positive working environment that is offered to staff through a variety of strategies which include a dedicated staff welfare program at Bexhill Academy.

Safeguarding and child protection

The directors continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health & safety and discipline.

Plans for future periods

The Academy Trust will continue striving to improve the levels of performance of its students at all levels, and will actively promote the Academy Trust to maximise the recruitment of students.

The Trust Board will continue to enhance and expand facilities where possible throughout 2023/24 in pursuance of the Academy Trust's commitment to provide excellent learning facilities.

Disclosure of information to auditors

Insofar as the trustees are aware:

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

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Directors' report (continued)
for the year ended 31 August 2024

Auditors

The auditors, Kreston Reeves LLP are willing to continue in office and a resolution to re appoint them was passed at a members meeting on the 04 December, 2023.

The Directors' report, incorporating a strategic report, was approved by order of the Board of Directors, as the company directors, on *Thursday 12th December 2024* and signed on its behalf by:



T R Attwood
Chair of Board of Directors

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Governance Statement

Scope of responsibility

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

The Trust Board has delegated the day to day responsibility to the Accounting Officer, for ensuring financial controls conform to 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 Attwood Academies and the Secretary of State for Education. They are also responsible for reporting to the Trust Board any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Directors' report and in the Statement of directors' responsibilities. The Trust Board has formally met 5 times during the year.

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

Director	Meetings attended	Out of a possible
T R Attwood	6	6
S M Attwood	6	6
S C Gough	4	5
A F X Green	5	6
J J Wootten (appointed 14 October 2023)	3	5
R Cohen	4	6
C Bayliss	5	6
R Briscoe (appointed 21 March 2024)	3	3
W Casement (appointed 25 January 2024)	3	4
J Hudson (appointed 21 March 2024)	2	3
J Wootton (appointed 20 January 2024, resigned 1 December 2024)	3	5

The Finance Committee is a sub committee of the main Trust Board. The purpose of the Finance Committee is to set, monitor and review the use of resources of the Academy, ensuring that income due from grants is received, income generation is promoted and expenditure achieves best value in terms of student outcomes. The Finance Committee also fulfils the responsibilities of an Audit Committee. During the year the principal focus has been to monitor the financial performance of the Trust against the revenue and capital budget forecasts.

Attendance at meetings in the year was as follows:

Director	Meetings attended	Out of a possible
T R Attwood	3	4
S C Gough	4	4
J J Wootten (appointed 14 October 2023)	0	3
W Casement (appointed 25 January 2024)	2	3

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Governance Statement (continued)

Review of value for money

The accounting officer has responsibility for ensuring that the Academy Trust delivers good value in the use of public resources and 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 Academy Trust's use of its resources has provided good value for money during each academic year, and reports to the Trust Board where value for money can be improved, including the use of benchmarking data where appropriate. The Accounting Officer for the Academy Trust has

delivered improved value for money during the year by:

- Keeping teacher contact time at Bexhill Academy at an efficient level.
- Delivering a budget surplus in year, in order to re-invest in future capital programmes including the current new building

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing 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. The system of internal control has been in place in Attwood Academies for the year 1 September 2023 to 31 August 2024 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Trust Board 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 Trust Board is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the year 1 September 2023 to 31 August 2024 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Trust Board.

The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Trust Board;
- regular reviews by the Finance Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines.
- delegation of authority and segregation of duties;
- identification and management of risks.

The Trust Board has considered the need for a specific internal audit function and has decided to appoint Haines Watts as internal auditor.

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

- risk management
- counter fraud – health check

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Governance Statement (continued)

The risk and control framework (continued)

On an annual basis, the auditor reports to the Trust Board through the audit committee on the operation of the systems of control and on the discharge of the Trust Board' financial responsibilities.

The internal auditor has delivered their schedule of work as planned. No issues arose from the reports issued during the financial period to 31 August 2024.

Review of effectiveness

The accounting officer 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 work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

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

Conclusion

Based on the advice of the audit and risk committee and the accounting officer, the board of trustees is of the opinion that the academy trust has an adequate and effective framework for governance, risk management and control.

Approved by order of the members of the Board of Directors on 12th December 2024 and signed on their behalf by:



T R Attwood
Chair of Board of Directors

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Statement of Regularity, Propriety and Compliance

As accounting officer of Attwood Academies, I have considered my responsibility to notify the Academy Trust Board of Directors and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding, including for estates safety and management, under the funding agreement between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2023, including responsibilities for estates safety and management.

I confirm that I and the Academy Trust Board of Directors are able to identify any material irregular or improper use of all 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 Academy Trust Handbook 2023.

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



C Neal
Accounting Officer
Date:

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**Statement of Directors' responsibilities
for the year ended 31 August 2024**

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2023 to 2024;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the Board of Directors and signed on its behalf by:



T R Attwood
Director
Date:

Attwood Academies
(A company limited by guarantee)

Statement of financial activities (incorporating income and expenditure account)
for the year ended 31 August 2024

	Note	Unrestricted funds 2024 £	Restricted funds 2024 £	Restricted fixed asset funds 2024 £	Total funds 2024 £	Total funds 2023 £
Income from:						
Donations and capital grants	3	181	-	29,515	29,696	83,359
Other trading activities	5	187,648	-	-	187,648	176,386
Investments	6	9,581	55,000	-	64,581	57,207
Charitable activities	4	-	11,113,722	-	11,113,722	10,507,827
Total income		197,410	11,168,722	29,515	11,395,647	10,824,779
Expenditure on:						
Charitable activities	7	140,484	11,088,435	433,961	11,662,880	11,348,046
Total expenditure		140,484	11,088,435	433,961	11,662,880	11,348,046
Net movement in funds before other recognised gains/(losses)		56,926	80,287	(404,446)	(267,233)	(523,267)
Other recognised gains/(losses):						
Actuarial (losses)/gains on defined benefit pension schemes	22	-	(61,000)	-	(61,000)	43,000
Net movement in funds		56,926	19,287	(404,446)	(328,233)	(480,267)
Reconciliation of funds:						
Total funds brought forward		903,852	-	13,993,696	14,897,548	15,377,815
Net movement in funds		56,926	19,287	(404,446)	(328,233)	(480,267)
Total funds carried forward		960,778	19,287	13,589,250	14,569,315	14,897,548

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

The notes on pages 27 to 51 form part of these financial statements.

Attwood Academies
(A company limited by guarantee)
Registered number: 09148479

Balance sheet
as at 31 August 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	13	13,589,222	13,993,696
Current assets			
Debtors	14	270,099	265,403
Cash at bank and in hand		1,352,887	1,349,183
		<u>1,622,986</u>	<u>1,614,586</u>
Creditors: amounts falling due within one year	15	(642,893)	(710,734)
Net current assets		980,093	903,852
Total assets less current liabilities		14,569,315	14,897,548
Defined benefit pension scheme asset	22	-	-
Total net assets		14,569,315	14,897,548
Funds of the Academy Trust			
Restricted funds:			
Fixed asset funds	16	13,589,250	13,993,696
Restricted income funds	16	19,287	-
Total restricted funds	16	13,608,537	13,993,696
Unrestricted income funds			
General funds	16	960,778	903,852
Total unrestricted income funds	16	960,778	903,852
Total funds		14,569,315	14,897,548

The financial statements on pages 24 to 51 were approved and authorised for issue by the Directors and are signed on their behalf, by:

T R Attwood
Chair of Board of Directors
Date:

The notes on pages 27 to 51 form part of these financial statements.

Attwood Academies
(A company limited by guarantee)

Statement of cash flows
for the year ended 31 August 2024

	Note	2024 £	2023 £
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	18	(5,905)	45,551
Cash flows from investing activities	19	9,609	(331,166)
Change in cash and cash equivalents in the year		3,704	(285,615)
Cash and cash equivalents at the beginning of the year		1,349,183	1,634,798
Cash and cash equivalents at the end of the year	20, 21	1,352,887	1,349,183

The notes on pages 27 to 51 form part of these financial statements

Attwood Academies
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 August 2024

1. Accounting policies

Attwood Academies is a charitable company limited by guarantee and an exempt charity incorporated in England and Wales. The registered office is Manor House, Slip Mill Road, Hawkhurst, Cranbrook, Kent, TN18 5AE. The principal activity of the Academy Trust is to provide a secondary education for pupils that satisfies the requirements of the Education Act 2002.

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

1.1 Basis of preparation of financial statements

The financial statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2023 to 2024 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Attwood Academies meets the definition of a public benefit entity under FRS 102.

The academy trust's functional and presentational currency is Pounds Sterling.

The academy trust's financial statements are presented to the nearest pound.

1.2 Going concern

The Directors 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 Academy Trust to continue as a going concern.

The Directors confirm that 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 financial statements.

Attwood Academies
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Notes to the financial statements
for the year ended 31 August 2024

1. Accounting policies (continued)

1.3 Income

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

• **Grants**

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

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

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

• **Donations**

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

• **Other income**

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

1.4 Expenditure

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

• **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Interest receivable

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

Notes to the financial statements
for the year ended 31 August 2024

1. Accounting policies (continued)

1.6 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 Part 11, chapter 3 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.

1.7 Tangible fixed assets

Assets costing £5,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

Depreciation is provided on the following bases:

Long-term leasehold property	- Over 50 years straight line
Fixtures and fittings	- Over 4 - 10 years straight line
Motor vehicles	- Over 2 - 4 years straight line
Computer equipment	- Over 3 - 6 years straight line

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.

1.8 Debtors

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

1.9 Cash at bank and in hand

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

Attwood Academies
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Notes to the financial statements
for the year ended 31 August 2024

1. Accounting policies (continued)

1.10 Liabilities

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

1.11 Provisions

Provisions are recognised when the Academy Trust has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.12 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 bases are as follows:

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

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 15. 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.

1.13 Operating leases

Rentals paid under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

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Notes to the financial statements
for the year ended 31 August 2024

1. Accounting policies (continued)

1.14 Pensions

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.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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

1.15 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 Directors.

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

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from the Department for Education Group.

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

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Notes to the financial statements
for the year ended 31 August 2024

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

Multi-employer defined benefit pension scheme

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 22, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2022 has been used by the actuary in valuing the pensions liability at 31 August 2024. 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.

Tangible fixed assets

The Academy Trust has recognised tangible fixed assets with a carrying value of £13,589,222 at the reporting date (see note 13). These assets are stated at their cost less provision for depreciation and impairment. The Academy Trust's accounting policy sets out the approach to calculating depreciation for immaterial assets acquired. For material assets such as land and buildings the Academy Trust determines at acquisition reliable estimates for the useful life of the asset, its residual value and decommissioning costs. These estimates are based upon such factors as the expected use of the acquired asset and market conditions. At subsequent reporting dates the governors consider whether there are any factors such as technological advancements or changes in market conditions that indicate a need to reconsider the estimates used.

Where there are indicators that the carrying value of tangible assets may be impaired the Academy Trust undertakes tests to determine the recoverable amount of assets. These tests require estimates of the fair value of assets less cost to sell and of their value in use. Wherever possible the estimate of the fair value of assets is based upon observable market prices less incremental cost for disposing of the asset. The value in use calculation is based upon a discounted cash flow model, based upon the Academy Trust's forecasts for the foreseeable future which do not include any restructuring activities that the Academy Trust is not yet committed to or significant future investments that will enhance the asset's performance. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well expected future cash flows and the growth rate used for extrapolation purposes.

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Notes to the financial statements
for the year ended 31 August 2024

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

Critical areas of judgment:

Lease commitments

The Academy Trust has entered into a range of lease commitments in respect of property, plant and equipment. The classification of these leases as either financial or operating leases requires the directors to consider whether the terms and conditions of each lease are such that the Academy Trust has acquired the risks and rewards associated with the ownership of the underlying assets.

Multi-employer defined benefit pension scheme

Certain employees participate in the Teachers Pension Scheme, a multi-employer defined benefit pension scheme, with other Academy Trusts in the region. In the judgement of the directors, the Academy Trust does not have sufficient information on the plan assets and liabilities to be able to reliably account for its share of the defined benefit obligation and plan assets. Therefore the scheme is accounted for as a defined contribution scheme, see note 22 for further details.

The plan surplus as at 31 August 2024 was £1,005,000 (2023: £868,000). A pension plan asset is recognised to the extent that the company is able to recover the surplus either through reduced contributions in the future or through refunds from the plan. In the opinion of the trustees, the academy trust will not recover the surplus through reduced contributions and they do not anticipate receiving any refunds from the plan and therefore the net surplus recognised within the financial statements has been restricted to £NIL.

3. Income from donations and capital grants

	Unrestricted funds 2024 £	Restricted fixed asset funds 2024 £	Total funds 2024 £	Total funds 2023 £
Donations	181	-	181	275
Capital Grants	-	29,515	29,515	83,084
	<u>181</u>	<u>29,515</u>	<u>29,696</u>	<u>83,359</u>
Total 2023	<u>275</u>	<u>83,084</u>	<u>83,359</u>	

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Notes to the financial statements
for the year ended 31 August 2024

4. Funding for the Academy Trust's educational operations

	Restricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
DfE/ESFA grants			
General Annual Grant (GAG)	9,621,194	9,621,194	9,089,573
Other DfE/ESFA grants			
Other DfE/ESFA grants	397,807	397,807	544,494
Pupil premium	499,866	499,866	467,939
Mainstream Schools Additional Grant	343,122	343,122	-
Other Government grants			
Other government grants	251,733	251,733	405,821
	<u>11,113,722</u>	<u>11,113,722</u>	<u>10,507,827</u>
Total 2023	<u>10,507,827</u>	<u>10,507,827</u>	

5. Income from other trading activities

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Trip income	138,030	138,030	65,789
School lettings	11,016	11,016	18,260
Other income	38,602	38,602	92,337
	<u>187,648</u>	<u>187,648</u>	<u>176,386</u>
Total 2023	<u>176,386</u>	<u>176,386</u>	

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Notes to the financial statements
for the year ended 31 August 2024

6. Investment income

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Interest received	9,581	-	9,581	207
Pension income	-	55,000	55,000	57,000
	<u>9,581</u>	<u>55,000</u>	<u>64,581</u>	<u>57,207</u>
Total 2023	<u>207</u>	<u>57,000</u>	<u>57,207</u>	

7. Expenditure

	Staff Costs 2024 £	Premises 2024 £	Other 2024 £	Total 2024 £	Total 2023 £
Activities:					
Direct costs	6,723,339	-	943,944	7,667,283	7,485,463
Support costs	1,659,243	1,160,042	1,176,312	3,995,597	3,862,583
	<u>8,382,582</u>	<u>1,160,042</u>	<u>2,120,256</u>	<u>11,662,880</u>	<u>11,348,046</u>
Total 2023	<u>8,300,201</u>	<u>1,094,604</u>	<u>1,953,241</u>	<u>11,348,046</u>	

8. Analysis of expenditure by activities

	Activities undertaken directly 2024 £	Support costs 2024 £	Total funds 2024 £	Total funds 2023 £
Educational operations	<u>7,667,283</u>	<u>3,995,597</u>	<u>11,662,880</u>	<u>11,348,046</u>
Total 2023	<u>7,485,463</u>	<u>3,862,583</u>	<u>11,348,046</u>	

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Notes to the financial statements
for the year ended 31 August 2024

8. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Activities 2024 £	Total funds 2024 £	Total funds 2023 £
Staff costs	6,550,652	6,550,652	6,644,182
Agency staff	172,687	172,687	108,592
Books, stationery & materials	634,264	634,264	521,684
Exam fees	141,882	141,882	110,549
Staff development & other staff costs	167,798	167,798	100,456
	<u>7,667,283</u>	<u>7,667,283</u>	<u>7,485,463</u>
	<u><u>7,667,283</u></u>	<u><u>7,667,283</u></u>	<u><u>7,485,463</u></u>
Total 2023	<u><u>7,485,463</u></u>	<u><u>7,485,463</u></u>	

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Notes to the financial statements
for the year ended 31 August 2024

8. Analysis of expenditure by activities (continued)

Analysis of support costs

	Activities 2024 £	Total funds 2024 £	Total funds 2023 £
Staff costs	1,659,243	1,659,243	1,547,427
Depreciation	433,961	433,961	452,890
Maintenance of premises & equipment	410,451	410,451	323,857
Cleaning	267,581	267,581	245,566
Insurance	40,314	40,314	34,583
Computer costs	75,821	75,821	113,060
Catering costs	241,032	241,032	276,918
Water & sewerage	11,932	11,932	17,963
Energy costs	470,078	470,078	507,218
Health & safety costs	17,450	17,450	13,631
Staff recruitment costs	20,648	20,648	25,597
Motor expenses	8,765	8,765	8,069
Furniture & equipment	6,243	6,243	12,532
Telephone & broadband	28,314	28,314	28,358
Sundry admin costs	93,464	93,464	73,098
Legal and professional	210,300	210,300	181,816
	<u>3,995,597</u>	<u>3,995,597</u>	<u>3,862,583</u>
Total 2023	<u>3,862,583</u>	<u>3,862,583</u>	

9. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2024 £	2023 £
Depreciation of tangible fixed assets	433,961	452,890
Fees paid to auditors for:		
- audit	15,920	15,020
- other audit services	6,335	5,990
	<u>6,335</u>	<u>5,990</u>

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Notes to the financial statements
for the year ended 31 August 2024

10. Staff

a. Staff costs and employee benefits

Staff costs during the year were as follows:

	2024	2023
	£	£
Wages and salaries	6,223,003	6,384,254
Social security costs	660,824	577,985
Pension costs	1,317,837	1,183,370
	8,201,664	8,145,609
Agency staff costs	172,687	108,592
Severance payments	8,231	46,000
	8,382,582	8,300,201

b. Severance payments

The Academy Trust paid 1 severance payments in the year (2023 - 2), disclosed in the following bands:

	2024	2023
	No.	No.
£0 - £25,000	1	1
£25,001 - £50,000	-	1

c. Special staff severance payments

Included in direct costs for the year ended 31 August 2024 are non-statutory / non-contractual severance payments totalling £8,231 (2023: £46,000). Individually, the payments were £8,231 (2023: £40,000 and £6,000).

d. Staff numbers

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

	2024	2023
	No.	No.
Teachers	68	70
Administration and support	73	72
Management	17	18
	158	160

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Notes to the financial statements
for the year ended 31 August 2024

10. Staff (continued)

e. Higher paid staff

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

	2024	2023
	No.	No.
In the band £60,001 - £70,000	4	6
In the band £70,001 - £80,000	2	1
In the band £80,001 - £90,000	-	1
In the band £90,001 - £100,000	-	1
In the band £100,001 - £110,000	1	-
In the band £110,001 - £120,000	1	1

Seven (2023: Nine) of the above employees participated in the Teachers' Pension Scheme. During the year ended 31 August 2024, pension contributions for these employees amounted to £142,184 (2023: £161,923). One (2023: One) of the above employees participated in the Local Government Pension Scheme, pension contributions amounted to £15,798 (2023: £5,934).

f. Key management personnel

The key management personnel of the Academy Trust comprise the senior management team as listed on page 2. The total salaries received by key management personnel for their services to the Academy Trust was £846,700 (2023: £1,204,673). Employer pension contributions were a total of £211,100 (2023: £265,953) and employer national insurance contributions were a total of £99,290 (2023: £141,411).

11. Directors' remuneration and expenses

During the year, no Directors received any remuneration or other benefits (2023 - £NIL).

During the year ended 31 August 2024, no Director expenses have been incurred (2023 - £NIL).

12. Directors' 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 Directors and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business, and provides cover up to £10,000,000. It is not possible to quantify the Directors and officers indemnity element from the overall cost of the RPA scheme membership.

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Notes to the financial statements
for the year ended 31 August 2024

13. Tangible fixed assets

	Long-term leasehold property £	Furniture and equipment £	Computer equipment £	Motor vehicles £	Total £
Cost or valuation					
At 1 September 2023	15,847,750	682,081	601,738	15,500	17,147,069
Additions	-	20,687	8,800	-	29,487
At 31 August 2024	<u>15,847,750</u>	<u>702,768</u>	<u>610,538</u>	<u>15,500</u>	<u>17,176,556</u>
Depreciation					
At 1 September 2023	2,342,184	265,377	530,312	15,500	3,153,373
Charge for the year	304,112	86,244	43,605	-	433,961
At 31 August 2024	<u>2,646,296</u>	<u>351,621</u>	<u>573,917</u>	<u>15,500</u>	<u>3,587,334</u>
Net book value					
At 31 August 2024	<u><u>13,201,454</u></u>	<u><u>351,147</u></u>	<u><u>36,621</u></u>	<u><u>-</u></u>	<u><u>13,589,222</u></u>
At 31 August 2023	<u><u>13,505,566</u></u>	<u><u>416,704</u></u>	<u><u>71,426</u></u>	<u><u>-</u></u>	<u><u>13,993,696</u></u>

Included in land and buildings is leasehold land at valuation of £1,070,937 (2023: £1,070,937) which is not depreciated.

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14. Debtors

	2024	2023
	£	£
Due within one year		
Trade debtors	337	2,978
Other debtors	72,396	83,497
Prepayments and accrued income	197,366	178,928
	270,099	265,403

15. Creditors: Amounts falling due within one year

	2024	2023
	£	£
Trade creditors	152,583	244,260
Other taxation and social security	146,283	148,554
Other creditors	186,338	137,921
Accruals and deferred income	157,689	179,999
	642,893	710,734

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16. Statement of funds

	Balance at 1 September 2023 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 August 2024 £
Unrestricted funds					
Unrestricted Revenue Fund	903,852	197,410	(140,484)	-	960,778
Restricted general funds					
General Annual Grant (GAG)	-	9,621,194	(9,601,907)	-	19,287
Other DfE/ESFA grants	-	740,929	(740,929)	-	-
Other government grants	-	251,733	(251,733)	-	-
Pupil premium	-	499,866	(499,866)	-	-
Pension reserve	-	55,000	6,000	(61,000)	-
	-	11,168,722	(11,088,435)	(61,000)	19,287
Restricted fixed asset funds					
Fixed Asset Fund	5,885,522	-	(255,144)	-	5,630,378
DfE/ESFA capital grants	8,108,174	29,515	(178,817)	-	7,958,872
	13,993,696	29,515	(433,961)	-	13,589,250
Total Restricted funds	13,993,696	11,198,237	(11,522,396)	(61,000)	13,608,537
Total funds	14,897,548	11,395,647	(11,662,880)	(61,000)	14,569,315

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

GAG represents funds to be used to cover the normal running costs of the academy.

Other DfE/ESFA grants represents grants provided for specific purposes, such as pupil premium which is used to support disadvantaged pupils and assist them in decreasing the attainment gap between them and their peers.

The restricted fixed asset fund represents tangible fixed assets which were donated from other Academy Trusts on conversion to an academy including depreciation to the balance sheet date.

DfE/ESFA capital grants fund is to provide the academy with its own capital money to address improvements to buildings and other facilities. The balance on the fund represents the value of fixed assets purchased including depreciation to the balance sheet date and unspent capital grant money to be spent in 2023/24.

Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG it could carry forward at 31 August 2024.

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Notes to the financial statements
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16. Statement of funds (continued)

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

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
Unrestricted funds						
Unrestricted Revenue Fund	920,704	176,868	(67,054)	(126,666)	-	903,852
Restricted general funds						
General Annual Grant (GAG)	395,754	9,089,573	(9,309,848)	(175,479)	-	-
Other DfE/ESFA grants	-	544,494	(544,494)	-	-	-
Other government grants	-	405,821	(405,821)	-	-	-
Pupil premium	-	467,939	(467,939)	-	-	-
Pension reserve	-	57,000	(100,000)	-	43,000	-
	395,754	10,564,827	(10,828,102)	(175,479)	43,000	-
Restricted fixed asset funds						
Fixed Asset Fund	6,167,372	-	(281,850)	-	-	5,885,522
DfE/ESFA capital grants	7,893,985	83,084	(171,040)	302,145	-	8,108,174
	14,061,357	83,084	(452,890)	302,145	-	13,993,696
Total Restricted funds	14,457,111	10,647,911	(11,280,992)	126,666	43,000	13,993,696
Total funds	15,377,815	10,824,779	(11,348,046)	-	43,000	14,897,548

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Notes to the financial statements
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17. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2024 £	Restricted funds 2024 £	Restricted fixed asset funds 2024 £	Total funds 2024 £
Tangible fixed assets	-	-	13,589,222	13,589,222
Current assets	960,778	662,180	28	1,622,986
Creditors due within one year	-	(642,893)	-	(642,893)
Total	960,778	19,287	13,589,250	14,569,315

Analysis of net assets between funds - prior period

	Unrestricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £
Tangible fixed assets	-	13,993,696	13,993,696
Current assets	1,614,586	-	1,614,586
Creditors due within one year	(710,734)	-	(710,734)
Total	903,852	13,993,696	14,897,548

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18. Reconciliation of net expenditure to net cash flow from operating activities

	2024	2023
	£	£
Net expenditure for the period (as per Statement of financial activities)	(267,233)	(523,267)
Adjustments for:		
Depreciation	433,961	452,890
Capital grants from DfE and other capital income	(29,515)	(53,856)
Interest receivable	(9,581)	(207)
Defined benefit pension scheme cost less contributions payable	(6,000)	100,000
Defined benefit pension scheme finance (income)/cost	(55,000)	(57,000)
(Increase)/decrease in debtors	(4,696)	(16,486)
Increase/(decrease) in creditors	(67,841)	143,477
Net cash (used in)/provided by operating activities	(5,905)	45,551

19. Cash flows from investing activities

	2024	2023
	£	£
Interest received	9,581	207
Purchase of tangible fixed assets	(29,487)	(385,229)
Capital grants from DfE Group	29,515	53,856
Net cash provided by/(used in) investing activities	9,609	(331,166)

20. Analysis of cash and cash equivalents

	2024	2023
	£	£
Cash in hand and at bank	1,352,887	1,349,183
Total cash and cash equivalents	1,352,887	1,349,183

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Notes to the financial statements
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21. Analysis of changes in net debt

	At 1	Cash flows	At 31
	September		August 2024
	2023	£	£
	£		£
Cash at bank and in hand	1,349,183	3,704	1,352,887
	<u>1,349,183</u>	<u>3,704</u>	<u>1,352,887</u>
	<u><u>1,349,183</u></u>	<u><u>3,704</u></u>	<u><u>1,352,887</u></u>

22. Pension commitments

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 East Sussex County Council. Both are multi-employer defined benefit schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2020 and of the LGPS 31 March 2022.

Contributions amounting to £161,550 were payable to the schemes at 31 August 2024 (2023 - £134,645) and are included within creditors.

Teachers' Pension Scheme

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

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

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22. Pension commitments (continued)

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to ensure scheme costs are recognised and managed appropriately and the review specifies the level of future contributions.

Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2020. The valuation report was published by the Department for Education on 27 October 2023, with the SCAPE rate, set by HMT, applying a notional investment return based on 1.7% above the rate of CPI. The key elements of the valuation outcome are:

- employer contribution rates set at 28.68% of pensionable pay (including a 0.08% administration levy). This is an increase of 5% in employer contributions and the cost control result is such that no change in member benefits is needed
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £262,000 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £222,200 million, giving a notional past service deficit of £39,800 million.

The result of this valuation will be implemented from 1 April 2024. The next valuation is due to be implemented from 1 April 2028.

The employer's pension costs paid to TPS in the year amounted to £951,407 (2023 - £866,590).

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

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The Academy Trust is unable to identify its share of the underlying assets and liabilities of the plan. Accordingly, the Academy Trust has taken advantage of the exemption in FRS102 and 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.

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2024 was £453,000 (2023 - £442,000), of which employer's contributions totalled £342,000 (2023 - £335,000) and employees' contributions totalled £111,000 (2023 - £107,000). The agreed contribution rates for future years are 19.9 per cent for employers and 5.5 to 12.5 per cent for employees.

As set out in note 3, the plan surplus as at 31 August 2024 was £1,005,000 (2023: £868,000). The trustees, are not expecting to recover the surplus through reduced contributions and they do not anticipate receiving any refunds from the plan and therefore the net surplus recognised within the financial statements has been restricted to £NIL.

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

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22. Pension commitments (continued)

Principal actuarial assumptions

	2024	2023
	%	%
Rate of increase in salaries	3.85	3.90
Rate of increase for pensions in payment / inflation	2.85	2.90
Discount rate for scheme liabilities	5.05	5.30

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

	2024	2023
	Years	Years
Retiring today		
Females	23.8	23.8
Males	20.8	20.9
Retiring in 20 years		
Females	25.4	25.3
Males	21.8	21.9

Sensitivity analysis

	2024	2023
	£000	£000
Discount rate +0.1%	(122)	(107)
Discount rate -0.1%	125	110
Salary rate +0.1%	8	8
Salary rate -0.1%	(8)	(8)
Pension rate +0.1%	119	104
Pension rate -0.1%	(116)	(102)
Life expectancy +1 Year	213	189
Life expectancy -1 Year	(206)	(184)

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22. Pension commitments (continued)

Share of scheme assets

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

	At 31 August 2024	At 31 August 2023
	£	£
Equities	5,464,000	5,501,000
Bonds	1,211,000	1,006,000
Property	1,177,000	508,000
Cash and other liquid assets	135,000	104,000
Total market value of assets	7,987,000	7,119,000

The actual return on scheme assets was £670,000 (2023 - £119,000).

The amounts recognised in the Statement of financial activities are as follows:

	2024	2023
	£	£
Current service cost	(329,000)	(429,000)
Interest income	383,000	321,000
Interest cost	(328,000)	(264,000)
Administrative expenses	(7,000)	(6,000)
Total amount recognised in the Statement of financial activities	(281,000)	(378,000)

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

	2024	2023
	£	£
At 1 September	7,119,000	6,273,000
Current service cost	329,000	429,000
Interest cost	328,000	264,000
Employee contributions	111,000	107,000
Actuarial loss / (gain)	211,000	(568,000)
Benefits paid	(248,000)	(254,000)
Asset ceiling restriction	137,000	868,000
At 31 August	7,987,000	7,119,000

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22. Pension commitments (continued)

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

	2024 £	2023 £
At 1 September	7,119,000	7,467,000
Interest income	383,000	321,000
Actuarial gains/(losses)	287,000	(851,000)
Employer contributions	342,000	335,000
Employee contributions	111,000	107,000
Benefits paid	(248,000)	(254,000)
Administration expenses	(7,000)	(6,000)
At 31 August	7,987,000	7,119,000

23. Operating lease commitments

At 31 August 2024 the Academy Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2024 £	2023 £
Within 1 year	10,222	23,952
Between 1 and 5 years	160	10,383
	10,382	34,335

24. 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/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he/she ceases to be a member.

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25. Related party transactions

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

During the year, the Attwood Academies Trust received reimbursements of £7,878 (2023: £14,961) from the Attwood Education Foundation, a member of the Academy Trust and a charitable organisation in which T Attwood, S Attwood and S Gough, directors of the Academy Trust, are directors. These reimbursements were in relation to various costs incurred in the year such as contributions towards staff entertainment. At 31 August 2024, there were outstanding amounts of £NIL (2023: £1,678).

J White acted as CFO of Attwood Academies until 1 April 2023 and as CEO of T4 Trust until 31 March 2023. During the prior year, amounts totalling £1,548 were recharged to T4 Trust for management support and there were outstanding amounts of £774 as at 31 August 2023. There were no transactions during the current period.

26. Controlling party

The Academy Trust is run by the management team on a day to day basis. Strategic decisions are made by the Board of Directors. There is no ultimate controlling party.

