

Company Registration Number: 08410002 (England & Wales)

GLYNE GAP SCHOOL
(A company limited by guarantee)

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

GLYNE GAP SCHOOL
(A company limited by guarantee)

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REFERENCE AND ADMINISTRATIVE DETAILS

Members	S D Lamb A D Phillips T Henning
Trustees	S D Lamb, Chair of Trustees A D Phillips, Deputy Chair of Trustees ¹ K Prawanna, Headteacher and Accounting Officer ¹ T Newstead ¹ M Rowland E Lawrence ¹ member of the Resources Committee
Company registered number	08410002
Company name	Glyne Gap School
Principal and registered office	School Place Hastings Road Bexhill-On-Sea East Sussex TN40 2PU
Company secretary	B Smart
Senior management team	K Prawanna, Headteacher B Clarke, Assistant Headteacher J Gosling, Assistant Headteacher S Tidmouth, Assistant Headteacher B Smart, Business Manager
Independent auditor	Knill James LLP Chartered Accountants Statutory Auditor One Bell Lane Lewes East Sussex BN7 1JU
Bankers	Natwest Bank Devonshire Road Bexhill-On-Sea TN40 1GW
Solicitors	Brown Jacobson LLP 1 Manor Court Dix's Field Exeter Devon EX1 1UP

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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2023

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year 1 September 2022 to 31 August 2023. The annual report serves the purposes of both a Trustees' report and a directors' report under company law.

Since the academy qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

The Trust operates as an Academy Trust for pupils aged 2 to 19 serving a catchment area of Hastings and Rother. The Trust has a commissioned places agreement for 105 pupils with 119 pupils on roll based on the Spring 2023 Census (FTE 117.5).

Structure, governance and management

a. Constitution

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

The charitable company's Memorandum of Association is the primary governing document of the Academy.

The Trustees of Glyne Gap School are also the directors of the charitable company for the purposes of company law.

The charitable company is known as Glyne Gap School.

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

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

Trustee Liability and Fidelity Guarantee is covered by the school's Risk Protection Arrangement with the ESFA.

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

Structure, governance and management (continued)

d. Method of recruitment and appointment or election of Trustees

The Trust shall have the following Trustees, as set out in its Articles of Association and funding agreement:

- The Headteacher
- Any staff governors
- Up to three community Trustees and
- A minimum of two parent Trustees, with one of these positions being recruited

Trustees are appointed for a four year period, except that this time limit does not apply to the Headteacher where they have agreed to be appointed as a Trustee or where they are automatically appointed as a Trustee under the Articles of Association. Subject to remaining eligible to be a particular type of Trustee, any Trustee can be re appointed or re elected.

When appointing new Trustees, the Board of Trustees will give consideration to the skills and experience mix of existing Trustees in order to ensure the Board of Trustees has the necessary skills to contribute fully to the Academy Trust's ongoing development.

e. Policies adopted for the induction and training of Trustees

The training and induction provided for new Trustees will depend upon their existing experience but will always include a tour of the School and a meeting with staff and pupils. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents they will need to undertake their role as Trustees. All new Trustees also have the opportunity to undertake National Governor Association training and all Trustees receive regular National Governor Association updates. As new Trustee appointments are minimal, induction tends to be done informally and is tailored specifically to the individual. Advantage is taken of specific courses offered by various external organisations as appropriate with the clerk taking responsibility for addressing training needs for the Trustees. The clerk will also organise training for Governors as a group; this was evident in the recent training for all Governors in supporting and challenging safeguarding practices across the school. The Chair of Trustees circulates a regular Governors Newsletter to ensure all Trustees are aware of issues of governance alongside the strategic and operational running of the Academy Trust.

f. Organisational structure

The Trustees are responsible for setting general policy, adopting an annual development plan and budget, approving the annual statutory accounts, monitoring the Academy Trust by the use of budgets and other data, and making the major decisions about the direction of the Academy Trust (in conjunction with Members), capital expenditure and staff appointments.

The Board of Trustees normally meet in full four times each year. The Board of Trustees establishes an overall framework for the governance of the Academy Trust and determines membership, terms of reference and procedures of Committees of the Board of Trustees and other groups. It receives reports including policies from its Committees for ratification. It monitors the activities of the Committees through the minutes of their meetings and through direct reporting from the elected Chair of each Committee. The Board of Trustees may from time to time establish working groups to perform specific tasks over a limited timescale. The Board currently have a Strategic Governance group to this effect.

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

Structure, governance and management (continued)

There are three Committees of the Board of Trustees as follows:

- Resources (and Audit)
- Teaching and Learning
- Safeguarding

Each Committee has its own terms of reference detailing the responsibilities discharged to it.

The following decisions are reserved to the Academy Trust Members:

- to consider any proposals for changes to the status or constitution of the Academy Trust and its committee structure;
- to appoint or remove the Chair and / or Vice Chair; and
- to appoint and / or consider the performance management of the Headteacher (with support from the Board of Trustees).

The Trustees have devolved the day-to-day management of the Academy Trust to the Senior Leadership Team ('SLT'), which is led by the Headteacher. The SLT comprises the Headteacher, Assistant Headteachers and the School Business Manager. The Headteacher is the Academy Trust's Accounting Officer and has overall responsibility for the day-to-day financial management of the Academy Trust. The SLT implements the policies laid down by the Trustees and reports back to them on these and the Academy Trust's overall performance.

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

The Trustees consider the Board of Trustees and the senior management team to comprise the key management personnel of the Academy Trust in charge of directing and controlling, running and operating the Academy Trust on a day-to-day basis. All Trustees give of their time freely and no Trustee received any remuneration in the current or prior year, other than those Trustees who are also employees of the Academy Trust. Details of Trustees' remuneration and expenses are disclosed in note 12 of the financial statements respectively.

The pay of the senior management team is reviewed annually by the Resources Committee in line with the Academy Trust's pay and remuneration policy and by reference to published pay scales for both teaching and administrative support staff and by reference to available information on similar roles in other similar sized Single Academy Trusts.

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

Structure, governance and management (continued)

h. Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the year	-
Full-time equivalent employee number	57

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	57
1%-50%	-
51%-99%	-
100%	-

Percentage of pay bill spent on facility time	£
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Total cost of facility time	-
Total pay bill	2,325,775
Percentage of total pay bill spent on facility time	- %

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	- %
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Objectives and activities

a. Objects and aims

The principal objects of the Academy Trust, as set out in its Articles of Association, are to:

- Advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school, offering a broad and balanced curriculum; and
- Promote for the benefit of the inhabitants of Hastings/Rother and the surrounding area the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity, disablement, financial hardship or social and economic circumstances for the public at large in the interests of social welfare and with the object of improving the condition of life of the said inhabitants.

The key aims of the Academy Trust during the year ended 31 August 2023 are summarised below:

- Maintain, manage and develop Glyne Gap School across all sites
 - o Glyne Gap School, Hastings Road, Bexhill on Sea
 - o Glyne Gap Faculty, Bexhill College, Penland Road, Bexhill on Sea
 - o Glyne Gap Nursery, Hastings Road, Bexhill on Sea
 - o Independent living suite, Victoria Road, Bexhill on Sea
- Ensure the learning and wellbeing of all pupils and students
- Complete all aspects of the school development plan
- Ensure that robust financial management systems are in place, in line with ESFA guidance

b. Objectives, strategies and activities

The key priorities for the year are contained in the Academy Trust's Development Plan which is available from the Headteacher.

- Continue to maintain the highest possible standards of provision and outcomes for pupils at the school
- To ensure the Academy Trust is best placed to ensure the school's success over the mid and longer term
- To ensure financial stability for the school over the next 3 year period
- To continue to be OFSTED outstanding

The key activities of the Academy Trust for the year ended 31 August 2023 were focused as follows:

- Ensure leadership and governance of the school remains effective and sustainable for the mid to long term through a review of governance and academy structures
- Use the information gleaned from financial forecasting to ensure the school's financial stability beyond the next 3 year period
- Increase the number of staff who are aware of and use wellbeing resources within school and grow the school's wellbeing offer
- Ensure safeguarding continues to be effective
- Ensure best outcomes for all pupils through enabling class teams (teachers and teaching assistants) to consistently impact at the highest levels on their pupil's learning (and wellbeing); and develop systems and structures to systematically analyse and improve how and what their pupils are learning
- Further develop the school's curriculum for its oldest pupils who aspire to employment through running a pilot Supported Internship (in partnership with a local Supported Employment provider)
- Extend the skills of a group of pupils working towards subject specific skills within literacy and numeracy

The Academy Trust is confident that these outcomes have been achieved (as evidenced in the school's self evaluation document, Local Authority quality assurance reports and responses to parental/staff questionnaire).

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

Objectives and activities (continued)

Learning and further development from the past year in this area can be seen in the school's self evaluation and improvement planning documentation.

c. Public benefit

The Academy Trust aims to advance for the public benefit education in Hasting, Rother and the surrounding area, offering a broad curriculum and an excellent education environment for its pupils. The Academy Trust also allows use of its facilities for recreational and other leisure time occupation for the community at large in the interests of social welfare and with the interest of improving the life of that community.

The details of the particular activities of the Academy Trust during the year and how these have provided public benefit are detailed in the Achievements and Performance section below.

The Trustees confirm that they have complied with the duty in the Charities Act 2011 to have due regard to the Charity Commission general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Academy Trust's aims and objectives and in planning its future activities.

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

Achievements and performance

a. Key performance indicators

The Academy Trust uses a number of benchmarks or performance indicators to evaluate its financial performance and drive budgetary control and monitoring.

A key financial performance indicator for the Trust is the level of reserves held at the balance sheet date and, in particular, the amount of unrestricted reserves plus restricted income reserves at year end. At 31 August 2023, the balance of the unrestricted and restricted income reserves was £908,349 (2022: £858,525), which is after transfers of £10,254 to the restricted fixed asset fund to fund capital expenditure during the year. Further details on the level of reserves held by the Academy Trust are set out in the Reserves Policy section below.

As the majority of the Academy Trust's funding is based on pupil numbers, pupil numbers are also a key performance indicator. The pupil numbers on roll at 31 August 2023 was 125, an increase of 7 compared to the previous year.

Staffing costs are another key performance indicator for the Academy Trust and the percentage of total staff costs to total educational grant funding (being GAG funding plus other operating educational grants from the ESFA and / or Local Authority) for the year was 83.7% (2022: 87.4%), while the percentage of staff costs to total costs (excluding depreciation and LGPS FRS102 pension cost charges) was 82.4% (2022: 88.8%).

b. Going concern

As only 50% of funding is guaranteed for the year, any change in the number of pupils on roll can be significant to the Academy's ability to operate as a going concern. The Headteacher reviews the number on roll on a monthly basis and liaises with the local authority regarding possible new pupils, as they are responsible for admissions to the school. The Academy Trust completes five year forecasts (three years of which are in depth) to enable the Board of Trustees to consider its operational existence.

Despite setting a deficit budget for 2021/22 and 2022/23 surpluses were achieved in both years. This was due to (a) additional covid and recovery premium and (b) good financial management.

Extensive work has been undertaken with the local authority and other Special Schools in an endeavour to benchmark income and expenditure and consider any areas of potential improvement in cost effectiveness.

Trustees requested a School Resource Management Advisor (SRMA) visit during the year. A report was produced with potential savings.

Trustees have been given approval to explore the potential of joining a Multi Academy Trust. Work is being undertaken to join TaSMAT, a MAT with a transfer date of 1 September 2024.

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the Academy Trust has adequate resources to continue in operational existence for the next three years. For this reason, it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies within the financial statements.

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

Achievements and performance (continued)

c. Achievements and performance

The Academy Trust continues to evolve and to adapt to the ever changing educational environment. The Academy Trust is committed to continual improvement, which is achieved in a number of ways, including improvement planning, review meetings, continual professional development, lesson observations, performance management, self evaluation, data analysis and action planning. The particular achievements and performance of the Academy Trust during the year ended 31 August 2023 were as follows:

The school believes that Glyne Gap School continues to be an outstanding school

- The quality of education is outstanding
- Behaviour and attitudes are outstanding
- Personal Development is outstanding
- Leadership and Management is outstanding
- Safeguarding is effective

School data shows that 59% of pupils made outstanding progress with a further 39% making good progress.

2 pupils left school to paid employment

26 pupils achieved their Supergoal

Safeguarding remained effective

School morale and culture remained positive and reflective

This view is supported by:

Ofsted report May 2019

East Sussex Quality Assurance Review July 2023

Professional Advisor to the Governing Body reports 2023

East Sussex SLES Safeguarding Review November 2022

East Sussex Safeguarding Audit February 2023

Parent/Carer questionnaire collated responses September 2023

Staff wellbeing survey September 2023

Financial review

For the year ended 31 August 2023, the Academy Trust's total income (excluding capital grants and pension income) was £2,806,187 (2022: £2,582,282) while the total expenditure (excluding depreciation and LGPS FRS102 pension cost charges) was £2,746,109 (2022: £2,562,563), resulting in a net operating surplus for the year of £60,078 (2022: £19,719 net operating surplus).

The balance of reserves at 31 August 2023, excluding the restricted fixed asset funds and LGPS liability fund was £908,349 (2022: £858,525).

COVID 19 has not impacted the Academy Trust's financial sustainability.

The net book value of fixed assets at 31 August 2023 was £2,063,006. The fixed assets held by the Academy Trust are used primarily for providing education and associated support services to the pupils of the Academy Trust.

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

Included within the Academy's balance sheet at year end is a defined benefit pension scheme asset of £711,000 (2022: £651,000 asset), which arises from the surplus in the Local Government Pension Scheme ("LGPS") that is attributable to the Academy. Further details regarding the surplus in the LGPS at 31 August 2023 are set out in note 23 to the financial statements.

The key financial policies reviewed and adopted during the period included the Financial Procedures Policies and Manual, which lays out the framework for the Academy Trust's financial management, including financial responsibilities of the Board of Trustees, Headteacher, managers, budget holders and other staff, as well as the delegated authorities for spending. The other financial policies reviewed and adopted during the period included Pay Policy, Gifts and hospitality, Competitive tendering, Charging and Remissions, Staff expenses and benefits, Reserves and Investments, Jury Service and Retention of Records.

a. Reserves policy

The Trustees review the reserve levels of the Academy Trust annually. This review encompasses the nature of the income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees also take into consideration the future plans of the Academy Trust, the uncertainty over future income streams and other key risks identified during the risk review.

The Trustees have determined that the appropriate level of operating reserves should be approximately 10% of total income (approximately £280,000). The reason for this is to provide sufficient working capital to cover:

- delays between spending and receipts of grants
- unexpected emergencies such as maintenance/structural defects on three sites
- long term teacher/support staff absence
- improvements identified in the School's Improvement Plan
- improvements to the security of the school site
- improvements to the outside learning areas on the school site
- improving school vehicles
- costs associated with the relocation of the post-16 provision
- costs associated with joining a MAT.

Should the reserves fall below the agreed amount, then reserves will be monitored by the Chair of Trustees on a monthly basis.

The Academy Trust's current level of operating reserves at 31 August 2023 is £908,349 (2022: £858,525), which is made up of restricted income reserves of £704,406 (2022: £682,185) and unrestricted funds of £203,943 (2022: £176,340).

Although the current level of operating reserves is above the target level identified above, the Trustees expectation is that these reserves will be utilised over the next few years to fund the running costs of the Academy Trust.

The value of the restricted fixed asset fund at 31 August 2022 is £2,083,243 (2022: £2,149,926), which is represented by the fixed assets and capital grant balance that are used primarily for providing education and associated support services to the pupils of the Trust. These funds can only be realised by disposing of the associated tangible fixed assets.

The pension reserve fund has a surplus balance at 31 August 2023 of £711,000, which represents the surplus of the Academy's share in the LGPS at the balance sheet date. The Trustees have noted that the Government has provided a guarantee that in the event of an Academy closure, any outstanding LGPS liabilities would be met by the Department for Education.

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

b. Investment policy

All funds surplus to immediate requirements are invested to optimal effect by the Academy Trust with the objective of ensuring maximum return on assets invested but with minimal risk. On a daily basis this is achieved by automatic transfer of surplus funds to an overnight deposit account with the Academy Trust's principal bankers. Where cash flow allows, sums in excess of working capital requirements may be invested on deposit for extended periods with the Academy Trust's principal bankers or other reputable financial institutions.

c. Principal risks and uncertainties

The Trustees have assessed the major risks to which the Academy Trust is exposed, especially in the operational areas, such as teaching, health & safety, safeguarding and school trips, and in relation to the control of finances and strategical development of the Trust. They have introduced systems, including operational procedures and internal financial controls in order to minimise risk and have agreed a Risk Management Strategy and Risk Management Plan, which incorporates a Risk Register. The Risk Management Plan is constantly reviewed in light of any new information and formally reviewed annually.

The principal risks and uncertainties facing the Academy Trust are as follows:

Educational

The continuing success of the Academy Trust is dependent on continuing to attract pupil applicants in sufficient numbers by maintaining the highest educational standards across all key stages. To mitigate this risk, the Trustees ensure that pupil success and achievement are closely monitored and reviewed, with corrective actions embedded at an early stage, and that relationships and partnerships with parents, the local community and other organisations and groups are maintained and are effective in producing a cohesive and supportive community.

Safeguarding and child protection

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

Financial

The Academy Trust has considerable reliance on continued Government funding through the ESFA and Local Authority. In the year, approximately 99% of the Academy Trust's income was ultimately Government funded. Whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms, particularly in light of continuing changes in the National Funding Formula for schools.

Continuing increases in employment costs (predominantly cost of living rises), premises costs (predominantly energy costs) and general inflation costs will also continue to place significant pressure on the Trust's financial position and its ability to deliver balanced budgets in the future. The Trust is well aware of this position and has plans in place (and further plans in development) to mitigate against this.

The Trustees examine the financial health of the Academy Trust formally every term, reviewing performance against budgets and overall expenditure by means of regular update reports at all full Trustees and Resources Committee meetings.

At the balance sheet date, the Academy Trust had no significant liabilities arising from trade creditors or debtors where there would be a significant effect on the Academy Trust's liquidity.

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

Staffing

The success of the Academy Trust is reliant on the quality of its staff so the Trustees monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning.

Failures in governance and / or management

The risk in this area arises from the potential failure to effectively manage the Academy Trust's finances, internal controls, compliance with regulations and legislation, statutory returns etc. The Trustees continue to review and ensure appropriate measures are in place to mitigate these risks, which includes those relating to fraud and mismanagement of funds.

Fraud and mismanagement of funds

The Academy Trust has engaged SAAF to perform a program of work aimed at checking and reviewing the financial systems and records as required by the Academies Financial Handbook. All finance staff receive training to keep them up to date with financial practice requirements and to develop their skills in this area.

Fundraising

- £15,000 raised for the refurbishment of the Sensory Room.

Plans for future periods

The Academy Trust's plans for future periods are summarised below the detailed plans of how to achieve these objectives are available from the Headteacher.

Leadership and Management

To explore the proposal of joining TaSMAT to ensure leadership and governance of the school remains effective and sustainable for the mid to long term, enabling the school to fulfil its moral purpose

Use the information gleaned from financial forecasting to ensure the school's financial stability beyond the next 3 year period

Ensure safeguarding continues to be effective

Quality of Education

To ensure that pupils using all and any mode of communication make best possible progress

To extend the skills of a group of pupils working towards subject specific skills within literacy and numeracy

To ensure that pupils in key stages 2-4 continue to receive a diverse and motivating Tier 2 curriculum

Funds held as custodian on behalf of others

The Academy Trust and its Trustees do not act as Custodian Trustees of any other charity.

The Academy does however hold Post 16 Bursary Funds on behalf of the ESFA, which are distributed to students as required and in line with the terms and conditions of the funds.

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

Disclosure of information to auditor

Insofar as the Trustees are aware:

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

Auditor

The auditor, Knill James LLP, has indicated his willingness to continue in office. The designated Trustees will propose a motion reappointing the auditor at a meeting of the Trustees.

The Trustees' report was approved by order of the Board of Trustees, as the company directors, on 13 December 2023 and signed on its behalf by:



A D Phillips
Chair of Resources

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GOVERNANCE STATEMENT

Scope of responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that Glyne Gap School 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 the 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 Glyne Gap School and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' report and in the Statement of trustees' responsibilities. The Board of Trustees has formally met 4 times during the year.

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

Trustee	Meetings attended	Out of a possible
S D Lamb, Chair of Trustees	4	4
A D Phillips, Deputy Chair of Trustees	3	4
K Prawanna, Headteacher and Accounting Officer	4	4
T Newstead	2	4
M Rowland	1	4
E Lawrence	3	4

The Board of Trustees reviewed the Academy Trust's governance structure during the year to evaluate its impact and effectiveness. The Board of Trustees has a wide range of skills that contribute to the successful governance of the Trust and are satisfied that the current structure in place is appropriate and effective for the Academy Trust. The Board of Trustees are aware that they will need to expand and strengthen to ensure sustainability and this is recognised in current strategic planning.

Although the Board of Trustees met less than six times during the year, they have maintained effective financial oversight and governance through the formal work undertaken by the Resources Committee (which incorporates the Audit Committee) as detailed further below.

The Resources Committee is a sub-Committee of the Board of Trustees. Its purpose is to provide oversight, guidance and assistance to the Board of Trustees on all matters related to finance, resources, premises and Health & Safety of the Academy Trust. This committee also acts as the Academy Trust's Audit Committee, where its purpose is to maintain an oversight of the Trust's governance, risk management, internal control and value for money framework.

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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
A D Phillips	3	3
T Newstead	2	3
K Prawanna	3	3

The key issues dealt with by the Resources Committee during the year:-

- the review of the Academy Trust's 3 year financial forecasts and the actions required to address the deficit budget
- Review of the SRMA report and setting of actions
- the review of the Internal Scrutiny reports received from SAAF and setting of actions

Conflicts of Interests

- Trustees are asked to declare any conflicts of interests at the beginning of each meeting
- A register of interests is maintained by the clerk
- Any conflicts would be recorded, and how they were handled
- In the case of a possible conflict of interest the Trust will refer to 'Conflicts of interest: a guide for charity trustees'
- The trustee concerned would be removed from the decision making process

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 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:

- Continuing to deliver outstanding teaching and learning, this was achieved with GAG and Top Up funding allocated to the Academy Trust
- Good internal financial controls which are externally moderated
- Encouraging robust challenges at all meetings
- Requesting SRMA visit
- Reviewing contracts to ensure that the academy is receiving value for money as well as a good service.

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 Glyne Gap School for the year 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements.

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GOVERNANCE STATEMENT (CONTINUED)

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 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees
- regular reviews by the Resources 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 SAAF Education.

The reviewer's role includes giving advice on financial and other matters and performing a range of checks on the Academy's financial systems.

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

The internal auditor has delivered their program of work during the year ended 31 August 2023 as planned and no significant internal control weaknesses were identified from the work completed.

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 auditor.

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

GLYNE GAP SCHOOL
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Approved by order of the members of the Board of Trustees on 13 December 2023 and signed on their behalf by:



A D Phillips
Chair of Resources



K Prawanna
Accounting Officer

GLYNE GAP SCHOOL
(A company limited by guarantee)

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Glyne Gap School 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 received by the Academy, under the funding agreement in place 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 Academies Financial Handbook 2022.

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 Academies Financial Handbook 2022.

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



K Prawanna
Accounting Officer
Date: 13 December 2023

GLYNE GAP SCHOOL
(A company limited by guarantee)

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

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

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

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

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

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

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

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



A D Phillips
Chair of Resources
Date: 13 December 2023

GLYNE GAP SCHOOL
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF GLYNE GAP SCHOOL

Opinion

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

In our opinion the financial statements:

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's 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.

Conclusions relating to going concern

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

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

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

GLYNE GAP SCHOOL
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF GLYNE GAP SCHOOL (CONTINUED)

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditor's 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 for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of 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.

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.

GLYNE GAP SCHOOL
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF GLYNE GAP SCHOOL (CONTINUED)

Auditor's responsibilities for the audit of the financial statements

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

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

- obtained an understanding of the nature of the sector, including the legal and regulatory framework that the academy operates in and how the academy complies with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud; and
- discussed matters about non-compliance with laws and regulations and how fraud might occur including an assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Academies Accounts Direction 2022 to 2023 issued by the ESFA, Companies Act 2006, Charities Act 2011, the academy's governing document, tax legislation and Charities (Protection and Social Investment) Act 2016. We performed audit procedures to detect non-compliance which may have a material impact on the financial statements which included reviewing the financial statements, including the Trustees' report, and remaining alert to new or unusual transactions which may not be in accordance with the governing document.

The most significant laws and regulations that have an indirect impact on the financial statements are The Education (Independent School Standards) Regulations 2014, Keeping Children Safe in Education under section 175 of the Education Act 2002, and the UK General Data Protection Regulation (UK GDPR). We performed audit procedures to inquire of management and those charged with governance whether the Academy is in compliance with these laws and regulations and inspected correspondence with regulatory authorities.

We identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included, but were not limited to, testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant unusual transactions and transactions entered into outside the normal course of business and challenging judgments and estimates.

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 Auditor's report.

GLYNE GAP SCHOOL
(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF GLYNE
GAP SCHOOL (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 Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Academy and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Knill James LLP

Mark Filsell FCA (Senior statutory auditor)

for and on behalf of

Knill James LLP

Chartered Accountants

Statutory Auditor

One Bell Lane

Lewes

East Sussex

BN7 1JU

13 December 2023

GLYNE GAP SCHOOL
(A company limited by guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO GLYNE GAP SCHOOL AND THE EDUCATION AND SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 12 September 2022 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2022 to 2023, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Glyne Gap School during the year 1 September 2022 to 31 August 2023 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Glyne Gap School's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Glyne Gap School's funding agreement with the Secretary of State for Education dated 1 October 2014 and the Academy Trust Handbook, extant from 1 September 2022, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

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.

Our normal audit procedures do provide assurance with regard to the regularity engagement, however some additional testing has been undertaken. This included:

- direct consideration and corroboration of evidence used to inform the Accounting Officer's statements;
- extension of procedures to assess compliance with the funding agreement and Academies Financial Handbook from those already performed as part of the audit;
- consideration of whether expenditure outside of the academies delegated authorities (if any) has received departmental approval;
- evaluation and assessment of the operating effectiveness of the general control environment and

GLYNE GAP SCHOOL
(A company limited by guarantee)

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

- operational level which are intended to reduce the risk of irregularity;
- assessment of the adequacy of policies and procedures to ensure compliance with the framework of authorities;
- consideration of whether the absence of a control (if any) represents a breach of authorities;
- review of accounts or transactions susceptible to a greater risk of impropriety such as credit cards and cash accounts;
- extension of testing to other funds, activities conducted, consideration of propriety, or the review of high level financial controls.

Conclusion

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

Knill James LLP

Reporting Accountant
Knill James LLP
Chartered Accountants
Statutory Auditor
One Bell Lane
Lewes
East Sussex
BN7 1JU

Date: 13 December 2023

GLYNE GAP SCHOOL
(A company limited by guarantee)

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

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:						
Donations and capital grants	3	14,879	-	24,279	39,158	22,233
Other trading activities	5	2,962	-	-	2,962	1,904
Investments	6	9,762	33,000	-	42,762	498
Charitable activities	4	-	2,778,584	-	2,778,584	2,567,388
Total income		27,603	2,811,584	24,279	2,863,466	2,592,023
Expenditure on:						
Charitable activities	8	-	2,822,109	101,216	2,923,325	3,160,616
Total expenditure	7	-	2,822,109	101,216	2,923,325	3,160,616
Net income/(expenditure)		27,603	(10,525)	(76,937)	(59,859)	(568,593)
Transfers between funds	17	-	(10,254)	10,254	-	-
Net movement in funds before other recognised gains/(losses)		27,603	(20,779)	(66,683)	(59,859)	(568,593)
Other recognised gains/(losses):						
Actuarial gains on defined benefit pension schemes	23	-	103,000	-	103,000	3,847,000
Net movement in funds		27,603	82,221	(66,683)	43,141	3,278,407

GLYNE GAP SCHOOL
(A company limited by guarantee)

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

Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £	Total funds 2022 £
Reconciliation of funds:					
Total funds brought forward	176,340	1,333,185	2,149,926	3,659,451	381,044
Net movement in funds	27,603	82,221	(66,683)	43,141	3,278,407
Total funds carried forward	203,943	1,415,406	2,083,243	3,702,592	3,659,451

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

The notes on pages 31 to 53 form part of these financial statements.

GLYNE GAP SCHOOL
(A company limited by guarantee)
REGISTERED NUMBER: 08410002

BALANCE SHEET
AS AT 31 AUGUST 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	14	2,063,006	2,149,926
Current assets			
Debtors	15	216,046	58,656
Cash at bank and in hand		982,574	1,043,255
		<u>1,198,620</u>	<u>1,101,911</u>
Creditors: amounts falling due within one year	16	(270,034)	(243,386)
Net current assets		928,586	858,525
Total assets less current liabilities		<u>2,991,592</u>	<u>3,008,451</u>
Defined benefit pension scheme asset	23	711,000	651,000
Total net assets		<u><u>3,702,592</u></u>	<u><u>3,659,451</u></u>
Funds of the Academy			
Restricted funds:			
Fixed asset funds	17	2,083,243	2,149,926
Restricted income funds	17	704,406	682,185
		<u>2,787,649</u>	<u>2,832,111</u>
Restricted funds excluding pension liability	17	2,787,649	2,832,111
Pension reserve	17	711,000	651,000
Total restricted funds	17	3,498,649	3,483,111
Unrestricted income funds	17	203,943	176,340
Total funds		<u><u>3,702,592</u></u>	<u><u>3,659,451</u></u>

GLYNE GAP SCHOOL
(A company limited by guarantee)
REGISTERED NUMBER: 08410002

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2023

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements on pages 26 to 53 were approved by the Trustees, and authorised for issue on 13 December 2023 and are signed on their behalf, by:



A D Phillips
Chair of Resources

The notes on pages 31 to 53 form part of these financial statements.

GLYNE GAP SCHOOL
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	19	(83,393)	7,639
Cash flows from investing activities	20	22,713	(22,933)
		<u> </u>	<u> </u>
Change in cash and cash equivalents in the year		(60,680)	(15,294)
Cash and cash equivalents at the beginning of the year		1,043,254	1,058,548
Cash and cash equivalents at the end of the year	21, 22	<u><u>982,574</u></u>	<u><u>1,043,254</u></u>

The notes on pages 31 to 53 form part of these financial statements

GLYNE GAP SCHOOL
(A company limited by guarantee)

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

1. Accounting policies

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

1.1 Basis of preparation of financial statements

The financial statements of the 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 (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2022 to 2023 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the academy. Monetary amounts in these financial statements are rounded to the nearest £.

1.2 Going concern

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the 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 the Academy has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

GLYNE GAP SCHOOL
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.3 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.

1.4 Expenditure

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

- **Charitable activities**

These are costs incurred on the Academy'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.

GLYNE GAP SCHOOL
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.5 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.

1.6 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.

1.7 Tangible fixed assets

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where 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	- 2% straight line
Furniture and equipment	- 20% straight line
Plant and machinery	- 25% straight line
Motor vehicles	- 25% straight line

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

1.8 Debtors

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

GLYNE GAP SCHOOL
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.9 Cash at bank and in hand

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

1.10 Liabilities

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

1.11 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 15. Prepayments are not financial instruments.

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

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

1.12 Operating leases

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

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

1. Accounting policies (continued)

1.13 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 so as 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 on the basis of quadrennial valuations using a prospective unit credit method. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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

1.14 Agency arrangements

The Academy Trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the Trust does not have control over the charitable application of the funds. The funds received and paid and any balances held are disclosed in note 27.

1.15 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.

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2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

The Academy 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 23, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Tangible fixed assets are depreciated over their economic useful lives taking into account residual values where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors.

Critical areas of judgment:

The Academy Trust obtains use of fixed assets as a lessee. The classification of such leases as operating or finance lease requires the Academy Trust to determine, based on an evaluation of the terms and conditions of the arrangements, whether it retains or acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the Balance Sheet.

3. Income from donations and capital grants

	Unrestricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £	Total funds 2022 £
Donations	14,879	-	14,879	12,492
Grants	-	24,279	24,279	9,741
	<u>14,879</u>	<u>24,279</u>	<u>39,158</u>	<u>22,233</u>
<i>Total 2022</i>	<u>12,492</u>	<u>9,741</u>	<u>22,233</u>	

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

4. Funding for the Academy's charitable activities

	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Educational operations			
DfE/ESFA grants			
General Annual Grant from ESFA	1,050,000	1,050,000	1,050,000
Other DfE/ESFA grants			
Pupil Premium	56,815	56,815	60,243
Other DfE Group grants	8,377	8,377	7,945
Infant FSM	5,655	5,655	8,609
PE & Sports Grant	16,500	16,500	16,480
Recovery premium	36,491	36,491	12,108
National Tutoring	17,343	17,343	9,627
	<u>1,191,181</u>	<u>1,191,181</u>	<u>1,165,012</u>
Other Government grants			
Local authority grants	1,587,403	1,587,403	1,401,341
	<u>1,587,403</u>	<u>1,587,403</u>	<u>1,401,341</u>
COVID-19 additional funding (DfE/ESFA)			
COVID Mass Testing grants	-	-	1,035
	<u>-</u>	<u>-</u>	<u>1,035</u>
Total 2023	<u><u>2,778,584</u></u>	<u><u>2,778,584</u></u>	<u><u>2,567,388</u></u>
<i>Total 2022</i>	<u><u>2,567,388</u></u>	<u><u>2,567,388</u></u>	

5. Income from other trading activities

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Other income	2,962	2,962	1,904
	<u><u>2,962</u></u>	<u><u>2,962</u></u>	<u><u>1,904</u></u>

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6. Investment income

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Bank interest	9,762	-	9,762	498
Pension income	-	33,000	33,000	-
	<u>9,762</u>	<u>33,000</u>	<u>42,762</u>	<u>498</u>
<i>Total 2022</i>	<u>498</u>	<u>-</u>	<u>498</u>	

7. Expenditure

	Staff Costs 2023 £	Premises 2023 £	Other 2023 £	Total 2023 £	Total 2022 £
Educational operations:					
Direct costs	1,971,992	-	117,954	2,089,946	2,047,583
Allocated support costs	429,783	224,559	179,037	833,379	1,113,033
	<u>2,401,775</u>	<u>224,559</u>	<u>296,991</u>	<u>2,923,325</u>	<u>3,160,616</u>
<i>Total 2022</i>	<u>2,694,392</u>	<u>196,571</u>	<u>269,653</u>	<u>3,160,616</u>	

8. Analysis of expenditure on charitable activities

Summary by fund type

	Restricted funds 2023 £	Total 2023 £	Total 2022 £
Educational operations	<u>2,923,325</u>	<u>2,923,325</u>	<u>3,160,616</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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9. Analysis of expenditure by activities

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £	Total funds 2022 £
Educational operations	2,089,946	833,379	2,923,325	3,160,616
<i>Total 2022</i>	<i>2,047,583</i>	<i>1,113,033</i>	<i>3,160,616</i>	

Analysis of direct costs

	Educational operations 2023 £	Total funds 2023 £	Total funds 2022 £
Staff costs	1,971,992	1,971,992	1,982,410
Technology costs	64,666	64,666	25,581
Premises costs	29,377	29,377	28,545
Other support costs	23,911	23,911	11,047
	2,089,946	2,089,946	2,047,583

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**NOTES TO THE FINANCIAL STATEMENTS
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9. Analysis of expenditure by activities (continued)

Analysis of support costs

	Educational operations 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Pension finance costs	-	-	42,000
Staff costs	429,783	429,783	711,982
Depreciation	101,216	101,216	105,053
Technology costs	14,036	14,036	11,631
Premises costs	224,559	224,559	196,571
Other support costs	45,000	45,000	26,781
Governance costs	18,785	18,785	19,015
	<u>833,379</u>	<u>833,379</u>	<u>1,113,033</u>

10. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2023 £	<i>2022 £</i>
Operating lease rentals	2,966	2,754
Depreciation of tangible fixed assets	101,216	105,053
Fees paid to auditor for:		
- audit	<u>9,300</u>	<u>9,300</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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11. Staff

a. Staff costs

Staff costs during the year were as follows:

	2023 £	2022 £
Wages and salaries	1,831,466	1,756,125
Social security costs	139,350	136,884
Pension costs	430,959	801,383
	<u>2,401,775</u>	<u>2,694,392</u>

b. Staff numbers

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

	2023 No.	2022 No.
Teachers	14	14
Administration and support	64	63
Management	4	5
	<u>82</u>	<u>82</u>

c. Higher paid staff

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

	2023 No.	2022 No.
In the band £60,001 - £70,000	1	1
In the band £90,001 - £100,000	1	1

d. 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 employee benefits (including employer pension contributions and employer national Insurance contributions) received by key management personnel for their services to the Academy was £346,096 (2022 - £341,314).

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NOTES TO THE FINANCIAL STATEMENTS
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12. 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:

		2023	2022
		£	£
K Prawanna, Headteacher and Accounting Officer	Remuneration	95,000 -	90,000 -
		100,000	95,000
	Pension contributions paid	20,000 -	20,000 -
		25,000	25,000

During the year ended 31 August 2023, no Trustee expenses have been incurred (2022 - £NIL).

13. Trustees' and Officers' Insurance

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

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

14. Tangible fixed assets

	Long-term leasehold property £	Furniture and equipment £	Plant and machinery £	Motor vehicles £	Total £
Cost or valuation					
At 1 September 2022	2,478,265	322,467	186,589	64,363	3,051,684
Additions	-	15,078	-	-	15,078
Disposals	-	(3,048)	-	-	(3,048)
At 31 August 2023	2,478,265	334,497	186,589	64,363	3,063,714
Depreciation					
At 1 September 2022	445,453	241,284	150,658	64,363	901,758
Charge for the year	49,566	37,563	14,087	-	101,216
On disposals	-	(2,266)	-	-	(2,266)
At 31 August 2023	495,019	276,581	164,745	64,363	1,000,708
Net book value					
At 31 August 2023	1,983,246	57,916	21,844	-	2,063,006
At 31 August 2022	2,032,812	81,183	35,931	-	2,149,926

15. Debtors

	2023 £	2022 £
Due within one year		
Other debtors	9,721	7,304
Prepayments and accrued income	206,325	51,352
	216,046	58,656

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**NOTES TO THE FINANCIAL STATEMENTS
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16. Creditors: Amounts falling due within one year

	2023	2022
	£	£
Bank overdrafts	1,286	-
Trade creditors	25,671	401
Other taxation and social security	28,531	25,803
Other creditors	39,214	44,557
Accruals and deferred income	175,332	172,625
	270,034	243,386
	2023	2022
	£	£
Deferred income at 1 September 2022	90,645	70,223
Resources deferred during the year	92,704	90,645
Amounts released from previous periods	(90,645)	(70,223)
	92,704	90,645

Deferred income relates to structural maintenance grants, capital grants, HNEF and TPECG which will be utilised in the year ended 31 August 2023.

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

17. Statement of funds

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
Unrestricted funds						
General Funds	176,340	27,603	-	-	-	203,943
Restricted general funds						
DfE grants	682,185	2,778,584	(2,746,109)	(10,254)	-	704,406
Pension reserve	651,000	33,000	(76,000)	-	103,000	711,000
	1,333,185	2,811,584	(2,822,109)	(10,254)	103,000	1,415,406
Restricted fixed asset funds						
Tangible fixed assets	2,149,926	4,042	(101,216)	10,254	-	2,063,006
Capital grants and funding	-	20,237	-	-	-	20,237
	2,149,926	24,279	(101,216)	10,254	-	2,083,243
Total Restricted funds	3,483,111	2,835,863	(2,923,325)	-	103,000	3,498,649
Total funds	3,659,451	2,863,466	(2,923,325)	-	103,000	3,702,592

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

Restricted funds:

The General Annual Grant Fund (GAG) is used for the educational purposes in line with the Academy's objects and its funding agreement with the ESFA.

The pension reserve represents the Local Government Pension Scheme surplus.

Fixed asset restricted funds:

Restricted fixed asset funds represent the investment in fixed assets, net of accumulated depreciation, and includes the value of fixed assets transferred to the Academy Trust on conversion of the Schools within the Academy Trust and the value of fixed assets transferred from academies joining the Trust in the current or previous years, together with any capital expenditure funded from restricted or unrestricted

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17. Statement of funds (continued)

funds. Unspent capital grants and capital income are also held in this fund and their use is restricted to the capital projects for which the grant awarded.

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

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

	<i>Balance at 1 September 2021 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2022 £</i>
Unrestricted funds						
General Funds	161,446	14,894	-	-	-	176,340
Restricted general funds						
DfE grants	690,790	2,567,388	(2,552,563)	(23,430)	-	682,185
COVID Catch-up Premium	10,000	-	(10,000)	-	-	-
Pension reserve	(2,703,000)	-	(493,000)	-	3,847,000	651,000
	<u>(2,002,210)</u>	<u>2,567,388</u>	<u>(3,055,563)</u>	<u>(23,430)</u>	<u>3,847,000</u>	<u>1,333,185</u>
Restricted fixed asset funds						
Tangible fixed assets	2,221,808	-	(105,053)	33,171	-	2,149,926
Capital grants and funding	-	9,741	-	(9,741)	-	-
	<u>2,221,808</u>	<u>9,741</u>	<u>(105,053)</u>	<u>23,430</u>	<u>-</u>	<u>2,149,926</u>
Total Restricted funds	<u>219,598</u>	<u>2,577,129</u>	<u>(3,160,616)</u>	<u>-</u>	<u>3,847,000</u>	<u>3,483,111</u>
Total funds	<u>381,044</u>	<u>2,592,023</u>	<u>(3,160,616)</u>	<u>-</u>	<u>3,847,000</u>	<u>3,659,451</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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18. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £
Tangible fixed assets	-	-	2,063,006	2,063,006
Current assets	217,482	960,781	20,237	1,198,500
Creditors due within one year	(13,539)	(256,375)	-	(269,914)
Provisions for liabilities and charges	-	711,000	-	711,000
Total	203,943	1,415,406	2,083,243	3,702,592

Analysis of net assets between funds - prior year

	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £
Tangible fixed assets	-	-	2,149,926	2,149,926
Current assets	209,634	892,277	-	1,101,911
Creditors due within one year	(33,294)	(210,092)	-	(243,386)
Provisions for liabilities and charges	-	651,000	-	651,000
Total	176,340	1,333,185	2,149,926	3,659,451

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

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

	2023 £	2022 £
Net expenditure for the year (as per Statement of financial activities)	(59,859)	(568,593)
Adjustments for:		
Depreciation	101,216	105,053
Capital grants from DfE and other capital income	(24,279)	(9,741)
Interest receivable	(9,762)	(498)
Profit on disposal of fixed assets	(2,967)	-
Defined benefit pension scheme cost less contributions payable	76,000	451,000
Defined benefit pension scheme finance cost	(33,000)	42,000
Increase in debtors	(157,270)	(40,473)
Increase in creditors	26,528	28,891
Net cash (used in)/provided by operating activities	(83,393)	7,639

20. Cash flows from investing activities

	2023 £	2022 £
Dividends, interest and rents from investments	9,762	498
Purchase of tangible fixed assets	(15,078)	(33,171)
Proceeds from the sale of tangible fixed assets	3,750	-
Capital grants from DfE Group	24,279	9,740
Net cash provided by/(used in) investing activities	22,713	(22,933)

21. Analysis of cash and cash equivalents

	2023 £	2022 £
Cash in hand and at bank	982,574	1,043,254
Total cash and cash equivalents	982,574	1,043,254

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NOTES TO THE FINANCIAL STATEMENTS
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22. Analysis of changes in net debt

	At 1 September 2022 £	Cash flows £	At 31 August 2023 £
Cash at bank and in hand	1,043,255	(60,681)	982,574
Bank overdrafts repayable on demand	-	(1,286)	(1,286)
	<u>1,043,255</u>	<u>(61,967)</u>	<u>981,288</u>

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

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

Contributions amounting to £9,677 were payable to the schemes at 31 August 2023 (2022 - £10,673) 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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23. Pension commitments (continued)

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the year amounted to £86,088 (2022 - £96,482).

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 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 2023 was £339,000 (2022 - £312,000), of which employer's contributions totalled £260,000 (2022 - £242,000) and employees' contributions totalled £ 79,000 (2022 - £70,000). The agreed contribution rates for future years are 20.4 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.

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

Principal actuarial assumptions

	2023	2022
	%	%
Rate of increase in salaries	3.85	2.90
Discount rate for scheme liabilities	5.3	4.25
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:

	2023	2022
	Years	Years
<i>Retiring today</i>		
Males	20.9	21.2
Females	23.8	23.8
<i>Retiring in 20 years</i>		
Males	21.9	22.1
Females	25.3	25.1

Sensitivity analysis

	2023	2022
	£000	£000
Discount rate -0.5%	273	331
CPI rate +0.5%	275	321
Salary increase rate +0.5%	223	331

Share of scheme assets

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

	At 31 August 2023	At 31 August 2022
	£	£
Equities	3,714,000	3,573,000
Corporate bonds	679,000	730,000
Property	343,000	424,000
Cash and other liquid assets	70,000	119,000
Total market value of assets	4,806,000	4,846,000

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

The actual return on scheme assets was £495,000 (2022 - £590,000).

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

	2023 £	2022 £
Current service cost	(332,000)	(690,000)
Interest income	211,000	77,000
Interest cost	(178,000)	(119,000)
Administrative expenses	(4,000)	(3,000)
Total amount recognised in the Statement of financial activities	(303,000)	(735,000)

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

	2023 £	2022 £
At 1 September	4,195,000	7,215,000
Current service cost	332,000	690,000
Interest cost	178,000	119,000
Employee contributions	79,000	70,000
Actuarial gains	(601,000)	(3,857,000)
Benefits paid	(88,000)	(42,000)
At 31 August	4,095,000	4,195,000

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

	2023 £	2022 £
At 1 September	4,846,000	4,512,000
Interest income	211,000	77,000
Actuarial losses	(498,000)	(10,000)
Employer contributions	260,000	242,000
Employee contributions	79,000	70,000
Benefits paid	(88,000)	(42,000)
Administration expenses	(4,000)	(3,000)
At 31 August	4,806,000	4,846,000

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NOTES TO THE FINANCIAL STATEMENTS
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24. Operating lease commitments

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

	2023 £	2022 £
Not later than 1 year	335	1,219
Later than 1 year and not later than 5 years	552	1,222
	<u>887</u>	<u>2,441</u>

25. 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.

26. Related party transactions

No related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 12.

27. Agency arrangements

The Academy Trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ended 31 August 2023, the Trust received £4,792 (2022: £4,345) and disbursed £4,792 (2022: £4,345) from the fund. An amount of £Nil (2022: £Nil) is included in other creditors relating to undistributed funds that are repayable to ESFA.

