

Company Registration Number: 08330173 (England & Wales)

HEDINGHAM SCHOOL AND SIXTH FORM

(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2024

HEDINGHAM SCHOOL AND SIXTH FORM
(A company limited by guarantee)

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HEDINGHAM SCHOOL AND SIXTH FORM
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REFERENCE AND ADMINISTRATIVE DETAILS

Members	Mrs S Ford Mr M Lee Mr D Lee
Trustees	Mrs S Ford (resigned 29 November 2023) Mr A Harvison, Head Teacher and Accounting Officer (resigned 31 August 2024) Mr M Lee, Chair of Trustees Mr D Lee Mr D Batch Mr J Carlton Mr A Illingworth Mr R Gough Mr R Hammond Ms A Wake (resigned 4 December 2023) Mr P Finch, Head Teacher and Accounting Officer (appointed 1 September 2024) Mr S Jarvis Mr J Sibley (appointed 29 November 2023)
Company registered number	08330173
Company name	Hedingham School and Sixth Form
Principal and registered office	Yeldham Road Sible Hedingham Halstead CO9 3QH
Company secretary	MS L Travell
Independent auditors	MWS Chartered Accountants Registered Auditor 601 London Road Westcliff-on-Sea Essex SS0 9PE

HEDINGHAM SCHOOL AND SIXTH FORM
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2024

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year 1 September 2023 to 31 August 2024. The annual report serves the purposes of both a Trustees' report, and a directors' report and strategic report under company law.

The Trust operates an Academy School (the School or the Academy) for pupils aged 11 to 19 serving a catchment area in North West Essex. It has a current pupil capacity of 1,168 and had a roll of 1,136 in the Summer 2024 school census

Structure, governance and management

The 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 Charitable Company are also the Directors for the purposes of company law. The terms Trustee, Director and Governor are interchangeable. The Charitable Company is known as Hedingham School and Sixth Form.

Details of the Trustees who served during the year are included in the Reference and Administrative Details section.

a. Constitution

The Academy is a charitable company limited by guarantee and an exempt charity.

The charitable company's Trust deed is the primary governing document of the Academy.

The Trustees of Hedingham School and Sixth Form are also the directors of the charitable company for the purposes of company law.

The charitable company is known as .

Details of the Trustees who served during the year, and to the date these accounts are approved are included in the Reference and administrative details on page 1.

b. 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.

c. Trustees' indemnities

In accordance with normal commercial practice the Trust has purchased insurance to protect Trustees and Officers from claims arising from negligent acts, errors or omissions occurring whilst on Trust business. The insurance provides cover up to £5,000,000 on any one claim and details of the costs are disclosed in Note 14 to the accounts.

d. Method of recruitment and appointment or election of Trustees

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

Trustees are appointed for a fixed term. The Headteacher is an ex officio member of the Governing Body (also referred to as the Board of Trustees). Parent Trustees and the staff Trustees are elected to office or appointed if there are insufficient candidates offering themselves for election. The Articles of Association make provision for 15 Trustees (five Parents, two Staff – Teaching, one Staff non-teaching, six others plus the Headteacher).

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024

Structure, governance and management (continued)

e. Policies and procedures adopted for the induction and training of Trustees

The Charitable Company is committed to providing adequate opportunities for Trustees to undertake and receive suitable training so as to enable them to perform their role effectively. To this end the Trust provides an internal programme continued professional development led by School staff and links with a number of local training providers.

Trustees will complete a skills audit, based on National Governance Association Template, as a useful way of assessing the skills, knowledge and experience of the Governing Body. The results are used to identify training needs, when recruiting new Trustees, when reviewing the Trustees Self Evaluation Form and for succession planning.

All new Trustees are entitled to an induction to the role, according to their need, which may include, introductory sessions, mentoring and formal courses. This process will involve a meeting with the Chair of Trustees and Headteacher or Deputy Headteacher. All Trustees are provided with a handbook plus copies of policies and procedures documents that are appropriate to the role they undertake as Trustees with particular emphasis on the committee work that they will undertake.

f. Organisational structure

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

The Governing Body meets on at least three occasions per year and the three main committees (Finance and Premises Committee, Audit and Risk Committee and Curriculum and Personnel Committee) also meet at least three times per year. The Pay and Headteacher's Pay Committees, meet at least once a year and are responsible for the strategic direction of the Trust. The Governing Body reviews progress towards educational objectives and results; approves major expenditure requests; sets the budget for the following year; sets the organisational staffing structure; agrees the performance objectives of the Headteacher with the School Improvement Partner, and reviews them.

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

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

**HEDINGHAM SCHOOL AND SIXTH FORM
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**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024**

Structure, governance and management (continued)

g. Arrangements for setting pay and remuneration of key management personnel

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

Key Management Personnel at the School have been identified as its Senior Leadership Team (Headteacher, one Deputy Headteacher, five Assistant Headteachers and the Chief Finance Officer). The process for determining the pay and remuneration of the Academy's key management personnel is laid out in the School's pay policy.

Progression

Progression within the salary range for all Key Management Personnel, will be subject to the individual demonstrating a sustained high quality of performance having regard to the most recent review carried out under the performance management policy.

Senior Leadership Team

The Headteacher will be responsible for determining the starting salary, and for making pay progression recommendations, following annual performance management, for posts on the leadership pay ranges. Such decisions will be ratified by the Governing Body Pay Committee.

Headteacher

The Headteacher's Pay Committee will approve annual pay progression for the Headteacher having carried out an annual performance review, supported by an independent external advisor. When determining annual pay progression, they take account of the outcome and recommendations arising from the annual review.

Trade Union Facility Time

No employees acted as union officials during the year, therefore the total cost of facility time was £NIL, as per the previous year.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024

Structure, governance and management (continued)

h. Related Parties and other Connected Charities and Organisations

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

The Trust co-operated with the following organisations during the academic year in pursuit of its charitable activities:

- Association of Secondary Headteachers in Essex
- Behaviour and Attendance Partnership
- Colne Valley Consortium
- Community 360
- De Vere Primary School, Castle Hedingham
- Earls Colne Educational Trust
- Essex Music Services
- Essex Youth Services
- Families and Schools Together
- Gosfield Primary School
- Gosfield Independent School
- Great Yeldham Parish Council
- Jack Petchey Awards Scheme
- Saffron Alliance – as a strategic partner of this teaching school
- Sible Hedingham Parish Council
- St Giles Primary School, Great Maplestead
- St Margaret's CoE Primary School, Toppesfield
- St Peter's Primary School, Sible Hedingham

The Trust does not have a formal sponsor.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024

Objectives and activities

The principal object and aim of the Charitable Company is the operation of the School to provide free education and care for pupils of different abilities between the ages of 11 and 19.

At Hedingham School, we maintain the highest ambitions for our students. We have strong traditional values, and we work relentlessly to ensure that every child's academic and personal development is fulfilled. We have high expectations for all pupils to succeed and grow into knowledgeable and confident individuals. In addition, we are committed to providing vibrant learning experiences, in and out of the classroom, that spark students' thinking and curiosity. We offer extensive enrichment opportunities, as well as a programme of leadership for students and we readily encourage students to take a full and active involvement in all facets of school life.

Our School Motto is: 'Ready, Respect, Safe'

This Vision is driven through our school curriculum. Our aim is to ensure that the curriculum delivers the following principles:

- To provide the knowledge and skills required to be successful learners
- To create resilient and independent learners who are able to meet the challenges of the 21st century
- To prepare learners for the next step in their education
- To broaden their horizons through a rich and varied enrichment programme
- To encourage learners to be active citizens who contribute positively to the community

a. Public benefit

The Trustees believe that by working towards the objects and aims of the School as detailed above, they have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission.

Strategic report

Achievements and performance

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

The academic year ended 31 August 2024 has been another challenging year with an extensive educational political agenda. Ensuring that students regain a sense of routine and are able to work within consistent school structures has required on going focus. Staff continue to work incredibly hard to plug the gaps generated by the pandemic. Staff absence has continued to be higher than pre-pandemic levels, making cover a constant challenge. In addition, the widely publicised recruitment and retention crisis has meant that finding and keeping the right staff is increasingly more challenging. Student safeguarding and wellbeing remains the priority, and it is evident that there are more students requiring support with their mental health. Increasing numbers and complexities around SEND provision and ensuring that we provide an inclusive education that meets the needs of all, has been a worthy challenge. The Academy has used funding to provide flexibility within our curriculum offer, including an investment in our vocational facilities. This provides a different dynamic to students' learning that supports the needs of those who struggle with the academic demands of school life. Additionally, we offer a range of in-school interventions to further assist our students who require additional support. Trustees would like to acknowledge the dedication and commitment of school staff.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024

Strategic report (continued)

Achievements and performance (continued)

a. Key performance indicators

The Trustees serving on the Finance and Premises Committee and the SLT receive monthly financial information to enable them to monitor the financial performance of the Trust compared to aims, strategies and financial budgets.

Governors unanimously agreed the Key Performance Indicators as below:

- To ensure the financial viability of the academy
- Achieve the attainment targets set for all students
- To achieve the Key Priorities Identified within the School Development Plan

Five Year Budget Plan

Included in the budget plan is a five year forecast representing anticipated pupil numbers and known changes in staffing. The last two years have proved challenging, with increasing costs resulting in a deficit position for 23/24. The five year plan currently indicates a cumulative deficit position year on year, but a financial recovery plan is being formulated to address this position and rebuild reserves. The Academy is working with the ESFA to provide the additional support necessary to implement this plan, which will be kept under review by Trustees. Careful financial planning and monitoring will be necessary going forward to ensure a balanced budget can be set in the future.

b. Going concern

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the Academy has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

The Academy's financial position as at the 31st August 2024 reports a net current asset deficit. The Trustees are currently working towards an agreed recovery plan with the ESFA. Due to the ESFA's reporting deadlines this plan will not be agreed prior to approval and issue of the financial statements.

The Trustees are confident that an agreement will be reached with the ESFA to support the Academy's recovery plan and as such the Academy will continue to meet its financial obligations. Cashflow forecasts also indicate that the Academy will have sufficient liquidity in the short term whilst agreements are finalised.

The trustees are confident that a viable recovery plan can be implemented and for this reason they continue to adopt the going concern basis of accounting in preparing the financial statements.

Further details regarding the adoption of the going concern basis can be found in the accounting policies.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024

Strategic report (continued)

Achievements and performance (continued)

c. Financial Review

The principal source of funding for the Trust is the GAG and other grants that it receives from the Education and Skills Funding agency (ESFA). For the year ended 31 August 2024 the Trust received £7,792,832 of GAG and other income (excluding capital funding). A high percentage of this income is spent on wages and salaries and support costs to deliver the Academy's primary objective of the provision of education. During the year the Trust spent £8,167,823 on general running costs (excluding capital expenditure and depreciation). A summary of the Trust's financial results are set out below:

	<u>Restricted General Funds</u>	<u>Unrestricted Funds</u>	<u>Fixed Asset Fund</u>	<u>Pension Reserve</u>	<u>Total</u>
Incoming resources	7,725,356	73,725	(6,524)	6,000	7,798,557
Expenditure	(7,839,547)			(251,000)	(8,090,547)
Pension charge					
Depreciation			(258,170)		(258,170)
Employer pension contributions	(328,000)			328,000	
Assets from other reserves	101,305	(117,779)	16,474	-	
Actuarial gains				(45,000)	(45,000)
Surplus / (Deficit) for the year	(340,887)	(44,054)	(248,220)		(633,161)
Brought forward funds	248,510	44,054	13,113,781	(38,000)	13,368,345
Carried forward funds	(92,377)	-	12,865,561	-	12,773,184

Due to the accounting rules for the Local Government Pension Scheme under FRS102, the Academy is recognising a pension amount crystallises and such a deficit generally results in a cash flow effect in the form of increased employer contributions over a number of years. While there has been a significant reduction in the opening deficit of £38,000 resulting from the application of actuarial assumptions and does not guarantee that contribution rates will reduce and ease the cash flow effect on the Trust.

Financial review

The principal source of funding for the Trust is the GAG and other grants that it receives from the Education and Skills Funding agency (ESFA). For the year ended 31 August 2024 the Trust received £7,799,081 of GAG and other income (excluding capital funding). A high percentage of this income is spent on wages and salaries and support costs to deliver the Academy's primary objective of the provision of education. During the year the Trust spent £8,090,547 on general running costs (excluding capital expenditure and depreciation). A summary of the Trust's financial results are set out below:

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024

a. Reserves policy

The Trustees are aware of the requirement to balance current and future needs. The Trustees monitor estimated year end carry forward figures via monthly reports produced by the Chief Finance Officer and regular Finance and Premises Committee meetings.

The Academy's unrestricted (general purpose) reserves at the reporting date were £0 (2023 £44,054)

The reserve policy aims to have a contingency fund of £100,000. The Trust is implementing a plan to work towards achieving this in the coming year.

The Trust's balance on restricted general funds (excluding pension reserve) at the reporting date was (£92,377) (2023 £248,510) including the balance on unrestricted funds at 31 August 2024 the Trusts reserves were (£92,377) (2023 £292,564).

Despite these deficits the Academy continued to have a positive cash position throughout the reporting period ending the year with a balance of £345,000. The Trustees monitor cash flow as part of the reports from the Chief Financial Officer.

b. Investment policy

The Trust has an investment policy in place, as part of the Trust's financial regulations. The aim of the policy is to ensure funds that the Academy does not immediately need to cover anticipated expenditure, are invested to maximise the Academy's income but with minimal risk. The aim is to research where funds may be deposited applying prudence in ensuring there is minimum risk.

c. Principal risks and uncertainties

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

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

It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed. Staff costs make up the majority of expenditure and are relatively stable with contingencies in place to cover such items as sickness and maternity.

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

- Presence of other organisations with similar objects and little scope for differentiation. This risk is mitigated by having an effective marketing strategy and forward financial planning. Maximising student numbers has been a priority since incorporation.
- Change of funding policy and introduction of new education priorities by Government – This risk is mitigated as policy is monitored by the Senior Management Team and core strategy is checked for compliance.
- Risk that budget will be in a deficit position that cannot be met by reserves. This risk was realised this year, but plans are now in place to mitigate this happening in the future, including more frequent Finance and Premises meetings and a new finance system with an extensive reporting suite.

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

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024

Fundraising

The Trust only held small fundraising events during the year in addition to minor events to raise funds for donating to charities. The Trust does not work with professional fundraisers or companies who carry out fundraising on its behalf. During the year no complaints or issues have arisen as a result of the fundraising events.

Plans for future periods

The Trust will continue striving to improve the levels of performance of its students at all levels and will attempt to maintain its recent progress in ensuring the number of students on roll properly reflects the demand for places.

The Trustees intend to enhance and expand facilities in pursuance of the school's commitment to ensure that all students achieve their potential. It is recognised that students with differing abilities and aptitudes will have differing curriculum requirements and that a greater diversity of learning environments will be required to deliver these. The school successfully bid for, and secured, an Inclusion Grant to expand our vocational facilities to support a learning environment conducive to those with specific learning needs.

We are excited by the prospect of the installation of a café in the Sixth Form area with the support of our catering partners. We hope that this will provide an excellent space for students to purchase refreshments but will also act as a recruitment tool to help support the growth of numbers that progress into our Post-16 provision.

The Trust continues to seek opportunities to engage with local schools with the aim of collaboration and sharing of best practice.

Funds held as custodian on behalf of others

The trust acts as an agent in distributing 16-19 Bursary Funds from the ESFA. Payments received from the ESFA and subsequent disbursements to students are excluded from the Statement of Financial Activities as the Trust does not have control over the charitable application of funds. Where the funds have not been fully applied in the accounting period then an amount will be included as other creditors.

The Trust hold funds for the Colne Valley Consortium which includes this School and a group of local Primary Schools from the School's Catchment Area. These funds are used to provide CPD and Partnership Work for the Staff in these schools to the benefit of the students. Any funds being held at year end are carried forward into the following year. This year £16,716 (2023: £15,846) was carried forward.

Estates Management

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

CIF Projects

Two CIF projects were successfully completed in the year, one for essential roof replacement works and the other for site security and safeguarding improvements.

These projects enabled the Academy to make much needed improvements on the site, which would not have been possible without CIF funding.

OSF

The DFE Opening Schools Facilities programme has enabled the Academy to purchase much needed new gym equipment with a view to opening facilities to the wider community in the medium to long term.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024

Disclosure of information to auditors

Insofar as the Trustees are aware:

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

Auditors

The auditors, MWS, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 18 December 2024 and signed on its behalf by:



.....
Mr M Lee
Chair of Trustees

HEDINGHAM SCHOOL AND SIXTH FORM
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GOVERNANCE STATEMENT

Scope of responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that Hedingham School and Sixth Form 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.

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

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

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GOVERNANCE STATEMENT (CONTINUED)

Governance

The information on governance included here supplements that described in the Trustees' report and in the Statement of trustees' responsibilities. The Board of Trustees has formally met 3 times during the year with a further six 'Item Specific' meetings throughout the year.

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

Trustee	Meetings attended	Out of a possible
Mrs S Ford (resigned 29th November 2023)	0	0
Mr A Harvison, Head Teacher and Accounting Officer	6	9
Mr M Lee, Chair of Trustees	9	9
Mr D Lee	7	9
Mr D Batch	6	9
Mr J Carlton	6	9
Mr A Illingworth	8	9
Mr R Gough	7	9
Mr R Hammond	8	9
Ms A Wake	0	9
Mr P Finch, Head Teacher and Accounting Officer (from 1st September 2024)	0	0
Mr S Jarvis	8	9
Mr J Sibley	4	9

Review of year

There have been some changes to the Board of Governors. Martin Lee was re-elected as the Chair of the Governing Board in the Autumn Term 2023. Alison Wake left the Governing Board and Mrs Jakki Sibley was appointed as Governor in November 2023.

Conflicts of interest

All Governors, Key Management Personnel and Budget Holders complete an annual Declaration of Business interest form which is carefully reviewed, held on file and updated annually. All staff are required to declare any Gifts over the value of £20 and this is logged on our Gifts and Hospitality Register. There are no current conflicts of interest (2023: None).

Governance reviews

The Governing Board undertake regular training based against the competency framework.

Committees

The Curriculum and Personnel Committee is a sub-committee of the main Board of Trustees. Its purpose is to deal with the following matters:

- Reflects the aims and values of the school
- Engages students in learning
- Equips students with the knowledge, skills attitudes and values needed for their adult and working life
- Provides clear pathways suited to the needs and abilities of learners to ensure that they achieve their maximum potential
- Involves students and parents in negotiating and shaping their learning
- Is broad and balanced to provide access to all areas of human understanding
- Provides a manageable and flexible curriculum model within available resources

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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

- Meets statutory requirements

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

Mr R Hammond stepped down as Chair and Mr R Gough was elected Chair of the Curriculum and Personnel Committee with Mr J Carlton being elected as Vice-Chair. Mrs A Wake resigned and Mrs J Sibley was appointed from November 2023.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Mr R Hammond	1	3
Mr A Harvison	3	3
Mr M Lee	3	3
Mr D Batch	3	3
Mr R Gough	3	3
Mrs A Wake	1	3
Mr J Carlton	0	3
Mrs S Ford	0	3
Mrs J Sibley	0	3

The Finance and Premises Committee is a sub-committee of the main Board of Trustees. Its purpose is to deal with the following matters:

- Budget setting and monitoring
- Oversight of capital projects
- Annual update of the Academy Finance Regulations
- Health and Safety - Premises

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

From September 2023, monthly Finance and Premises meetings commenced at the request of the ESFA.

Mr R Hammond was elected Chair of the Finance and Premises Committee and Mr D Lee re-elected as Vice Chair at Full Governors on the 29 November 2023. Mrs Sarah Ford resigned as a Governor but agreed to stay on as a Member.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Mr R Hammond	1	3
Mrs S Ford	0	3
Mr A Harvison	3	3
Mr S Jarvis	3	3
Mr D Lee	1	3
Mr M Lee	3	3
Mr A Illingworth	3	3
Ms A Wake	0	3

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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

Attendance during the year of the Monthly Finance and Premises Meetings was as follows:

Trustee	Meetings attended	Out of a possible
Mr M Lee	3	3
Mr A Harvison	3	3
Mr S Jarvis	3	3
Mr A Illingworth	2	3
Mr D Lee	1	3
Mrs S Ford	0	3
Mrs A Wake	0	3
Mr R Hammond	1	3

The Audit and Risk Committee is also a sub-committee of the main Board of Trustees. It is responsible for keeping under review the strategic objectives of the School and to be responsible for advising the Board of Trustees through the Finance and Premises Committee in matters relating to the accounting function. They have, in particular, a responsibility for internal and external audit. The Committee received three internal audit reports during the year, in which minimal management letter points were raised. Trustees were pleased to note all management letter points were swiftly addressed and recommendations fully implemented.

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

- Annual review of Risk Management Register
- Acceptance and Review of reports from Internal and External auditors

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

Mr Daniel Lee was re-elected as Chair of the Audit and Risk Committee

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Mr D Lee	1	3
Mr M Lee	3	3
Mr A Harrison	3	3

Review of value for money

As accounting officer, the Headteacher has responsibility for ensuring that the Academy 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, as well as estates safety and management, achieved in return for the taxpayer resources received.

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

- Seeking best value at all times in line with the Trust's Finance Regulations
- Securing invaluable CIF funding to make much needed improvement to the Academy's physical environment

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GOVERNANCE STATEMENT (CONTINUED)

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy 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 Hedingham School and Sixth Form 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 Board of Trustees has reviewed the key risks to which the Academy 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'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 Board of Trustees.

The risk and control framework

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

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

The Board of Trustees has decided to buy-in an internal audit service from Juniper Education

This option has been chosen because Juniper Education have a breadth of experience in carrying the Academy's Internal Audits. The Governing Body select different criteria to be evaluated each year. The offer will then be presented to the Audit and Risk Committee in the Autumn Term.

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

- Governance Framework
- Banking
- Income
- Procurement
- Financial Governance
- Balance Sheet Management
- Payroll

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

HEDINGHAM SCHOOL AND SIXTH FORM
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework (continued)

The internal auditor delivered their schedule of work, as planned, and four medium priority issues were identified, none of which presented significant control issues.

Review of effectiveness

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

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

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the audit and risk committee and a plan to address weaknesses and ensure continuous improvement of the system is in place. No significant control issues were identified. Any points raised have been addressed.

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 Trustees on 18 December 2024 and signed on their behalf by:



.....
Mr M Lee
Chair of Trustees



.....
Mr P Finch
Accounting Officer

HEDINGHAM SCHOOL AND SIXTH FORM
(A company limited by guarantee)

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Hedingham School and Sixth Form, I have considered my responsibility to notify the Academy Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding, including for estates safety and management, under the funding agreement between the Academy 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 Board of Trustees are able to identify any material irregular or improper use of all funds by the Academy, or material non-compliance with the terms and conditions of funding under the Academy'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 Trustees and ESFA.

Paul Finch - Accounting Officer

Mr P Finch
Accounting Officer
Date: 18 December 2024

HEDINGHAM SCHOOL AND SIXTH FORM
(A company limited by guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2024

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 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 Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

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

Approved by order of the members of the Board of Trustees on 18 December 2024 and signed on its behalf by:



.....
Mr M Lee
Chair of Trustees

HEDINGHAM SCHOOL AND SIXTH FORM
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
HEDINGHAM SCHOOL AND SIXTH FORM**

Opinion

We have audited the financial statements of Hedingham School and Sixth Form (the 'academy') for the year ended 31 August 2024 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2023 to 2024 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy's affairs as at 31 August 2024 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2023 to 2024 issued by the Education and Skills Funding Agency.

Basis for opinion

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

Material uncertainty related to going concern

We draw attention to note 2.2 in the financial statements, which indicates that the Academy's financial position as at the 31st August 2024 reports a net current asset deficit. As stated in note 2.2, these events or conditions, along with the other matters as set forth in note 2.2, indicate that a material uncertainty exists that may cast significant doubt on the Academy's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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. Our evaluation of the Trustees' assessment of the Academy's ability to continue to adopt the going concern basis of accounting included:

- Discussing recovery arrangements with management
- Reviewing future budgets and cashflow forecasts
- Reviewing correspondence with the ESFA regarding a recovery plan
- Concluding that any recovery plan will require the support of the ESFA and that it seems reasonable that such support will be given.

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

HEDINGHAM SCHOOL AND SIXTH FORM
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
HEDINGHAM SCHOOL AND SIXTH FORM (CONTINUED)**

Other information

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

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

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

HEDINGHAM SCHOOL AND SIXTH FORM
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
HEDINGHAM SCHOOL AND SIXTH FORM (CONTINUED)**

Auditors' responsibilities for the audit of the financial statements

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

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

- We obtained an understanding of how the Company is complying with those legal and regulatory frameworks by making inquiries of management and those responsible for legal and compliance procedures;
- In assessing the potential risks of material misstatement, we obtained an understanding of the Company's operations, including its objectives and strategies to understand the expected financial statement disclosures and business risks that may result in risks of material misstatement;
- In assessing the appropriateness of the collective competence and capabilities of the engagement team, the engagement partner considered the engagement team's:
 - understanding of, and practical experience with, audit engagements of a similar nature and complexity through appropriate training and participation
 - the specialist skills required and
 - knowledge of the industry in which the client operates.
- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the engagement team included:
 - assessing the design effectiveness of controls management has in place to prevent and detect fraud;
 - challenging assumptions and judgements made by management in its significant accounting estimates;
 - identifying and testing journal entries, in particular manual journal entries made at year end for financial statement preparation; and
 - assessing the extent of compliance with the relevant laws and regulations as part of our procedures on the related financial statement item.

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

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

HEDINGHAM SCHOOL AND SIXTH FORM
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
HEDINGHAM SCHOOL AND SIXTH FORM (CONTINUED)**

Use of our report

This report is made solely to the Academy'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 Academy's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Academy and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Jason Lamont

Jason Lamont ACA (Senior statutory auditor)

for and on behalf of

MWS

Chartered Accountants

Registered Auditor

601 London Road

Westcliff-on-Sea

Essex

SS0 9PE

19 December 2024

Date:

HEDINGHAM SCHOOL AND SIXTH FORM
(A company limited by guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO HEDINGHAM SCHOOL AND SIXTH FORM AND THE EDUCATION AND SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 17 June 2024 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2023 to 2024, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Hedingham School and Sixth Form during the year 1 September 2023 to 31 August 2024 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 Hedingham School and Sixth Form and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Hedingham School and Sixth Form and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Hedingham School and Sixth Form and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Hedingham School and Sixth Form's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Hedingham School and Sixth Form's funding agreement with the Secretary of State for Education and the Academy Trust Handbook, extant from 1 September 2023, 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 2023 to 2024. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2023 to 31 August 2024 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

HEDINGHAM SCHOOL AND SIXTH FORM
(A company limited by guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO HEDINGHAM SCHOOL AND SIXTH FORM AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)

Approach

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

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

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

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

- Assessing the risk of material irregularity in the Academy Trust
- Commissioning a self-assessment review of the Trustees' governance arrangements and consideration of any material non-compliance with the Academy Trust Handbook
- Investigating any areas of significant risk identified
- Consideration of the work performed under our audit engagement and any impact this may have on our regularity conclusion or regularity risk assessment
- A review of the internal controls and internal audit procedures for areas of significant risk and performing further substantive testing where necessary.

In line with the Framework and guide for external auditors and reporting accountants of academy trusts issued April 2023, we have not performed any additional procedures regarding the Trust's compliance with safeguarding, health and safety and estates management.

Conclusion

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2023 to 31 August 2024 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

MWS

Reporting Accountant
MWS
Chartered Accountants

601 London Road
Westcliff-on-Sea
Essex
SS0 9PE

Date: 19 December 2024

HEDINGHAM SCHOOL AND SIXTH FORM
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2024**

	Unrestricted funds 2024 £	Restricted funds 2024 £	Restricted fixed asset funds 2024 £	Total funds 2024 £	Total funds 2023 £	
Income from:						
Donations and capital grants	4	174	172,570	(6,524)	166,220	1,433,880
Other trading activities		51,936	30,224	-	82,160	67,839
Investments	7	102	6,000	-	6,102	109
Charitable activities		21,513	7,522,562	-	7,544,075	7,029,639
Total income	73,725	7,731,356	(6,524)	7,798,557	8,531,467	
Expenditure on:						
Charitable activities	9	-	8,090,548	258,170	8,348,718	7,851,549
Total expenditure		-	8,090,548	258,170	8,348,718	7,851,549
Net income/(expenditure)		73,725	(359,192)	(264,694)	(550,161)	679,918
Transfers between funds	19	(117,779)	101,305	16,474	-	-
Net movement in funds before other recognised gains/(losses)		(44,054)	(257,887)	(248,220)	(550,161)	679,918
Other recognised gains/(losses):						
Actuarial (losses)/gains on defined benefit pension schemes	26	-	(45,000)	-	(45,000)	789,000
Net movement in funds		(44,054)	(302,887)	(248,220)	(595,161)	1,468,918
Reconciliation of funds:						
Total funds brought forward		44,054	210,510	13,113,781	13,368,345	11,899,427
Net movement in funds		(44,054)	(302,887)	(248,220)	(595,161)	1,468,918
Total funds carried forward		-	(92,377)	12,865,561	12,773,184	13,368,345

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

The notes on pages 30 to 54 form part of these financial statements.

HEDINGHAM SCHOOL AND SIXTH FORM

(A company limited by guarantee)

REGISTERED NUMBER: 08330173

**BALANCE SHEET
AS AT 31 AUGUST 2024**

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	15	12,908,849	11,909,224
		<u>12,908,849</u>	<u>11,909,224</u>
Current assets			
Debtors	16	279,357	1,131,306
Cash at bank and in hand		345,000	761,310
		<u>624,357</u>	<u>1,892,616</u>
Creditors: amounts falling due within one year	17	(706,022)	(395,495)
Net current liabilities / assets		<u>(81,665)</u>	1,497,121
Total assets less current liabilities		<u>12,827,184</u>	13,406,345
Creditors: amounts falling due after more than one year	18	(54,000)	-
Net assets excluding pension asset / liability		<u>12,773,184</u>	13,406,345
Defined benefit pension scheme asset / liability	26	-	(38,000)
Total net assets		<u><u>12,773,184</u></u>	<u><u>13,368,345</u></u>
Funds of the Academy			
Restricted funds:			
Fixed asset funds	19	12,865,561	13,113,781
Restricted income funds	19	(92,377)	248,510
		<u>12,773,184</u>	<u>13,362,291</u>
Restricted funds excluding pension asset	19	12,773,184	13,362,291
Pension reserve	19	-	(38,000)
Total restricted funds	19	<u>12,773,184</u>	13,324,291
Unrestricted income funds	19	-	44,054
Total funds		<u><u>12,773,184</u></u>	<u><u>13,368,345</u></u>

HEDINGHAM SCHOOL AND SIXTH FORM

**(A company limited by guarantee)
REGISTERED NUMBER: 08330173**

**BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2024**

The financial statements on pages 26 to 54 were approved by the Trustees, and authorised for issue on 18 December 2024 and are signed on their behalf, by:



.....
Mr M Lee
Chair of Trustees



.....
Mr P Finch
Accounting Officer

The notes on pages 30 to 54 form part of these financial statements.

HEDINGHAM SCHOOL AND SIXTH FORM
(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 provided by operating activities	21	728,973	309,695
Cash flows from investing activities			
	23	(1,199,283)	109
Cash flows from financing activities			
	22	54,000	(296,357)
Change in cash and cash equivalents in the year		(416,310)	13,447
Cash and cash equivalents at the beginning of the year		761,310	747,863
Cash and cash equivalents at the end of the year	24, 25	345,000	761,310

The notes on pages 30 to 54 form part of these financial statements

HEDINGHAM SCHOOL AND SIXTH FORM
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

1. General information

The Academy Trust is a company limited by guarantee incorporated in England & Wales under Company Number 08330173. The Members are noted on page 1, in the event of the Academy being wound up, the liability of the guarantee is limited to £10 per Member.

2. Accounting policies

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

2.1 Basis of preparation of financial statements

The financial statements of the Academy, 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 (Charities SORP (FRS 102)), the Academies Accounts Direction 2023 to 2024 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Hedingham School and Sixth Form meets the definition of a public benefit entity under FRS 102.

2.2 Going concern

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy to continue as a going concern.

The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that there are material uncertainties about the Academy's ability to continue as a going concern.

The Academy's financial position as at the 31st August 2024 reports a net current asset deficit. The Trustees are currently working towards an agreed recovery plan with the ESFA. Due to the ESFA's reporting deadlines this plan will not be agreed prior to approval and issue of the financial statements.

The Trustees are confident that an agreement will be reached with the ESFA to support the Academy's recovery plan and as such the Academy will continue to meet its financial obligations. Cashflow forecasts also indicate that the Academy will have sufficient liquidity in the short term whilst agreements are finalised.

The trustees are confident that a viable recovery plan can be implemented and for this reason they continue to adopt the going concern basis of accounting in preparing the financial statements.

HEDINGHAM SCHOOL AND SIXTH FORM
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

2. Accounting policies (continued)

2.3 Income

All incoming resources are recognised when the Academy 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 has provided the goods or services.

2.4 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's educational operations, including support costs and costs relating to the governance of the Academy apportioned to charitable activities.

All resources expended are inclusive of irrecoverable VAT.

2.5 Interest receivable

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

HEDINGHAM SCHOOL AND SIXTH FORM
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

2. Accounting policies (continued)

2.6 Taxation

The Academy 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 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.

2.7 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. Also capitalised are assets below this threshold but attractive and portable.

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	- 50 - 125 years straight line
Furniture and equipment	- 5, 15 and 20 years straight line
Plant and machinery	- 20 years straight

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use and reclassified to freehold or leasehold land and buildings.

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.

2.8 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.

2.9 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.

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2. Accounting policies (continued)

2.10 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 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.

2.11 Financial instruments

The Academy only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Academy 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 16. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 17 and 18. 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.

2.12 Pensions

Retirement benefits to employees of the Academy 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 to spread the cost of pensions over employees' working lives with the Academy 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. 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 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.

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2. Accounting policies (continued)

2.13 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 academy trust does not have control over the charitable application of the funds. The academy 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 26

2.14 Fund accounting

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

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

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

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

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 26, 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.

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4. Income from donations and capital grants

	Unrestricted funds 2024 £	Restricted funds 2024 £	Restricted fixed asset funds 2024 £	Total funds 2024 £	Total funds 2023 £
Donations	174	172,570	-	172,744	179,583
Capital Grants	-	-	(6,524)	(6,524)	1,254,297
	<u>174</u>	<u>172,570</u>	<u>(6,524)</u>	<u>166,220</u>	<u>1,433,880</u>
<i>Total 2023</i>	<u>-</u>	<u>179,583</u>	<u>1,254,297</u>	<u>1,433,880</u>	

5. Funding for the Academy's charitable activities

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Educational Operations				
DfE/ESFA grants				
General Annual Grant (GAG)	-	6,643,471	6,643,471	6,290,299
Other DfE/ESFA grants				
Other DfE/ESFA grants	-	257,495	257,495	374,801
Teachers Pension Grant	-	94,535	94,535	36,654
Pupil Premium	-	176,795	176,795	165,633
Teachers Pay Grant	-	102,321	102,321	10
Rates relief	-	30,976	30,976	-
	<u>-</u>	<u>7,305,593</u>	<u>7,305,593</u>	<u>6,867,397</u>
Other Government grants				
Local Authority Grants	-	216,969	216,969	148,664
	<u>-</u>	<u>216,969</u>	<u>216,969</u>	<u>148,664</u>
Catering Income	21,513	-	21,513	13,578
	<u>21,513</u>	<u>7,522,562</u>	<u>7,544,075</u>	<u>7,029,639</u>
	<u>21,513</u>	<u>7,522,562</u>	<u>7,544,075</u>	<u>7,029,639</u>
<i>Total 2023</i>	<u>13,578</u>	<u>7,016,061</u>	<u>7,029,639</u>	

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

6. Income from other trading activities

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	<i>Total funds 2023 £</i>
Hire of facilities	-	22,993	22,993	18,385
Rental income	636	-	636	79
Staff training refund	-	-	-	150
Supply Reimbursements	3,406	-	3,406	3,120
Private Fund Income	36,263	-	36,263	34,669
Other Sales Income	6,667	-	6,667	6,906
Exam Fee Income	-	7,231	7,231	314
Reprographic Income	4,759	-	4,759	4,216
Other Income	205	-	205	-
	<u>51,936</u>	<u>30,224</u>	<u>82,160</u>	<u>67,839</u>
<i>Total 2023</i>	<u>49,140</u>	<u>18,699</u>	<u>67,839</u>	

7. Investment income

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	<i>Total funds 2023 £</i>
Bank Interest	102	-	102	109
Pension income	-	6,000	6,000	-
	<u>102</u>	<u>6,000</u>	<u>6,102</u>	<u>109</u>
<i>Total 2023</i>	<u>109</u>	<u>-</u>	<u>109</u>	

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

8. Expenditure

	Staff Costs 2024 £	Premises 2024 £	Other 2024 £	Total 2024 £	<i>Total 2023 £</i>
Educational Operations:					
Direct costs	5,340,029	21,282	547,394	5,908,705	5,300,683
Allocated support costs	1,357,466	448,490	634,057	2,440,013	2,550,866
	<u>6,697,495</u>	<u>469,772</u>	<u>1,181,451</u>	<u>8,348,718</u>	<u>7,851,549</u>
<i>Total 2023</i>	<u>6,241,445</u>	<u>460,232</u>	<u>1,149,872</u>	<u>7,851,549</u>	

9. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	<i>Total 2023 £</i>
Educational Operations	-	8,348,718	8,348,718	7,851,549
<i>Total 2023</i>	<u>(24,236)</u>	<u>7,875,785</u>	<u>7,851,549</u>	

10. Analysis of expenditure by activities

	Activities undertaken directly 2024 £	Support costs 2024 £	Total funds 2024 £	<i>Total funds 2023 £</i>
Educational Operations	5,908,705	2,440,013	8,348,718	7,851,549
<i>Total 2023</i>	<u>5,300,683</u>	<u>2,550,866</u>	<u>7,851,549</u>	

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FOR THE YEAR ENDED 31 AUGUST 2024

10. Analysis of expenditure by activities (continued)

Analysis of support costs

	Educational Operations 2024 £	Total funds 2024 £	<i>Total funds 2023 £</i>
Pension finance costs	-	-	26,000
Staff costs	1,357,466	1,357,466	1,491,596
Depreciation	258,170	258,170	246,552
Technology costs	20,509	20,509	22,756
Premises costs	304,255	304,255	321,159
Other support costs	387,382	387,382	353,109
Governance costs	15,760	15,760	18,030
Legal costs	96,471	96,471	71,664
	<u>2,440,013</u>	<u>2,440,013</u>	<u>2,550,866</u>
<i>Total 2023</i>	<u>2,550,866</u>	<u>2,550,866</u>	

11. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2024 £	<i>2023 £</i>
Operating lease rentals	67,518	33,458
Depreciation of tangible fixed assets	243,899	246,551
Fees paid to auditors for:		
- audit	8,500	9,520
- other services	6,500	5,700
	<u>67,518</u>	<u>33,458</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

12. Staff

a. Staff costs and employee benefits

Staff costs during the year were as follows:

	2024	2023
	£	£
Wages and salaries	4,879,315	4,642,819
Social security costs	492,618	454,399
Pension costs	1,133,345	1,097,156
	<u>6,505,278</u>	<u>6,194,374</u>
Agency staff costs	181,884	44,606
Staff restructuring costs	10,333	2,465
	<u>6,697,495</u>	<u>6,241,445</u>

Staff restructuring costs comprise:

	2024	2023
	£	£
Severance payments	10,333	2,465
	<u>10,333</u>	<u>2,465</u>

b. Severance payments

The Academy paid 1 severance payments in the year, disclosed in the following bands:

	2024
	No.
£0 - £25,000	<u>1</u>

c. Staff numbers

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

	2024	2023
	No.	No.
Teachers	77	78
Administration and support	99	98
Management	1	1
	<u>177</u>	<u>177</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

12. Staff (continued)

d. 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	1	3
In the band £70,001 - £80,000	3	-
In the band £80,001 - £90,000	1	1
In the band £110,001 - £120,000	-	1
In the band £120,001 - £130,000	1	-
	1	-

e. Key management personnel

The key management personnel of the Academy comprise the Trustees and the senior management team as listed on page 1. The total amount of key management personnel benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy was £809,842 (2023 - £944,948).

13. Trustees' remuneration and expenses

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

		2024	2023
		£	£
Mr A Harvison, Head Teacher and Accounting Officer	Remuneration	120,000 - 125,000	<i>110,000 - 115,000</i>
	Pension contributions paid	30,000 - 35,000	<i>25,000 - 30,000</i>
Mr S Jarvis	Remuneration	40,000 - 45,000	<i>35,000 - 40,000</i>
	Pension contributions paid	10,000 - 15,000	<i>5,000 - 10,000</i>
Mr D Batch	Remuneration	50,000 - 55,000	<i>50,000 - 55,000</i>
	Pension contributions paid	10,000 - 15,000	<i>10,000 - 15,000</i>
Mr A Illingworth	Remuneration	50,000 - 55,000	<i>45,000 - 50,000</i>
	Pension contributions paid	10,000 - 15,000	<i>10,000 - 15,000</i>

During the year, retirement benefits were accruing to 4 Trustees (2023 - 4) in respect of defined benefit pension schemes.

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

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NOTES TO THE FINANCIAL STATEMENTS
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14. Trustees' and Officers' insurance

In accordance with normal commercial practice, the Academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2024 was £25,628 (2023 - £27,884). The cost of this insurance is included in the total insurance cost.

15. Tangible fixed assets

	Long-term leasehold property £	Furniture and equipment £	Plant and machinery £	Total £
Cost or valuation				
At 1 September 2023	13,985,184	505,984	266,589	14,757,757
Additions	1,247,355	10,440	-	1,257,795
At 31 August 2024	<u>15,232,539</u>	<u>516,424</u>	<u>266,589</u>	<u>16,015,552</u>
Depreciation				
At 1 September 2023	2,257,515	416,734	174,284	2,848,533
Charge for the year	224,727	19,172	14,271	258,170
At 31 August 2024	<u>2,482,242</u>	<u>435,906</u>	<u>188,555</u>	<u>3,106,703</u>
Net book value				
At 31 August 2024	<u>12,750,297</u>	<u>80,518</u>	<u>78,034</u>	<u>12,908,849</u>
At 31 August 2023	<u>11,727,669</u>	<u>89,250</u>	<u>92,305</u>	<u>11,909,224</u>

16. Debtors

	2024 £	2023 £
Due within one year		
Trade debtors	4,183	17,133
Other debtors	3,787	7,425
Prepayments and accrued income	271,387	1,106,748
	<u>279,357</u>	<u>1,131,306</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

17. Creditors: Amounts falling due within one year

	2024 £	2023 £
Trade creditors	-	1,362
Other taxation and social security	110,545	104,070
Other creditors	544,515	130,953
Accruals and deferred income	50,962	159,110
	706,022	395,495
	2024 £	2023 £
Deferred income at 1 September 2023	66,893	108,869
Resources deferred during the year	50,962	66,893
Amounts released from previous periods	(66,893)	(108,869)
	50,962	66,893

At the balance sheet date the Academy trust was holding income received in advance for various school trips and SEN top up funding

Top up funding £2,842 (2023: £nil)
Trips £48,120 (2023: £66,893)

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

	2024 £	2023 £
Other loans	54,000	-
	54,000	-

The above relate to two CIF loans provided by the ESFA.

The first CIF loan was for the roofing project, the total carrying amount at the year end was £38,000. This will be paid off at £737.49 per month over 5 years. The total interest to be paid over the life of the loan is £6,250

The second CIF loan was for the safeguarding project, the total carrying amount at the year end was £16,000. This will be paid off at £310.53 over 5 years. The total interest to be paid over the life of the loan is £2,631

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

19. Statement of funds

	Balance at 1 September 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2024 £
Unrestricted funds						
General Funds - all funds	44,054	73,725	-	(117,779)	-	-
Restricted general funds						
General Annual Grant	33,092	5,756,910	(5,877,010)	(68,306)	-	(155,314)
16-19 grant	-	886,561	(886,561)	-	-	-
Restricted donations	-	172,570	(172,570)	-	-	-
Other restricted income	-	7,231	(7,231)	-	-	-
Other DFE/ESFA grants	-	257,495	(257,495)	-	-	-
Rates relief	-	30,976	(30,976)	-	-	-
Restricted ATP sink fund	155,509	22,993	(20,113)	(158,389)	-	-
Teachers Pay Grant	-	102,321	(102,321)	-	-	-
Pupil Premium	37,303	176,795	(214,098)	-	-	-
Teachers Pension Grant	-	94,535	(94,535)	-	-	-
SEND funding	-	117,763	(117,763)	-	-	-
Other local authority grants	-	10,206	(9,834)	-	-	372
Inclusion framework	-	62,735	(356)	-	-	62,379
Homes for Ukraine	22,606	26,265	(48,685)	-	-	186
Pension reserve	(38,000)	6,000	(251,000)	328,000	(45,000)	-
	210,510	7,731,356	(8,090,548)	101,305	(45,000)	(92,377)

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

19. Statement of funds (continued)

	Balance at 1 September 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2024 £
Restricted fixed asset funds						
Restricted Fixed Asset Fund	11,909,224	-	(258,170)	1,257,795	-	12,908,849
Devolved Formula Capital	77,485	24,180	-	(90,953)	-	10,712
Condition Improvement Funding	1,127,072	(30,704)	-	(1,096,368)	-	-
CIF loans	-	-	-	(54,000)	-	(54,000)
	<u>13,113,781</u>	<u>(6,524)</u>	<u>(258,170)</u>	<u>16,474</u>	<u>-</u>	<u>12,865,561</u>
Total Restricted funds	<u>13,324,291</u>	<u>7,724,832</u>	<u>(8,348,718)</u>	<u>117,779</u>	<u>(45,000)</u>	<u>12,773,184</u>
Total funds	<u><u>13,368,345</u></u>	<u><u>7,798,557</u></u>	<u><u>(8,348,718)</u></u>	<u><u>-</u></u>	<u><u>(45,000)</u></u>	<u><u>12,773,184</u></u>

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

Unrestricted funds

This represents income received which may be used towards meeting any of the charitable objects of the Academy.

Restricted Donations

This fund largely represents contributions made by parents to the running of the educational visits for the pupils of the School and the associated costs of running the trips

Other Government grants

This represents various grants from local and national Government bodies for the provision of specific services to pupils of the School. These grants are generally restrictive in nature.

Other DFE/ESFA grants

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

Restricted ATP sink fund

This represents the value of the sinking fund that the Academy has an obligation to build up under the agreement for funding in preparation for replacing the all weather pitch.

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FOR THE YEAR ENDED 31 AUGUST 2024

19. Statement of funds (continued)

Pension reserve

This fund represents the Academy's share of the deficit on the Local Government Pension Scheme (LGPS) transferred on conversion from a state controlled school.

Restricted Fixed Asset Fund

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

Devolved Formula Capital Grant

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

Conditional Improvements funding

This represents funding for specific projects applied for under the ESFA Condition Improvement Fund.

General Annual Grant (GAG)

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

Teachers Pay

The teachers pay grant (TPG) provides funding for schools to support teachers' pay awards.

Teachers Pension

Funding for schools to support the increase in the employers contribution to the Teachers' Pension Scheme that came into effect on 1 September 2019.

Pupil Premium

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

SEND

Local authority funds to help meet the costs for additional support for the schools pupils with special education needs.

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

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

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

	<i>Balance at 1 September 2022 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2023 £</i>
Unrestricted funds					
General Funds - all funds	57,025	63,141	(76,112)	-	44,054
Restricted general funds					
General Annual Grant	181,862	6,290,299	(6,439,069)	-	33,092
16-19 grant	-	22,191	(22,191)	-	-
Restricted donations	-	179,583	(179,583)	-	-
Other DFE/ESFA grants	-	374,801	(374,801)	-	-
Restricted ATP sink fund	141,054	18,385	(3,930)	-	155,509
Teachers Pay Grant	-	10	(10)	-	-
Pupil Premium	46,175	165,633	(174,505)	-	37,303
Teachers Pension Grant	-	36,654	(36,654)	-	-
SEND funding	18,805	102,397	(121,202)	-	-
Homes for Ukraine	-	24,076	(1,470)	-	22,606
Pension reserve	(770,000)	-	-	789,000	(38,000)
	<u>(382,104)</u>	<u>7,214,029</u>	<u>(7,353,415)</u>	<u>789,000</u>	<u>210,510</u>
Restricted fixed asset funds					
Restricted Fixed Asset Fund	12,155,775	-	(246,551)	-	11,909,224
Devolved Formula Capital	24,500	70,990	(18,005)	-	77,485
Condition Improvement Funding	28,498	1,127,072	(28,498)	-	1,127,072
Other Capital Grants	15,733	56,235	(71,968)	-	-
	<u>12,224,506</u>	<u>1,254,297</u>	<u>(365,022)</u>	<u>-</u>	<u>13,113,781</u>
Total Restricted funds	<u>11,842,402</u>	<u>8,468,326</u>	<u>(7,718,437)</u>	<u>789,000</u>	<u>13,324,291</u>
Total funds	<u><u>11,899,427</u></u>	<u><u>8,531,467</u></u>	<u><u>(7,794,549)</u></u>	<u><u>789,000</u></u>	<u><u>13,368,345</u></u>

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20. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Restricted funds 2024 £	Restricted fixed asset funds 2024 £	Total funds 2024 £
Tangible fixed assets	-	12,908,849	12,908,849
Current assets	613,645	10,712	624,357
Creditors due within one year	(706,022)	-	(706,022)
Creditors due in more than one year	-	(54,000)	(54,000)
Total	<u>(92,377)</u>	<u>12,865,561</u>	<u>12,773,184</u>

Analysis of net assets between funds - prior period

	<i>Unrestricted funds 2023 £</i>	<i>Restricted funds 2023 £</i>	<i>Restricted fixed asset funds 2023 £</i>	<i>Total funds 2023 £</i>
Tangible fixed assets	-	-	11,909,224	11,909,224
Current assets	44,054	629,005	1,219,557	1,892,616
Creditors due within one year	-	(380,495)	(15,000)	(395,495)
Provisions for liabilities and charges	-	(38,000)	-	(38,000)
Total	<u>44,054</u>	<u>210,510</u>	<u>13,113,781</u>	<u>13,368,345</u>

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21. Reconciliation of net (expenditure)/income to net cash flow from operating activities

	2024 £	2023 £
Net (expenditure)/income for the period (as per Statement of financial activities)	(550,161)	679,918
Adjustments for:		
Depreciation	258,170	246,552
Capital grants from DfE and other capital income	193,905	296,357
Interest receivable	(102)	(109)
Decrease/(increase) in debtors	1,052,378	(871,066)
Increase/(decrease) in creditors	58,212	(98,957)
Pension Adjustment	(83,000)	57,000
Decrease/(increase) in capital debtors	(200,429)	-
Net cash provided by operating activities	728,973	309,695

22. Cash flows from financing activities

	2024 £	2023 £
Capital Grants received from DfE	-	(296,357)
CIF loan	54,000	-
Net cash provided by/(used in) financing activities	54,000	(296,357)

23. Cash flows from investing activities

	2024 £	2023 £
Purchase of tangible fixed assets	(1,005,480)	-
Capital grants from DfE Group	(193,905)	-
Interest	102	109
Net cash (used in)/provided by investing activities	(1,199,283)	109

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24. Analysis of cash and cash equivalents

	2024 £	2023 £
Cash in hand and at bank	345,000	761,310
Total cash and cash equivalents	345,000	761,310

25. Analysis of changes in net debt

	At 1 September 2023 £	Cash flows £	Other non- cash changes £	At 31 August 2024 £
Cash at bank and in hand	761,310	(416,310)	-	345,000
Debt due after 1 year	-	-	(54,000)	(54,000)
	761,310	(416,310)	(54,000)	291,000

26. Pension commitments

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

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

Contributions amounting to £139,625 were payable to the schemes at 31 August 2024 (2023 - £115,107) 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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26. 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 result is due to be implemented from 1 April 2028.

The employer's pension costs paid to TPS in the year amounted to £880,029 (2023 - £750,586).

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 is unable to identify its share of the underlying assets and liabilities of the plan. Accordingly, the Academy has taken advantage of the exemption in FRS 102 and has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Academy 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 £405,000 (2023 - £382,000), of which employer's contributions totalled £328,000 (2023 - £308,000) and employees' contributions totalled £77,000 (2023 - £74,000). The agreed contribution rates for future years are 25 per cent for employers and 5.5 to 12.5 per cent for employees.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of 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](https://www.gov.uk).

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26. Pension commitments (continued)

Principal actuarial assumptions

	2024	<i>2023</i>
	%	%
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
Inflation assumption (CPI)	2.85	2.90

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

	2024	<i>2023</i>
	Years	Years
<i>Retiring today</i>		
Males	20.7	20.7
Females	23.3	23.2
<i>Retiring in 20 years</i>		
Males	22.0	22.0
Females	24.7	24.6

Sensitivity analysis

	2024	<i>2023</i>
	£000	£000
Discount rate +0.1%	101	(88)
Discount rate -0.1%	(103)	90
Mortality assumption - 1 year increase	(177)	155
Mortality assumption - 1 year decrease	171	(150)
CPI rate +0.1%	(99)	86
CPI rate -0.1%	96	(84)

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26. Pension commitments (continued)

Share of scheme assets

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

	At 31 August 2024 £	At 31 August 2023 £
Equities	3,359,000	2,959,000
Gilts	103,000	65,000
Property	420,000	398,000
Cash and other liquid assets	102,000	149,000
Alternative assets	893,000	805,000
Other managed funds	1,101,000	709,000
Total market value of assets	5,978,000	5,085,000

The actual return on scheme assets was £603,000 (2023 - £99,000).

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

	2024 £	2023 £
Current service cost	248,000	336,000
Interest income	(277,000)	(198,000)
Interest cost	271,000	224,000
Administrative expenses	3,000	(3,000)
Total amount recognised in the Statement of financial activities	245,000	359,000

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

	2024 £	2023 £
At 1 September	5,123,000	5,283,000
Current service cost	248,000	336,000
Interest cost	271,000	224,000
Employee contributions	77,000	74,000
Actuarial losses/(gains)	371,000	(690,000)
Benefits paid	(112,000)	(104,000)
At 31 August	5,978,000	5,123,000

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26. Pension commitments (continued)

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

	2024 £	2023 £
At 1 September	5,085,000	4,513,000
Interest income	277,000	198,000
Actuarial gains	326,000	99,000
Employer contributions	328,000	308,000
Employee contributions	77,000	74,000
Benefits paid	(112,000)	(104,000)
Admin expenditure	(3,000)	(3,000)
At 31 August	5,978,000	5,085,000

27. Operating lease commitments

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

	2024 £	2023 £
Not later than 1 year	51,807	53,080
Later than 1 year and not later than 5 years	71,269	112,821
	123,076	165,901

The following lease payments have been recognised as an expense in the Statement of financial activities:

	2024 £	2023 £
Operating lease rentals	67,518	33,458
Changes in lease payments arising from COVID-19 related rent concessions	-	-

28. 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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29. Related party transactions

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

30. Agency arrangements

The academy trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ending 31 August 2024 the academy trust received £24,197 and disbursed £18,400 from the fund. As at 31 August 2024, the cumulative unspent 16-19 bursary fund is £20,907, of which £0 relates to undistributed funding that is repayable to ESFA.

Comparatives for the accounting period ending 31 August 2023 are £12,400 received, £14,183 disbursed, total cumulative unspent fund of £15,879 of which £0 was repayable to ESFA.

The academy trust holds funds as an agent for the Colne Valley Consortium (CVC). In the accounting period ending 31 August 2024 the Academy received £3,000 and disbursed £2,130. As at 31 August the cumulative unspent amounts held on behalf of CVC totalled £16,716 this is included in other creditors.

Comparatives for the accounting period ending 31 August 2023 are Income £3,000 Expenditure £2,116, total cumulative unspent £15,846