



**Reigate Learning Alliance**  
**(a company limited by guarantee)**

**Annual Report and Financial Statements**  
**Year ended 31 August 2023**

**Company Registration Number: 10858221 (England & Wales)**



## **REPORT AND FINANCIAL STATEMENTS for the year ended 31 August 2023**

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## Reference and Administrative Details

**Members** J Artis I Fortune C Hardy C Lynch M Jones

### Trustees

N Clark (Staff Trustee)	K Fulker
C Whelan (Staff Trustee)	S Hewes
P Frankland (Chair from 1 September 2022)	Y Robbins
S Bowen	R Stephen (to 31 July 2023)
C Downton (from 1 September 2023)	G Weide
F Durrani	

### Senior Management Team

N Clark (Principal)  
C Whelan (Chief Executive)

### Company name

Reigate Learning Alliance

### Principal and Registered Office

Reigate College  
Castlefield Road  
Reigate RH2 0SD

### Company Registration Number

10858221 (England & Wales)

### Independent auditor

**Buzzacott LLP**  
130 Wood Street. London EC2V 6DL

### Internal auditor

**Wylie & Bisset LLP**  
168 Bath Street, Glasgow G2 4TP

### Bankers

**Barclays Bank plc**  
2<sup>nd</sup> Floor, 90-92 High Street, Crawley  
RH10 1BP

### Solicitors

<b>Irwin Mitchell LLP (to July 23)</b>	<b>Birketts LLP (from July 23)</b>
Belmont House, Station Way	One Suffolk Way
Crawley RH10 1JA	Sevenoaks TN13 1YL

## **Trustees' Report**

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year ended 31 August 2023. The annual report serves the purposes of a Trustees' report, Strategic report and a Directors' report under company law. Reigate College is the sole member of the Reigate Learning Alliance multi academy trust (MAT), and operates as a sixth form college for students aged 16-19. The number of students on roll on the college enumeration date of 20 October 2023 was 2,886 (2022 2,863).

### **Mission Statement**

To provide high quality education in a supportive community.

### **Vision Statement**

To be the first choice in East Surrey and Croydon for sixth form education, by striving to deliver educational excellence that responds to the individual learning needs of students.

## **Structure, Governance and Management**

### **Constitution**

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The Department for Education (DfE) makes available model articles of association for academy trusts to adopt that reflect best practice. The model articles set out governance procedures including the arrangements for meetings and voting mechanisms. In June 2021 the DfE issued revised model articles of association that were adopted in entirety by the Members, on behalf of the Reigate Learning Alliance, in March 2023.

The Trustees of Reigate Learning Alliance are also the directors of the charitable company for the purposes of company law. The charitable company operates as Reigate College.

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 the previous page.

### **Members' Liability**

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

### **Trustees' Indemnities**

Trustees benefit from indemnity insurance, purchased at the academy trust's expense, to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of negligence, default or breach of duty of which they may be guilty in relation to the academy trust, provided that any such insurance shall not extend to any claim arising from any act or omission which the Trustees knew to be a breach of trust or breach of duty or not, and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Trustees in their capacity as directors of the academy trust.

## **Trustees' Report (continued)**

### **Method of Recruitment and Appointment or Election of Trustees**

Recruitment is through an open and transparent recruitment process.

The Members may appoint by ordinary resolution up to 11 Trustees.

The Trustees may appoint Co-opted Trustees.

### **Policies and Procedures Adopted for the Induction and Training of Trustees**

The Board of Trustees is responsible for ensuring that appropriate training is provided as required. All new Trustees receive induction training. To further support the discharging of their duties, Trustees have access to a 'Trustee Handbook' that is made available on the Trust's website.

All Trustees receive annual training and updates on safeguarding to ensure compliance with the DfE "Keeping Children Safe in Education".

Trustees are provided with support from the Governance Professional to the Trustees.

The academy trust provides training presentations as part of Trustee meetings on topical issues according to need. As the part of the annual review of governance Trustees complete a skills audit to identify any skill gaps amongst Trustees. The analysis of the skills audit covering all Trustees is used to inform any training requirements.

### **Organisational Structure**

A Scheme of Delegation is in place that outlines responsibilities and decision-making powers for the Board of Trustees, management, and the local governing body for Reigate College, as set out in the Scheme of Delegation grid which is shown on the website of Reigate Learning Alliance [www.reigatelearningalliance.org](http://www.reigatelearningalliance.org). The academy trust holds one ordinary share in a dormant subsidiary, Castlefield Enterprises Limited, which is 100% of the entity's share capital.

### **Arrangements for setting pay and remuneration of key management personnel**

The key management personnel comprise the senior post holders and the trustees.

A Remuneration Committee is in place and the purpose of the Committee is to determine on all aspects of remuneration for the senior post holders, the Principal and the Chief Executive, with recommendations put to the trust board for approval on completion of the annual appraisal process.

No other trustees receive remuneration.

## Trustees' Report (continued)

### Trade union facility time

The following information is required under Schedule 2 Regulation 8 Trade Union (Facility Time Publication Requirements) Regulations 2017, and is presented for the year to 31 March 2023.

#### Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
1	1

#### Percentage of time spent on facility time

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

#### Percentage of pay bill spent on facility time

Total cost of facility time	£7,000
Total pay bill	£12,071,000
Percentage of the total pay bill spent on facility time	0.06%

#### Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	35.33%
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## **Trustees' Report (continued)**

### **Related Parties and other Connected Charities and Organisations**

Richard Stephen, a Trustee until 31 July 2023, is also Chair of Reigate Priory Youth Football Club. The academy trust lets its sporting facilities to the club, and received income of £10,000 during the year (2021/22 £10,000).

### **Engagement with employees**

The academy trust has long recognised the importance of engaging with its staff to ensure that they are fully informed about the strategy, objectives and performance, as well as day to day news and events, and uses a number of channels to achieve this, such as:

- Weekly staff meetings and bulletins
- Academy trust board
- Staff Inset days
- Staff Wellbeing days
- Induction and mentoring program for new employees
- All policies are available on the Staff area of the network
- Department meetings
- Faculty Pastoral meetings
- Regular staff social events
- All staff meetings
- Academy trust Mental Health First Aider
- Academy trust counselling service
- Academy trust gym and fitness classes
- Development programmes available through the S7 Consortium

### **Equality**

The academy trust aims to encourage all individuals to achieve their full potential by ensuring individuals treat each other with respect, with particular reference to those with protected characteristics. This policy is resourced, implemented and monitored on a planned basis. The academy trust's Equal Opportunities Policy is available from the Personnel Department. The academy trust is a 'Positive about Disabled' employer and has committed to the principles and objectives of the 'Positive about Disabled' standard. The academy trust considers all employment applications from disabled persons, bearing in mind the aptitudes of the individuals concerned, and guarantees an interview to any disabled applicant who meets the essential criteria for the post. Where an existing employee becomes disabled, every effort is made to ensure that employment with the academy trust continues. The academy trust's policy is to provide training, career development and opportunities for promotion which, as far as possible, provide identical opportunities to those of non-disabled employees. The academy trust has also implemented an Equality & Diversity training programme which all staff have attended. Refresher training and training for new starters is carried out on an ongoing basis.

## **Trustees' Report (continued)**

### **Disability statement**

The academy trust seeks to achieve the objectives set down in the Equality Act 2010:

- The academy trust has appointed a Learning Support Manager who provides information, advice and arranges support where necessary for students with disabilities
- There is a range of specialist equipment and assistive technology which the academy trust can make available for use by students
- The admissions policy for all students is available on the academy trust's website. Appeals against a decision not to offer a place are handled by the Principal
- The academy trust has made a significant investment in the appointment of learning facilitators to support students with learning difficulties and/or disabilities. There is a continuing programme of staff development to ensure the provision of a high level of appropriate support for students who have learning difficulties and/or disabilities
- Achievements and destinations are recorded and evaluated by the academy trust Equality Committee
- Counselling and welfare services are described in the academy trust's Student Diary, which is issued to students together with the Student Code of Conduct leaflets at induction

### **Engagement with suppliers, customers and others in a business relationship with the academy trust**

The academy trust seeks to maintain collaborative relationships with suppliers, parents, educational partners and community leaders. During the year the academy trust has promoted this engagement by:

- Regular communication and engagement with parents of existing and prospective students
- Regular engagement with partner schools
- Membership of the S7 Consortium to share best practice
- Engagement with local and national businesses to promote careers opportunities for students
- As a public sector organisation, the academy trust follows public procurement policy and aims to support local and UK based suppliers as much as possible
- Ensuring prompt payment and clear communication with all suppliers
- Encouraging students to engage in local voluntary opportunities



## Trustees' Report (continued)

### Streamlined Energy and Carbon Reporting

UK Greenhouse gas emissions and energy use data for the period 1 September 2022 to 31 August 2023			2022/23	2021/22
Energy consumption used to calculate emissions (kWh)			2,185,097	2,705,988
Energy consumption break down (kWh)				
gas			1,183,731	1,521,208
electricity			974,498	1,170,908
transport fuel			26,868	13,871
Scope 1 emissions in metric tonnes CO <sub>2</sub> e				
Gas consumption			217	278
Owned transport - minibuses			7	6
Total Scope 1			224	284
Scope 2 emissions in metric tonnes CO <sub>2</sub> e				
Purchased electricity			202	226
Scope 3 emissions in metric tonnes CO <sub>2</sub> e				
Business travel in employee owned vehicles			1	1
<b>Total gross emissions in metric tonnes CO<sub>2</sub>e</b>			<b>427</b>	<b>512</b>
<b>Intensity ratio Tonnes CO<sub>2</sub>e per student</b>			<b>0.15</b>	<b>0.18</b>

### Quantification and reporting methodology

The academy trust has followed the 2019 HM Government Environmental Reporting Guidelines, and has used the GHG Reporting Protocol – Corporate Standard and also the 2023 UK Government's Conversion Factors for Company Reporting.

#### Intensity measurement

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO<sub>2</sub>e per student, the recommended ratio for the sector.

#### Measures taken to improve energy efficiency

The academy trust installs energy efficient LED lighting in new and refurbished accommodation and has a rolling program to replace existing lighting with LED lighting in other areas of the site. During the year, the academy trust installed solar panels on the roofs of two buildings and three EV charging points in the car park.

The new extension to an existing building to provide additional independent learning space, which was completed during the year, complies with current building standards.

## Trustees' Report (continued)

### Objects and Activities

Reigate College (the College), the sole member of the academy trust, specialises in providing high quality education for 16-19 year old students in a supportive and caring community and is committed to equality of rights and opportunity. The admissions policy for Reigate College is updated annually and can be found on the website [www.reigate.ac.uk](http://www.reigate.ac.uk)

### Objects and Aims

To be the first choice for local sixth form education, by striving to deliver educational excellence that responds to the individual learning needs of students.

The College will seek to provide:

- An outstanding learning experience for students in any academy within the MAT
- A culture of high expectations, personal responsibility and high aspirations
- A diverse sixth form curriculum including a wide range of Academic and Vocational provision
- Support to students to either enter higher education or work as appropriate to the aims of the student
- A wide range of enrichment activities
- A focus on full time students aged 16 -19 years

The College aims to offer a curriculum that is ambitious for all students and aims to:

- Provide a demanding, but achievable, course programme
- Offer a broad range of courses balanced between academic and vocational and representing choices made by students after careful discussion with the college
- Include students from disadvantaged groups and ensure that they achieve their potential
- Ensure that students experience a stimulating learning experience
- Provide opportunities to develop extra curricula interests
- Develop broader skills and attitudes including British Values, study skills and 'soft skills'
- Help students to undertake work experience
- Provide a pathway to appropriate higher education, apprenticeship or employment
- Support staff in their development of the curriculum and their own careers
- Reflect the progression needs of partner schools

## Trustees' Report (continued)

### Public Benefit

Reigate Learning Alliance is an exempt charity under Part 3 of the Charities Act 2011 and is regulated by the Secretary of State for Education. The Trustees of the charitable company are disclosed on page 20.

In setting and reviewing the academy trust's strategic objectives, the Trustees had due regard for the Charity Commission's guidance on public benefit and particularly upon its supplementary guidance on the advancement of education. The guidance sets out the requirement that all organisations wishing to be recognised as charities must demonstrate, explicitly, that their aims are for the public benefit.

In delivering its mission, the academy trust provides the following identifiable public benefits through the advancement of education:

- Inclusive high-quality teaching
- Widening participation and tackling social exclusion
- Excellent employment record for students
- Strong student support systems
- Links with employers, industry and commerce

The delivery of public benefit is covered throughout the Trustees' Report.

## **Trustees' Report (continued)**

### **Strategic plan and Self-Assessment Review (SAR) 2022/23**

In keeping with the 'judgements' framework used by OFSTED to report on the work of colleges, the academy trust continues to use the same approach in order to provide a graded assessment. Each key question is addressed and additional information provided to support the assessment. This is used to produce a Self-Assessment and helps to inform progress against the Strategic Aims of the college.

The self-assessment process is intended to be an honest and open analysis of the strengths of the academy trust and areas that are in need of further attention. Although reporting annually, the process is, essentially, continual as there is a process of implementing improvements and monitoring progress towards the completion of the required improvements that takes place throughout the year.

The academy trust's teaching departments, and student facing support departments, all prepare self-assessment reports and action plans which are agreed with the Senior Leadership Team and monitored during the year. Each course SAR is stored on a database to allow simplified updates and monitoring in-year and between years. The Senior Leadership Team then evaluate the reports and prepare an analysis of the effectiveness of the academy trust as a whole.

The Local Governing Body for Reigate College (LGB) is responsible for scrutinising the self-assessment report and overseeing the actions being taken to improve where necessary. The Local Governing Body meets each term and the self-assessment report is a standing agenda item.

The SAR is approved by the Board.

## **Trustees' Report (continued)**

### **Strategic Report**

The Trust produces a set of Key Performance Indicators which are updated at each trust meeting and available on the website [www.reigatelearningalliance.org](http://www.reigatelearningalliance.org) . The KPIs cover:

- Ensuring a high quality of teaching and learning
- Ensuring a high quality of pastoral welfare
- Providing a safe place for teaching, learning and employment
- Ensuring the effective personal development of students
- Maintaining financial viability
- Maintaining and developing the College's reputation and engagement with the local community
- Developing staff and ensuring high staff morale
- Maintaining and developing the College estate and resources in an environmentally sustainable way
- Achieving an Outstanding Ofsted grading
- Ensuring effective leadership, management and governance

### **Achievements and Performance**

#### **Ofsted**

Ofsted carried out a full inspection of Reigate College in March 2022 and awarded an overall effectiveness grade of Good. The full report can be found at <https://reports.ofsted.gov.uk/provider/46/145005>.

#### **Student Numbers**

During the year ended 31 August 2023, the academy trust has delivered activity of £15,281,000 (2022 £13,470,000) in funding body main allocation funding and achieved 2,871 learners (2021/22: 2,828).

## Trustees' Report (continued)

### Strategic Report

#### Student Achievement

During 2022/23 staff and students at the academy trust continued to perform very strongly.

Students were retained in academy trust as shown in the table below:

Type	Starters	Joiners	Leavers	Continuers	Retention %
Lower sixth	1,394	0	37	1,357	97.35%
One year	80	0	4	76	95.00%
Part-time	1	0	0	1	100.00%
Upper sixth	1,396	0	14	1,382	98.99%
<b>Total</b>	<b>2,871</b>	<b>0</b>	<b>55</b>	<b>2,816</b>	<b>98.08%</b>

## Trustees' Report (continued)

### Strategic Report

Grade boundaries for England (but not Wales or Northern Ireland) are near to the 2019 levels – but not the same.

- The College A level high grades score was 57.2%, this was above 2019 (53.3%) and the national data for 2023 (52.7%).
- The value-added score for A levels was above average for Sixth Form Colleges nationally (+0.13 grades per entry), but it is not possible to say in which quartile this falls as this information is not available.
- BTEC High Grades were 55.7% for the main qualification (Extended Certificate). It is not useful to compare this to 2019 as the assessment pattern was very different. We do not have any data about national high grades rates for BTEC.
- The value-added score for BTEC was average (+0.02 grades per entry) compared to Sixth Form Colleges nationally.
- Most vocational qualifications are distorted by the impact of any results input as Teacher Assessed Grades (TAGs) last summer (BTEC qualifications are assessed over two years) so national comparisons are not useful.
- The students taking A levels and BTECs in 2023 had not taken GCSE exams in 2021. The grade inflation, along with other demographic factors, caused a 45% increase in the A level cohort. Nationally the increase was 8.25%. This caused concern that we had a large exposure to weaker students not being able to complete or pass their qualifications.
- Retention rates for A levels are in the top 25% for Sixth Form Colleges nationally, data for BTECs is not available.
- The proportion of students progressing to higher education on a value added basis was average for sixth form colleges at 67%, however, the proportion going to elite universities (Sutton 30) was 5% higher than average (32%).
- More than 100 students achieved straight A\*/A grades in at least three A levels.
- 79% of students achieved at least one high grade qualification.
- More than 250 students were accepted at Russell Group universities.
- 84% of students were admitted to their first-choice university.
- Out of 22 students with an Educational and Health Care Plan (EHCP), 21 completed their studies and 14 achieved at least one high grade.

### Key Performance Indicators

The academy trust seeks to make an operational surplus prior to charges for depreciation and any adjustments arising from the annual revaluation of the Local Government Pension Scheme as required by FRS 102, and excluding capital grants received and fixed asset purchases. For the year to 31 August 2023 this surplus amounted to £1,894,000 (2021/22: £1,224,000). The overall surplus for the year to 31 August 2023, before other recognised losses, amounted to £1,183,000 (2021/22: surplus of £1,077,000).

## **Trustees' Report (continued)**

### **Going Concern**

The academy trust received its General Annual Grant income of £15,281,000 for 2022/23 from the ESFA in full, together with Teachers' Pension Employer Contribution Grant of £584,000 and other grants of £224,000. In total this represents 94% of the income for the year (excluding capital grants). ESFA General Annual Grant income for the year to 31 August 2024 is guaranteed to be £16,069,000, based on 2,871 funded students. The academy trust has submitted a number of 2,886 students to the ESFA on the enumeration date of 20 October 2023, and so expects that the total funding for the year to 31 August 2024 will be in excess of the previous year.

As at 31 August 2023 the academy trust held cash reserves of £4,399,000 (2022: £4,041,000), and cash flow forecasts for the following two financial years show that the academy trust can meet all liabilities as they fall due.

The Trustees therefore have a reasonable expectation that the academy trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

### **How the Board complies with its Section 172 duty**

Section 172 of the Companies Act 2006 requires the directors to act in the way they consider, in good faith, would be most likely to promote the success of the charity to achieve its charitable purposes. The Act states that in doing so, the directors should have regard, amongst other matters, to:

#### **The likely consequence of any decisions in the long term**

A key priority for Trustees in decision making is to ensure decisions made advance education, are made in the public benefit and protect the assets and financial solvency of the Trust. Decisions taken are assessed against a defined framework for managing risks, both in the short term and in the long term.

#### **The interests of the company's employees**

The academy trust has long recognised the importance of engaging with its staff to ensure that they are fully informed about the strategy, objectives and performance, as well as day to day news and events, and uses a number of channels to achieve this; see page 4.

Opportunities for development and progression are available to all staff. The academy trust runs a successful Initial Teacher Training programme.



## **Trustees' Report (continued)**

### **The need to foster the company's business relationships with suppliers, customers, and others**

See page 5.

### **The impact of the company's operations on the community and the environment**

The academy trust aims to maintain and develop its estate and resources in an environmentally sustainable way and established a Sustainability Committee in 2021/22. There are good public transport facilities nearby which are promoted in student and staff recruitment information.

### **The desirability of the company maintaining a reputation for high standards of business conduct**

The academy trust aims to conduct all its business relationships with integrity and courtesy and to pay all suppliers promptly.

### **The need to act fairly as between members of the company**

Members and Trustees work positively with one another, debate the issues whilst maintaining a constructive atmosphere listening actively to a range of viewpoints and acting fairly in the best interests of the Trust.

## **Financial Review**

These results are for the year ended 31 August 2023.

The academy trust generated a surplus of £1,183,000 (2021/22: surplus £1,077,000) during the year (after accounting for depreciation and the non-cash adjustments made in respect of defined pension schemes).

The balance of restricted general funds (excluding pension reserves) and unrestricted funds at 31 August 2023 was £3,549,000 (2022: £3,485,000).

The academy trust generated a cash inflow of £2,595,000 from operating activities in the year. Cash and short-term deposits at 31 August 2023 were £4,399,000 (2022: £4,041,000).

During the year the academy trust employed an average of 228 people (expressed as full-time equivalents) (2021/22: 210), of whom 143 (2021/22: 132) are teaching staff.

The academy trust has significant reliance on education sector funding bodies for its principal funding source, largely from recurrent grants. In 2022/23 the funding bodies provided 94% of the academy trust's total income (excluding capital grants) (2021/22: 94%). The academy trust received its projected general annual grant income of £15,281,000 in full for the year 2022/23 together with Teachers' Pension Employer Contribution Grant of £584,000 and other grants of £224,000.

FRS 102 requires an annual accounting valuation of the Local Government Pension Scheme (see note 19) at 31 August each year. Its purpose is to facilitate consistent comparison of pension positions between employers and has no immediate effect on the employer cash contributions to the scheme. The Scheme is subject to a triennial funding valuation (last completed 31 March 22), the purpose of which is to assess the on-going financial position of the Fund and to determine the employers' cash contribution rates for 3 years. It will aim to ensure that each employer's share of the Fund's assets together with the expected investment returns and contributions will be sufficient to meet the Fund's future benefit payments.

## **Trustees' Report (continued)**

The value of the defined benefit pension scheme as required by FRS 102 has shown a significant movement in the year from an asset of £2,000 at 31 August 2022 to an asset of £1,187,000 at 31 August 2023. Whilst the valuation suggests that the College's share of the assets and liabilities in the scheme are in a net asset position (and indeed a significantly larger asset than the prior year), the likelihood of that asset being realised either through refunds from the scheme or a significant reduction in contributions in the future is deemed to be remote, and therefore, the asset has not been recognised on the balance sheet as at 31 August 2023 – further details are provided within note 19 to the financial statements.

The academy trust continued to invest in its facilities during the year. Construction was completed on an extension to an existing building to provide additional independent learning space for our students in January 2023; cost incurred during the year was £1,331,000. In addition, the academy trust incurred costs of £468,000 to increase the size of the car park to provide student parking and additional staff parking, and £275,000 on computer equipment.

### **Reserves Policy**

The academy trust maintains cash reserves to ensure that the academy trust has funds in place to cover day to day expenditure that in the short term may not be covered due to differing phasing of income and expenditure. A balance is also required should there be a shortfall in receipts in any one year. Having taken these considerations into account, the academy trust aims to maintain minimum cash reserves of £2,000,000.

At 31 August 2023, cash at bank and in hand was £4,399,000 (2022: £4,041,000). The academy trust holds excess cash reserves as a precautionary measure against any future possible shortfall in funding income, unbudgeted increases in expenditure and capital projects.

The academy trust had total reserves at 31 August 2023 of £21,503,000 (2022: £20,125,000). This includes total restricted funds of £20,871,000 (2022: £19,689,000). Included within restricted funds are £17,954,000 represented by fixed assets (2022: £16,638,000). General unrestricted funds total £632,000 (2022: £436,000).

### **Investment Policy**

The academy trust's cash reserves are held with its main banker in a number of current, interest bearing and deposit accounts. No other investments are made. In accordance with the Academy Trust Handbook, the exposure to investment products is tightly controlled so security of funds takes precedence over revenue maximisation. Details of the cash balances are included in the monthly management accounts which are distributed to trustees each month, and this policy is reviewed annually.

## Trustees' Report (continued)

### Principal Risks and Uncertainties

The academy trust has undertaken further work during the year to develop and embed the system of internal control, including financial, operational and risk management which is designed to protect the academy trust's assets and reputation.

The Senior Leadership Team undertakes a comprehensive annual review of the risks to which the academy trust is exposed. They identify systems and procedures, including specific preventative actions which should mitigate any potential impact on the academy trust. The internal controls are then implemented and the subsequent year's appraisal will review their effectiveness and progress against risk mitigation actions. In addition to the annual review, the Senior Leadership Team will also consider any risks which may arise as a result of a new area of work being undertaken by the academy trust.

A Risk Register is maintained at the academy trust level which is reviewed regularly by the Senior Leadership Team and at least each term by the Audit & Risk Committee and more frequently where necessary. The Risk Register, but more importantly, the Risk Management Action Plan, outlines the controls, mitigation and contingency for each high level risk. Each high level risk is assigned to the Trust, Local Governing Body, or a Committee who are then responsible for monitoring the Risk Management Action Plan and assessing their level of assurances in light of reports and sources of assurance presented at meetings. Risks are prioritised using a consistent scoring system. This is supported by a risk management training programme to raise awareness of risk throughout the academy trust.

Outlined below is a description of the principal risks that may affect the academy trust. Not all the factors are within the academy trust's control. Other risks besides those listed below are included in the academy trust's Risk Register.

- Failure to meet the minimum target for student recruitment and therefore secure adequate funding required for the effective operation of its mission
- Failure to meet quality targets (outcomes, quality of teaching and learning, personal development) and therefore impacting on the academy trust's reputation, the Ofsted grading and its ability to attract students
- Failure to develop and fully record student learning programmes to attract and maximise appropriate funding
- Failure to recruit, manage and retain high performing staff, both teaching and support, resulting in poor outcomes
- Failure to operate financial systems and controls resulting in expenditure exceeding income or to operate financial systems and controls in line with Government and funding body regulations
- Failure to provide suitable, adequate or robust physical resources; this includes protecting the academy trust from cyber security threats, protecting sensitive data and ensuring GDPR compliance

The academy trust would be at risk if its accommodation and physical resources were insufficient in terms of volume or quality to meet curriculum needs, or if its human resources were insufficient in terms of experience and/or qualifications to meet curriculum and support needs. To mitigate these risks, the academy trust's financial plan includes investment in its accommodation and physical resources, including maintenance and refurbishment as needed. There are disaster recovery plans in place for the academy trust's premises and IT systems. Some significant financial risks are covered by insurance. Other risks are minimised through the design of systems and procedures as preventative measures.

## **Trustees' Report (continued)**

### **Plans for Future Years**

#### **Curriculum**

The academy trust is a provider of 'distinct 16–19 provision', as described in the DfE's guidelines 'Principles underpinning the organisation of 16–19 provision'.

The most substantial areas of work are in Science and Mathematics, Business Studies, Public Services, Information and Communication Technology, Sports, Leisure & Tourism, Visual Arts, Performing Arts & Media, Humanities and English & Communications. Provision is split approximately evenly between academic and vocational, with the academy trust being the largest provider of vocational education among Sixth Form Academy trusts in England. The academy trust does not anticipate any substantial change to this provision in the near future. The academy trust will examine the role of T levels and BTECs when there is greater clarity regarding content and funding, and when a decision is made about the future availability of Applied General qualifications. However, in the meantime, the academy trust has decided not to participate in the pilot programme.

Approximately 98% of provision is level 3 with the remainder being level 2. All students are full time, other than for exceptional medical or social reasons. The academy trust does not have a part-time or adult educational programme and there are no current plans to run apprenticeships.

Outside the classroom, an activities programme offers a wide variety of opportunities; there are around 50 diverse activities on offer which cater for all interests. An active students' union contributes to the community ethos of the academy trust.

#### **Partner Schools**

The Trust has four long standing partner schools: Carrington (formerly The Warwick), de Stafford, Oakwood and Reigate Schools. Priory School became a partner school on 1 September 2021. Approximately 31.5% of the 2022/23 intake came from these schools (2021/22: 33.4%). Merstham Park School has been a partner school since it opened in September 2018, and the first intake from that school will join in September 2023. The Beacon School became a partner school during 2022/23.

#### **Other Partners**

There is a strategic understanding with East Surrey College regarding the range of courses offered by that college and Reigate Learning Alliance. This arrangement ensures that the full breadth of vocational and academic qualifications is provided for the local and regional community.

The Trust is a member of the S7 Consortium of sixth form colleges together with Esher, Godalming and Woking Colleges in Surrey, and Bexhill, BHASVIC, Collyer's and Varndean Colleges in Sussex and is also a member of the Sixth Form Colleges Association.

The Trust offers two routes for Initial Teacher Training (ITT):

- Professional Graduate Certificate of Education (Further Education and Training) in partnership with the University of Brighton
- PGCE Secondary (with QTS) placements for trainees from the University of Sussex, the University of Brighton and the Royal Academy of Dance

Reigate College is a Duke of Edinburgh Awards licensed organisation.

Reigate College works with several Higher Education providers; the University of Law, the University for the Creative Arts and the University of Exeter.

## **Trustees' Report (continued)**

### **Events after the end of the reporting period**

There are no significant or material events to report on after the period end.

### **Future prospects**

The academy trust plans to continue to improve the facilities on-site but does not anticipate any significant change in student numbers. There are no immediate plans to bring further institutions into the multi academy trust, however the Board is actively investigating a range of future options.

### **Fundraising**

The academy trust does not use any external fundraisers.

### **Funds held as custodian trustee**

The academy trust holds no funds as custodian trustee.

## **Auditor**

Insofar as the Trustees are aware:

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

**The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 5 December 2023 and signed on its behalf by:**



**Ms P Frankland**

**Chair**

**5 December 2023**

## **Governance Statement**

### **Scope of Responsibility**

As Trustees we acknowledge we have overall responsibility for ensuring that Reigate Learning Alliance 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 guidance.

The Board of Trustees has delegated the day-to-day responsibility to the chief executive, 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 Reigate Learning Alliance and the Secretary of State for Education. The Chief Executive is 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 5 times during the year, and in addition the Annual General Meeting was held on 17 January 2023.

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

## Governance Statement (continued)

Name	Date of Appointment	Term of Office	Date of Resignation	Status of Appointment	Committees Served	Board Meetings Attended / Total Meetings
Mr R Stephen	Appointed 1 September 2017 Re-appointed 1 September 2021	4 years	31 July 2023	Trustee	Finance & Resources	4/5
Mr S Hewes	Appointed 1 September 2017 Re-appointed 1 September 2021	4 years		Trustee	Audit & Risk	5/5
Ms Y Robbins	Appointed 18 October 2018 Re-appointed 18 October 2022	4 years		Trustee	Local Governing Body	5/5
Mr G Weide	Appointed 18 October 2018 Re-appointed 18 October 2022	4 years		Trustee	Local Governing Body, Remuneration	4/5
Mr S Bowen (Vice Chair)	Appointed 18 October 2018 Re-appointed 18 October 2022	4 years		Trustee	Finance & Resources, Local Governing Body, Remuneration	4/5
Mr F Durrani	Appointed 18 October 2018 Re-appointed 18 October 2022	4 years		Trustee	Finance & Resources	5/5
Ms P Frankland, (Chair)	Appointed 1 September 2017 Re-appointed 1 September 2021	4 years		Trustee	Local Governing Body, Remuneration	5/5
Ms K Fulker	1 September 2022	4 years		Trustee	Audit & Risk	4/5
Ms C Downton	1 September 2023	4 years		Trustee	Finance & Resources	N/A
Mr N Clark	1 December 2020	4 years		Co-opted Trustee & Executive Principal	Local Governing Body	5/5
Mr C Whelan	10 July 2017	During period of office		Trustee & Chief Executive & Accounting Officer	Finance & Resources, Local Governing Body	5/5

Mr J Allen acts as Governance Professional to the board of Trustees.

## **Governance Statement (continued)**

It is the Board's responsibility to bring independent judgement to bear on issues of strategy, performance, resources and standards of conduct.

The Board is provided with regular and timely information on the overall financial performance of the academy trust together with other information such as performance against funding targets, proposed capital expenditure, quality matters and personnel related matters such as health and safety and environmental issues. The Board met each term. The Annual General Meeting was held on 17 January 2023. Effective oversight of the Trust's funds was maintained through the five meetings of the Board, supported with three meetings of the Trust's Finance & Resources Committee. In addition, monthly management accounts were made available to all Members and Trustees.

The Board conducts its business through a number of committees. Each committee has terms of reference, which have been approved by the Board. These committees are the Local Governing Body, Finance & Resources, Audit & Risk and Remuneration. Full minutes of all meetings, except those deemed to be confidential by the Board, are available on the academy trust's website [www.reigatelearningalliance.org/publications](http://www.reigatelearningalliance.org/publications) or from the Governance Professional to the Board at: Reigate Learning Alliance, Reigate College, Castlefield Road, Reigate, Surrey, RH2 0SD.

The Governance Professional to the Board maintains a register of attendance of the Members, Trustees, and members of the Local Governing Body (Governors). The register of attendance is available on the academy trust's website.

All Trustees are able to take independent professional advice in furtherance of their duties at the academy trust's expense and have access to the Governance Professional to the Board, who is responsible to the Board for ensuring that all applicable procedures and regulations are complied with. The appointment, evaluation and removal of the Governance Professional are matters for the Board as a whole.

Formal agendas, papers and reports are supplied to Trustees in a timely manner prior to Board meetings. Briefings are also provided on an ad-hoc basis.

The Board has a strong and independent non-executive element and no individual or group dominates its decision-making process. The Board considers that each of its non-executive Trustees is independent of management and free from any business or other relationship which could materially interfere with the exercise of their independent judgement.

The Board initially consisted of governors from the Corporation of Reigate College to enable the academy trust to benefit from their experience and expertise. Following a recruitment drive, new Trustees have been appointed and this has increased the expertise of the Board. A Local Governing Body has also been put in place which is diverse in its membership, with staff, students and parents represented. The focus of the Local Governing Body is on monitoring the performance of Reigate College.

There is a clear division of responsibility in that the roles of the Chair and Accounting Officer are separate.

### **Managing conflicts of interest**

All Members, Trustees and Governors (as well as senior post holders) complete an annual review of declaration of interests. The Governance Professional to the Board maintains the register and the register is made available on the academy trust's website. In addition, there is a standing item on each meeting agenda inviting any fresh declarations to be made. The Trust's Code of Conduct contains guidance on conflicts of interests. An individual who has declared an interest in an item shall refrain both from taking part in the debate and from voting on that item. The meeting Chair may also ask that individual to withdraw from the meeting during discussion of that item. The Trust has no active subsidiaries and no joint ventures.



## **Governance Statement (continued)**

### **Appointments to the Board**

Recruitment is through an open and transparent recruitment process.

The Members may appoint by ordinary resolution up to 11 Trustees.

The Trustees may appoint Co-opted Trustees.

Trustees of the Board are appointed for a term of office not exceeding 4 years. Trustees may be appointed to serve a second term of office subject to Members' approval. Only in exceptional circumstances would a Trustee be appointed to serve a third term, subject to Members' approval.

## **Governance reviews**

### **Board performance**

Trustees bring an excellent range of skills and experience and attendance at meetings is good. They have effective oversight of the academy trust's finances, student performance, curriculum development, quality assurance systems, personnel matters and its audit activities. An induction programme for Trustees is in place and opportunities for training and development are clear.

The Board is well structured and administered, with a suitable range of sub-committees. The Governance Professional is professionally qualified with extensive governance experience and expertise. The minutes are purposeful and relevant, demonstrating, where appropriate, challenge from Trustees.

Trustees are well informed, receiving sufficient data and analysis to contribute effectively to planning and monitoring the work of the academy trust.

At the July 2022 Trust Board meeting, Trustees approved a framework for the review of governance. The trust board will undertake an annual governance self-assessment for the preceding academic year, with the final self-assessment report published in the autumn term covering the proceeding academic year - following the same timescale for the College's self-assessment process.

The framework for the annual review of governance includes the following:

- Review of performance against a number of governance KPIs
- Skills analysis audit conducted on Trustees
- Chair/Governance Professional to hold one-to-one review meetings with each Trustee
- Each Trustee to review the Chair's performance
- Succession planning
- Action planning arising from the review.

The Board carried out a self-assessment of its own performance for the year ended 31 August 2023 and graded itself as "Good" on the OFSTED scale.

There is now an explicit requirement as a condition of funding for boards to conduct an annual self-assessment and undertake an external review of governance (ERG) every three years. An internal review of governance was undertaken during 2022/23. Action points arising from the review were overseen by the Trust Board through regular review of the resulting governance action plan. All agreed actions were fully implemented to further enhance the Trust's governance arrangements. The external review of governance will be undertaken during the academic year 2023/24.

## Governance Statement (continued)

### Reigate College Local Governing Body

The role of the local governing body is to carry the Trust's vision, policies and priorities forward, based on the specific qualities and community characteristics of each academy. The Trustees are expected to question and challenge the academy's leadership team and to hold them to account.

### Finance & Resources Committee

The Committee is a sub-committee of the main Board of Trustees. Its purpose is to review the financial position of the academy trust, including revenue, capital and cashflow on a termly basis. It advises the Board on all financial matters.

<b>Name</b>	<b>Meetings attended / Total Meetings</b>
Mr R Stephen (Chair)	3 / 3
Mr S Bowen	1 / 3
Mr F Durrani	3 / 3
Mr C Whelan	3 / 3

### Remuneration Committee

The Committee is a sub-committee of the main Board of Trustees. The purpose of the Committee is to determine all aspects of remuneration for senior post holders, with recommendations put to the trust board for approval.

<b>Name</b>	<b>Meetings attended / Total Meetings</b>
Ms P Frankland (Chair)	1 / 1
Mr G Weide	1 / 1
Mr S Bowen	1 / 1

## **Governance Statement (continued)**

### **Audit & Risk Committee**

The Committee operates in accordance with written terms of reference approved by the Board. Its purpose is to advise the Board on the adequacy and effectiveness of the academy trust's systems of internal control and its arrangements for risk management, control and governance processes.

The Audit & Risk Committee meets as often as is necessary to fulfill its responsibilities and at least once each term and provides a forum for reporting by the academy trust's internal, regularity and financial statements auditors, who have access to the Committee for independent discussion, without the presence of academy trust management. The Committee also receives and considers reports from the main FE funding bodies, as they affect the academy trust's business.

The academy trust's internal auditor reviews the systems of internal control, risk management controls and governance processes in accordance with an agreed plan of input, and report their findings to the Audit & Risk Committee.

Management is responsible for the implementation of agreed recommendations, and the internal auditor undertakes periodic follow-up reviews to ensure such recommendations have been implemented.

The Audit & Risk Committee also advises the Members on the appointment of regularity and financial statements auditors and the remuneration for both audit and non-audit work as well as reporting annually to the Board.

<b>Name</b>	<b>Meetings attended / Total Meetings</b>
Mr S Hewes (Chair)	4 / 4
Ms K Fulker	4 / 4

### **Review of Value for Money**

As Accounting Officer the Chief Executive has responsibility for ensuring that the academy trust delivers good value in the use of public resources. The Accounting Officer understands that value for money refers to the educational and wider societal outcomes achieved, as well as estates safety and management in return for the taxpayer resources received. The Accounting Officer has delivered improved value for money during the year by ensuring that the Academy trust's procurement policy is followed, and that the renewal of service contracts is reviewed by the Finance and Resources committee. In accordance with instructions from the Department for Education, certain buildings were inspected during the year to establish whether Reinforced Autoclaved Aerated Concrete (RAAC) had been used in their construction. A further inspection was conducted by a firm of civil and structural engineers in September 2023, confirming that no RAAC is present.

## Governance Statement (continued)

### Internal control

#### *The purpose of the system of internal control*

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Reigate Learning Alliance for the year ended 31 August 2023 and up to the date of approval of the annual report and accounts.

#### *Capacity to handle risk*

The Board has reviewed the key risks to which the academy trust is exposed, together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the year ended 31 August 2023 and up to the date of approval of the annual report and accounts. This process is regularly reviewed by the Board.

#### *The risk and control framework*

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

- comprehensive budgeting systems with an annual budget which is reviewed and agreed by the governing body
- regular reviews by the governing body of periodic and annual financial reports which indicate financial performance against forecasts
- setting targets to measure financial and other performance
- clearly defined capital investment control guidelines
- the adoption of formal project management disciplines, where appropriate

During the year ended 31 August 2023, the academy trust had an independent internal audit service provided by Wylie & Bisset LLP which operated in accordance with the requirements of the ESFA'S Academy Trust Handbook. The work of the internal audit service is informed by an analysis of the risks to which the academy trust is exposed, and annual internal audit plans are based on this analysis. The analysis of risks and the internal audit plans are endorsed by the Board on the recommendation of the Audit & Risk Committee. At minimum, annually, the internal audit service provides the Board, through the Audit & Risk Committee, with a report on internal audit activity in the academy trust. The report includes their independent opinion on the adequacy and effectiveness of the academy trust's system of risk management, controls and governance processes.

## Governance Statement (continued)

### *Work of the internal auditor*

The work carried out by the internal auditor during the year was:

- Follow up review of points raised in prior years' internal audit reviews; no significant control issues raised
- Review of budgetary and financial reporting; no significant control issues raised
- Review of payroll; no significant control issues raised
- Review of learner agreements; no significant control issues raised

### *Review of effectiveness*

As Accounting Officer, the Chief Executive has responsibility for reviewing the effectiveness of the system of internal control. During the current year the review has been informed by:

- the work of the internal auditor
- the work of the external auditor
- the governance self-assessment process
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework

The Accounting Officer has been advised on the implication of the result of his review of the effectiveness of the system of internal control by the Audit & Risk Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

**Approved by order of the Trustees of the Board of Reigate Learning Alliance on 5 December 2023 and signed on its behalf by:**



**Ms P Frankland**

**Chair**

**5 December 2023**



**Mr C P Whelan**

**Accounting Officer**

**5 December 2023**

## **Statement on Regularity, Propriety and Compliance**

As Accounting Officer of Reigate Learning Alliance I have considered my responsibility to notify the academy trust Board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding, including for estates safety and management, under the funding agreement between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2022, including responsibilities for estates safety and management.

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



**Mr C P Whelan**

**Accounting Officer**

**5 December 2023**

## Statement of Trustees' Responsibilities

The Trustees (all of whom are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Report, including the Strategic Report, and the financial statements in accordance with the Academies Accounts Direction published by the Education & 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 in the Charities SORP (FRS 102) 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 on 5 December 2023 and signed on its behalf by:**



**Ms P Frankland**

**Chair**

**5 December 2023**

## **INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF REIGATE LEARNING ALLIANCE**

### **Opinion**

We have audited the financial statements of Reigate Learning Alliance (the 'charitable company') for the year ended 31 August 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, and the notes to the financial statements including the principal accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (the Charities SORP (FRS 102)) and the Academies Accounts Direction 2022 to 2023.

In our opinion, the financial statements:

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

### **Basis for opinion**

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

### **Conclusions relating to going concern**

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

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

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

### **Other information**

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

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



## **INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF REIGATE LEARNING ALLIANCE (continued)**

We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

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

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

### **Matters on which we are required to report by exception**

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

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

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

### **Responsibilities of trustees**

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

### **Auditor's responsibilities for the audit of the financial statements**

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

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

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

## **INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF REIGATE LEARNING ALLIANCE (continued)**

- the engagement director ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charitable company through discussions with management, and from our knowledge of the academy trust sector;
- the identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit;
- we considered the legal and regulatory frameworks that are applicable to the charitable company and determined that the most significant are the Companies Act 2006, the Charities SORP (FRS 102), the ESFA Academies Accounts Direction 2022 to 2023, the Academy Trust Handbook 2022, and the academy trust's funding agreement with the ESFA as well as legislation pertaining to safeguarding in the UK;
- we understood how the charitable company is complying with those legal and regulatory frameworks by making inquiries to management and those responsible for legal, compliance and governance procedures. We corroborated our inquiries through our review of the minutes of trustees' meetings and papers provided to the trustees.
- we planned and carried out a separate limited assurance engagement in respect of regularity, propriety and compliance in accordance with the Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts issued by the ESFA, as set out in our separate independent reporting accountant's assurance report on regularity.

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

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

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

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

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

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

## **INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF REIGATE LEARNING ALLIANCE (continued)**

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

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

### **Use of our report**

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



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

Date: 12 December 2023

## Statement of Financial Activities (including income and expenditure account) for the year ended 31 August 2023

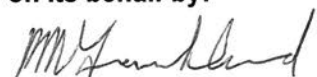
		Unrestricted funds	Restricted General Funds	Restricted Fixed Asset Funds	Year ended 31 August 2023	Year ended 31 August 2022
	Notes	£'000	£'000	£'000	£'000	£'000
<b>Income and endowments from:</b>						
Donations and capital grants	2	23	25	594	642	1,734
Charitable activities						
- Funding for the academy trust's educational operations	3	-	16,208	-	16,208	14,407
- Other trading activities	4	15	763	-	778	678
Investments	5	158	-	-	158	22
<b>Total income</b>		<b>196</b>	<b>16,996</b>	<b>594</b>	<b>17,786</b>	<b>16,841</b>
<b>Expenditure on:</b>						
Charitable activities:						
- Academy trust educational operations	7	-	15,495	1,108	16,603	15,764
<b>Total expenditure</b>	6	<b>-</b>	<b>15,495</b>	<b>1,108</b>	<b>16,603</b>	<b>15,764</b>
<b>Net income / (expenditure)</b>		<b>196</b>	<b>1,501</b>	<b>(514)</b>	<b>1,183</b>	<b>1,077</b>
<b>Transfer between funds</b>	17	<b>-</b>	<b>(1,830)</b>	<b>1,830</b>	<b>-</b>	<b>-</b>
<b>Other recognised gains / (losses)</b>						
Actuarial gains / (losses) on defined benefit pension schemes	19	-	195	-	195	6,257
<b>Net movement in funds</b>		<b>196</b>	<b>(134)</b>	<b>1,316</b>	<b>1,378</b>	<b>7,334</b>
<b>Reconciliation of funds</b>						
Total funds brought forward	17	436	3,051	16,638	20,125	12,791
<b>Total funds carried forward</b>	<b>17</b>	<b>632</b>	<b>2,917</b>	<b>17,954</b>	<b>21,503</b>	<b>20,125</b>

All of the academy trust's activities were in respect of continuing operations during the above two financial years. All recognised gains and losses are included within the above statement of financial activities.

**Balance Sheet**
**Company number 1085822**

	Notes	31 August 2023 £'000	31 August 2022 £'000
<b>Non current assets</b>			
Tangible assets	11	17,954	16,638
		<hr/>	<hr/>
		17,954	16,638
		<hr/>	<hr/>
<b>Current assets</b>			
Stocks		7	6
Debtors	13	479	637
Cash at bank and in hand		4,399	4,041
		<hr/>	<hr/>
		4,885	4,684
Creditors – amounts falling due within one year	14	(1,336)	(1,199)
		<hr/>	<hr/>
<b>Net current assets</b>		<b>3,549</b>	<b>3,485</b>
		<hr/>	<hr/>
<b>Net assets excluding pension liability</b>		<b>21,503</b>	<b>20,123</b>
Defined benefit pension scheme asset	19	-	2
		<hr/>	<hr/>
<b>Total net assets</b>		<b>21,503</b>	<b>20,125</b>
		<hr/>	<hr/>
<b>Funds of the academy trust:</b>			
<b>Restricted funds</b>			
Fixed Asset Funds		17,954	16,638
Restricted General funds		2,917	3,049
Pension reserve		-	2
		<hr/>	<hr/>
<b>Total Restricted Funds</b>		<b>20,871</b>	<b>19,689</b>
<b>Unrestricted income funds</b>		<b>632</b>	<b>436</b>
		<hr/>	<hr/>
<b>Total funds</b>	17	<b>21,503</b>	<b>20,125</b>
		<hr/>	<hr/>

The financial statements on pages 33 to 62 were approved by the Board of Reigate Learning Alliance on behalf of Reigate Learning Alliance and authorised for issue on 5 December 2023 and were signed on its behalf by:



**Ms P Frankland**

**Chair of Reigate Learning Alliance**



**Mr C P Whelan**

**Accounting Officer of Reigate Learning Alliance**

## Statement of Cash Flows for the year ended 31 August 2023

		Year ended 31 August 2023 £'000	Year ended 31 August 2022 £'000
<b>Cash provided by operating activities</b>	10	2,595	2,441
<b>Cash flows from investing activities</b>			
Interest received		158	22
Purchase of tangible fixed assets		(2,395)	(2,675)
Net cash used in investing activities		(2,237)	(2,653)
<b>Change in cash and cash equivalents in the period</b>		<b>358</b>	<b>(212)</b>
Cash and cash equivalents at 1st September		4,041	4,253
<b>Cash and cash equivalents at 31st August</b>		<b>4,399</b>	<b>4,041</b>

## NOTES TO THE ACCOUNTS

### 1 Accounting policies

#### General information

Reigate Learning Alliance (the 'academy trust') is a charitable company. The address of the principal place of business is given on the Reference and Administrative details page. The nature of the academy trust's operations is set out in the Trustees' report.

#### Statement of accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements:

#### Basis of preparation

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), 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 the Education and Skills Funding Agency, the Charities Act 2011 and the Companies Act 2006.

The assets and liabilities have been recognised at their carrying amount except for any adjustments to align with the accounting policies of the academy trust. Monetary amounts in the financial statements have been rounded to the nearest £1,000 unless otherwise indicated. The financial statements are presented in sterling which is also the functional currency of the academy trust.

#### Basis of consolidation

The financial statements include the results of the academy trust only on the basis that the results of Castlefield Enterprises Limited which is dormant and 100% owned by the academy trust are immaterial to the academy trust. Accordingly, a consolidated income and expenditure account and balance sheet has not been prepared for the period under review. In accordance with FRS 102, the activities of the student union have not been consolidated because the academy trust does not control those activities.

#### Going concern

The academy trust received its projected grant income for 2022/23 from the ESFA in full, which represents 94% of the income for the year (excluding capital grants). The academy trust generated a net cash inflow from operating activities of £2,595,000 (2021/22: £2,441,000). ESFA General Annual Grant income for the year to 31 August 2024 is guaranteed to be £16,069,000, based on 2,871 funded students. The academy trust has submitted a number of 2,886 students to the ESFA on the enumeration date of 20 October 2023, and so expects that the funding for the year to 31 August 2024 will be in excess of the previous year.

As at 31 August 2023 the academy trust held cash reserves of £4,399,000, and cash flow forecasts for the following two financial years show that the academy trust can meet all liabilities as they fall due.

The Trustees therefore have a reasonable expectation that the academy trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements.

## NOTES TO THE ACCOUNTS

### 1 Accounting policies (continued)

#### Income

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

- **Grants**

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

- **Donations**

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

- **Other Income**

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

#### 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.

#### Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense. The best estimate of the expenditure required to settle an obligation for termination benefits is recognised immediately as an expense when the Trust is demonstrably committed to terminate the employment of an employee or to provide termination benefits.



## NOTES TO THE ACCOUNTS

### 1 Accounting policies (continued)

#### Charitable Activities

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

All resources expended are inclusive of any irrecoverable VAT.

#### Agency arrangements

The academy trust acts as an agent in distributing 16-19 bursary funds from the ESFA. Payments received from the Education and Skills Funding Agency and subsequent disbursements to students are excluded from the Statement of Financial Activities as the academy trust does not have control over the charitable application of the funds. The academy trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the Statement of Financial Activities. The funds received and paid are disclosed in note 21.

#### 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:

Freehold buildings	Over 50 years
Building improvements	Over 20 years
Furniture and equipment	Over 10 years
Plant and machinery	Over 10 years
Computer equipment	Over the life of the warranty
Motor vehicles	Over 4 years

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

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

## NOTES TO THE ACCOUNTS

### 1 Accounting policies (continued)

#### Liabilities

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

#### Provisions

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

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

#### Leased Assets

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

#### Financial Instruments

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

##### *Financial assets and liabilities*

Financial assets and financial liabilities are recognised when the academy trust becomes a party to the contractual provisions of the instrument.

Financial liabilities are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form.

All financial assets and liabilities are initially measured at transaction price (including transaction costs), unless the arrangement constitutes a financing transaction. A financial asset or financial liability that is receivable or payable within one year is measured at the undiscounted amount expected to be received or paid net of impairment, unless it is a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and financial liabilities are offset only when there is a current legally enforceable right to set off the recognised amounts and the intention to either settle on a net basis, or to realise the asset and settle the liability simultaneously.

## NOTES TO THE ACCOUNTS

### 1 Accounting policies (continued)

#### *Derecognition of financial assets and liabilities*

A financial asset is derecognised only when the contractual rights to cash flows expire or are settled, or substantially all the risks and rewards of ownership are transferred to another party, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party. A financial liability (or part thereof) is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

#### **Stock**

Unsold catering stocks are valued at the lower of cost or net realisable value.

#### **Taxation**

The academy trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Accordingly, the academy trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by part 11, chapter 3 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

#### **Pensions Benefits**

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

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

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

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

## NOTES TO THE ACCOUNTS

### 1 Accounting policies (continued)

#### Pensions Benefits (continued)

If the present value of the defined benefit scheme obligations at the balance sheet date is less than the fair value of the scheme assets at that date, the scheme is in surplus. The academy trust will recognise a scheme surplus as a defined benefit pension scheme asset only to the extent that it is able to recover the surplus either through reduced contributions in the future or through refunds from the scheme.

#### Fund Accounting

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by 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 Education and Skills Funding Agency.

#### Critical accounting estimates and areas of judgement

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

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

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 (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 19, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2022 has been used by the actuary in valuing the pensions liability at 31 August 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

#### *Critical areas of judgement*

In preparing these financial statements, management have made the following judgements:

- Determine whether leases entered into by the academy trust either as a lessor or a lessee are operating or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.
- Determine whether there are indicators of impairment of the academy trust's tangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset.
- Determine whether any surplus on the Local Government Pension Scheme is recoverable.

## NOTES TO THE ACCOUNTS

### 2 Donations and capital grants

	Unrestricted Funds £'000	Restricted General Funds £'000	Restricted Fixed Asset Funds £'000	Year ended 31 August 2023 £'000	Year ended 31 August 2022 £'000
Capital grants	-	-	594	594	1,675
Other donations	23	25	-	48	59
	<b>23</b>	<b>25</b>	<b>594</b>	<b>642</b>	<b>1,734</b>

The income from donations and capital grants was £642,000 (2021/22: £1,734,000) of which £23,000 (2021/22: £59,000) was unrestricted, £25,000 (2021/22: £nil) was restricted general and £594,000 (2021/22: £1,675,000) was restricted fixed assets funds.

### 3 Funding for the academy trust's educational operations

	Unrestricted Funds £'000	Restricted General Funds £'000	Year ended 31 August 2023 £'000	Year ended 31 August 2022 £'000
<b>DfE / ESFA grants</b>				
General Annual Grant (GAG)	-	15,281	15,281	13,470
Teachers' Pension Employer Contribution Grant	-	584	584	526
Other	-	224	224	312
<b>Other Government grants</b>				
Non DfE / ESFA COVID-19 funding	-	-	-	19
Local authority grants	-	119	119	80
	<b>0</b>	<b>16,208</b>	<b>16,208</b>	<b>14,407</b>

The funding for the academy trust's educational operations was £16,208,000 (2021/21: £14,407,000) of which £16,208,000 (2021/22: £14,388,000) was restricted general funds.

## NOTES TO THE ACCOUNTS

### 4 Other trading activities

	Unrestricted Funds £'000	Restricted General Funds £'000	Year ended 31 August 2023 £'000	Year ended 31 August 2022 £'000
Catering income	-	592	592	489
Shop sales	15	-	15	11
Lettings and Sports Hall income	-	33	33	35
Other	-	138	138	143
<b>Total</b>	<b>15</b>	<b>763</b>	<b>778</b>	<b>678</b>

The income from other trading activities was £778,000 (2021/22: £678,000) of which £15,000 (2021/22: £12,000) was unrestricted and £763,000 was restricted general funds (2021/22: £666,000).

### 5 Investment income

	Unrestricted Funds £'000	Restricted General Funds £'000	Year ended 31 August 2023 £'000	Year ended 31 August 2022 £'000
<b>Interest receivable</b>	<b>158</b>	<b>-</b>	<b>158</b>	<b>22</b>

The investment income was £158,000 (2021/22: £22,000) of which all (2021/22: all) was unrestricted.

## NOTES TO THE ACCOUNTS

### 6 Expenditure

	Non Pay Expenditure			Year ended	Year ended
	Staff costs	Premises	Other	31 August	31 August
	£'000	£'000	£'000	2023	2022
				£'000	£'000
Academy's educational operation					
Direct Costs	9,859	-	-	9,859	9,650
Allocated Support Costs	3,305	1,381	2,058	6,744	6,114
<b>Total</b>	<b>13,164</b>	<b>1,381</b>	<b>2,058</b>	<b>16,603</b>	<b>15,764</b>

Net income / (expenditure) for the period includes:

	Year ended	Year ended
	31 August	31 August
	2023	2022
	£'000	£'000
Operating lease rentals	139	133
Depreciation	1,108	980
FRS 102 net interest cost	4	95
Auditor's remuneration - Financial Statements and Regularity	19	23
Auditor's remuneration - other services	10	5

## NOTES TO THE ACCOUNTS

### 7 Charitable activities

	Year ended 31 August 2023 £'000	Year ended 31 August 2022 £'000
Direct costs - educational operations	9,859	9,650
Support costs - educational operations	6,744	6,114
	<b>16,603</b>	<b>15,764</b>

#### Analysis of support costs:

	Year ended 31 August 2023 £'000	Year ended 31 August 2022 £'000
Support staff costs	3,305	2,738
Depreciation	1,108	980
Technology costs	187	180
Premises costs	1,381	1,463
Catering costs	409	338
Legal costs	18	10
Other support costs	320	389
Governance costs	16	16
<b>Total support costs</b>	<b>6,744</b>	<b>6,114</b>

Expenditure on charitable activities was £16,603,000 (2021/22: £15,764,000) of which £nil (2021/22: £19,000) was unrestricted, £1,108,000 (2021/22: £980,000) was restricted fixed asset funds and £15,495,000 (2021/22: £14,765,000) was restricted general funds.



## NOTES TO THE ACCOUNTS

### 8 Staff

#### a. Staff costs

Staff costs during the year were:

	Year ended 31 August 2023 £'000	Year ended 31 August 2022 £'000
Wages and salaries	9,015	8,163
Social security costs	911	832
Other pension costs including FRS 102 (28) charge of £193,000	2,145	2,495
Other staff related costs	1,093	898
	<b>13,164</b>	<b>12,388</b>

There were no staff severance payments made during the year (2021/22 one payment of £10,000).

#### b. Staff numbers

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

	Year ended 31 August 2023 Average headcount	Year ended 31 August 2023 Full time equivalent	Year ended 31 August 2022 Average headcount	Year ended 31 August 2022 Full time equivalent
Teachers	154	143	141	132
Administration & support	116	83	110	76
Management	2	2	2	2
	<b>272</b>	<b>228</b>	<b>253</b>	<b>210</b>

## NOTES TO THE ACCOUNTS

### 8 Staff (continued)

#### c. Higher paid staff

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

	<b>Key management</b>		<b>Other staff</b>	
	<b>Year ended</b>	<b>Year ended</b>	<b>Year ended</b>	<b>Year ended</b>
	<b>31 August</b>	<b>31 August</b>	<b>31 August</b>	<b>31 August</b>
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>No.</b>	<b>No.</b>	<b>No.</b>	<b>No.</b>
£60,001 to £70,000	-	-	5	1
£70,001 to £80,000	-	-	1	1
£80,001 to £90,000	-	-	-	1
£90,001 to £100,000	-	-	1	-
£110,001 to £120,000	2	2	-	-
	<b>2</b>	<b>2</b>	<b>7</b>	<b>3</b>

#### d. Key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the academy trust and are represented by the academy trust Senior Leadership Team, which comprised the Principal and the Chief Executive during the year ended 31 August 2023, together with the remaining trustees of the academy trust.

#### e. Emoluments of Key management personnel, Accounting Officer and other higher paid staff

The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £322,000 (2021/22: £317,000).

The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by the Accounting Officer, was £161,000 (2021/22: £156,000).

## NOTES TO THE ACCOUNTS

### 9 Trustees

#### a. Related Party Transactions – Trustees' remuneration and expenses

During the year, two (2021/22: two) Trustees received remuneration and benefits from the Academy Trust. The Principal and the Accounting Officer received remuneration in respect of services they provided undertaking the roles of Principal and Chief Executive under their contracts of employment and not in respect of their services as trustees. There were no other staff trustees. Other trustees did not receive any remuneration or benefits from employment by the Academy Trust.

During the year, the Principal received remuneration of £118,000 (2021/22: £116,000), and £28,000 (2021/22: £28,000) of pension contributions were paid by the Academy Trust.

During the year the Chief Executive received remuneration of £118,000 (2021/22: £114,000) and £28,000 (2021/22: £27,000) of pension contributions were paid by the Academy Trust.

During the year, two (2021/22: two) trustees claimed expenses or had their expenses met by the Academy Trust. All expenses incurred were in respect of travel and subsistence and an amount of £500 (2021/22: £100) was reimbursed or paid by the Academy Trust. The Accounting Officer's remuneration is included in note 8e.

#### b. Trustees and officers insurance

In accordance with normal commercial practice the academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring while on academy business, as part of its combined insurance cover. The insurance provides cover up to £5,000,000 on any one claim.

## NOTES TO THE ACCOUNTS

### 10 Notes to cash flow statement

	Year ended 31 August 2023 £'000	Year ended 31 August 2022 £'000
<b>Net income for the reporting period (as per the Statement of Financial Activities)</b>	<b>1,183</b>	<b>1,077</b>
Adjustment for:		
Depreciation	1,108	980
Investment income	(158)	(22)
Defined benefit pension scheme service cost adjustment	193	747
Defined benefit pension scheme finance cost adjustment	4	95
Operating cash flow before movements in working capital	2,330	2,877
 (Increase) / decrease in stocks	 (1)	 2
Decrease / (increase) in debtors	158	(195)
Increase / (decrease) in creditors due within one year	108	(243)
<b>Net cash provided by operating activities</b>	<b>2,595</b>	<b>2,441</b>

## NOTES TO THE ACCOUNTS

### 11 Tangible fixed assets

	Freehold Land & buildings £'000	Assets under construction £'000	Furniture and Equipment £'000	Plant and machinery £'000	Computer equipment £'000	Motor vehicles £'000	Total £'000
<b>Cost</b>							
At 1 September 2022	22,163	947	1,471	268	1,267	12	26,128
Additions	1,331		814	4	275	-	2,424
Disposals	-	-	-	-	(70)	-	(70)
Transfers	947	(947)	-	-	-	-	-
<b>At 31 August 2023</b>	<b>24,441</b>	<b>-</b>	<b>2,285</b>	<b>272</b>	<b>1,472</b>	<b>12</b>	<b>28,482</b>
<b>Depreciation</b>							
At 1 September 2022	7,754	-	867	96	761	12	9,490
Disposals	-	-	-	-	(70)	-	(70)
Charge for the year	664	-	146	28	270	-	1,108
<b>At 31 August 2023</b>	<b>8,418</b>	<b>-</b>	<b>1,013</b>	<b>124</b>	<b>961</b>	<b>12</b>	<b>10,528</b>
<b>Net book value at 31 August 2023</b>	<b>16,023</b>	<b>-</b>	<b>1,272</b>	<b>148</b>	<b>511</b>	<b>-</b>	<b>17,954</b>
<b>Net book value at 31 August 2022</b>	<b>14,409</b>	<b>947</b>	<b>604</b>	<b>172</b>	<b>506</b>	<b>-</b>	<b>16,638</b>

The transfer from Assets under construction to Freehold Land & buildings represents construction costs incurred to 31 August 2022 in respect of the new Independent Learning Centre.

### 12 Investments

The academy trust holds one ordinary share of £1 in a dormant subsidiary, Castlefield Enterprises Limited, which is 100% of the subsidiary's share capital.

## NOTES TO THE ACCOUNTS

### 13 Debtors

	31 August 2023 £'000	31 August 2022 £'000
Trade debtors	3	2
VAT recoverable	162	290
Prepayments and accrued income	314	345
<b>Total</b>	<b>479</b>	<b>637</b>

### 14 Creditors: amounts falling due within one year

	31 August 2023 £'000	31 August 2022 £'000
Trade creditors	323	300
Other taxation and social security	207	198
ESFA creditor	18	78
Other creditors	472	439
Accruals	215	138
Deferred income	101	46
<b>Total</b>	<b>1,336</b>	<b>1,199</b>

	31 August 2023 £'000	31 August 2022 £'000
Deferred income at 1 September 2022	46	63
Released from previous years	(45)	(61)
Resources deferred in the year	100	44
<b>Deferred income at 31 August 2023</b>	<b>101</b>	<b>46</b>

At the reporting date the academy trust held funds received in advance of £101,000 (2022: £46,000), in respect of academies business rates relief £40,000 (2022: £38,000), and other £61,000 (2022: £8,000).

## NOTES TO THE ACCOUNTS

### 15 Capital commitments

	<b>31 August 2023 £'000</b>	<b>31 August 2022 £'000</b>
Commitments contracted for at 31 August	-	796

### 16 Lease obligations

The academy trust had minimum lease payments under non-cancellable operating leases as follows:

	<b>31 August 2023 £'000</b>	<b>31 August 2022 £'000</b>
Assets other than land and buildings:		
Not later than one year	157	115
Later than one year and not later than five years	360	322
	<b>517</b>	<b>437</b>

## NOTES TO THE ACCOUNTS

### 17 Funds

	Balance at 1 September 2022 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2023 £'000
<b>Restricted General</b>					
General	3,049	16,996	(15,298)	(1,830)	<b>2,917</b>
Annual Grant					
Pension reserve	2	-	(197)	195	-
<b>Total</b>	<b>3,051</b>	<b>16,996</b>	<b>(15,495)</b>	<b>(1,635)</b>	<b>2,917</b>
<b>Restricted Fixed Asset</b>					
Transfer on conversion	12,289	-	(818)	-	<b>11,471</b>
DfE / ESFA capital grant	1,950	594	(130)	-	<b>2,414</b>
Capital expenditure from GAG	2,399	-	(160)	1,830	<b>4,069</b>
<b>Total</b>	<b>16,638</b>	<b>594</b>	<b>(1,108)</b>	<b>1,830</b>	<b>17,954</b>
<b>Total restricted funds</b>	<b>19,689</b>	<b>17,590</b>	<b>(16,603)</b>	<b>195</b>	<b>20,871</b>
<b>Unrestricted funds</b>	<b>436</b>	<b>196</b>	<b>-</b>	<b>-</b>	<b>632</b>
<b>Total funds</b>	<b>20,125</b>	<b>17,786</b>	<b>(16,603)</b>	<b>195</b>	<b>21,503</b>

The transfer of £1,830,000 was made where the GAG income was spent on the acquisition of fixed assets.



## NOTES TO THE ACCOUNTS

### 17 Funds (continued)

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

	Balance at 1 September 2021 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2022 £'000
<b>Restricted General</b>					
General Annual Grant	2,947	15,054	(13,923)	(1,029)	<b>3,049</b>
Pension reserve	(5,413)	-	(842)	6,257	<b>2</b>
<b>Total</b>	<b>(2,466)</b>	<b>15,054</b>	<b>(14,765)</b>	<b>5,228</b>	<b>3,051</b>
<b>Restricted Fixed Asset</b>					
Transfer on conversion	13,154	-	(865)	-	<b>12,289</b>
DfE / ESFA capital grant	294	1,675	(19)	-	<b>1,950</b>
Capital expenditure from GAG	1,466	-	(96)	1,029	<b>2,399</b>
<b>Total</b>	<b>14,914</b>	<b>1,675</b>	<b>(980)</b>	<b>1,029</b>	<b>16,638</b>
<b>Total restricted funds</b>	<b>12,448</b>	<b>16,729</b>	<b>(15,745)</b>	<b>6,257</b>	<b>19,689</b>
<b>Unrestricted funds</b>	<b>343</b>	<b>112</b>	<b>(19)</b>	<b>-</b>	<b>436</b>
<b>Total funds</b>	<b>12,791</b>	<b>16,841</b>	<b>(15,764)</b>	<b>6,257</b>	<b>20,125</b>

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

The Restricted General Fund includes General Annual Grant (GAG) and other grants received from the Education and Skills Funding Agency and the Local Authority towards educational activities.

The Restricted Fixed Asset Fund includes amounts received from the Education and Skills Funding Agency in respect of tangible assets held for use by the academy trust. Transfers between the Restricted General Fund and the Restricted Fixed Asset Fund relate to purchases from this fund. The total of Restricted General Funds (excluding Pension Reserve) and Unrestricted Funds at 31 August 2023 is £3,549,000 (2022: £3,485,000).

The Pension Reserve relates to the academy trust's share of the surplus (2021/22: surplus) of the Local Government Pension Scheme overseen by Surrey County Council.

Under the Funding Agreement with the Secretary of State for Education, the academy trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2023.

## NOTES TO THE ACCOUNTS

### 17 Funds (continued)

#### Analysis of Net Assets between Funds

	Unrestricted Funds £'000	Restricted General Funds £'000	Restricted Fixed Asset Funds £'000	Total Funds £'000
Tangible Fixed Assets	-	-	17,954	17,954
Current Assets	632	4,253		4,885
Current Liabilities	-	(1,336)	-	(1,336)
<b>Net Assets at 31 August 2023</b>	<b>632</b>	<b>2,917</b>	<b>17,954</b>	<b>21,503</b>
Tangible Fixed Assets	-	-	16,638	16,638
Current Assets	436	4,248		4,684
Current Liabilities	-	(1,199)	-	(1,199)
Pension Scheme Liability	-	2	-	2
<b>Net Assets at 31 August 2022</b>	<b>436</b>	<b>3,051</b>	<b>16,638</b>	<b>20,125</b>

### 18 Contingent liabilities

There are no contingent liabilities at 31 August 2023 (2021/22: £Nil).

## NOTES TO THE ACCOUNTS

### 19 Pension and similar obligations

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

<b>Total pension cost for the year</b>	<b>Year ended 31 August 2023</b>	<b>Year ended 31 August 2022</b>
	<b>£'000</b>	<b>£'000</b>
Teachers Pension Scheme: contributions paid	1,555	1,399
Local Government Pension Scheme:		
Contributions paid	397	349
FRS 102 (28) charge	<u>193</u>	<u>747</u>
Charge to the Statement of Financial Activities	590	1,096
<b>Total pension cost for the year within staff costs</b>	<b><u>2,145</u></b>	<b><u>2,495</u></b>

Prior to 31 August 2023, the latest actuarial valuation of the TPS related to the period ended 31 March 2016 and of the LGPS 31 March 2022. A further valuation of the TPS scheme, relating to the period ended 31 March 2020 was published in October 2023.

Contributions amounting to £155,000 were payable to the schemes as at 31 August 2023 (2022: £142,000) and are included within creditors.

#### **Teachers' Pension Scheme**

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for teachers in academy trusts. 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 benefits are paid by public funds provided by Parliament.

## NOTES TO THE ACCOUNTS

### 19 Pension and similar obligations (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 actuarial valuation of the TPS which applied during the year ended 31 August 2023 was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019. The key results elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% of pensionable pay (including 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 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 rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

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

The employer's pension costs paid to TPS in the year amounted to £1,555,000 (2021/22: £1,399,000).

A copy of the valuation report and supporting documentation is available from the Teachers' Pension website: <https://www.teacherspensions.co.uk>

Under the definitions set out in FRS102, the TPS is an unfunded multi-employer pension scheme. The academy trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The academy trust has set out above the information available on the scheme.

## NOTES TO THE ACCOUNTS

### 19 Pension and similar obligations (continued)

#### Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contributions made for the year ended 31 August 2023 were £530,000 (2021/22: £466,000) of which employer's contributions totalled £397,000 (2021/22: £349,000) and employees' contributions totalled £133,000 (2021/22: £117,000). The agreed contribution rate for future years is 18.0% for employers and employees' contributions range from 5.5% to 12.5%, depending on salary.

Parliament has agreed, at the request of the Secretary of State for Education, to 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.

#### **Principal Actuarial Assumptions**

The following information is based upon a full actuarial valuation of the fund at 31 March 2022 updated to 31 August 2023 by a qualified independent actuary.

	<b>At 31 August 2023</b>	<b>At 31 August 2022</b>
Pension Increase Rate	3.00%	3.05%
Salary Increase Rate	4.00%	3.95%
Discount Rate for scheme liabilities	5.20%	4.25%
Inflation assumption (CPI)	3.00%	3.20%
Commutation of pensions to lump sums		
Pre - April 2008 service	25%	25%
Post - April 2008 service	63%	63%

The current mortality assumptions include sufficient allowance for future changes in mortality rates. The average future life expectancies at age 65 are:

	<b>At 31 August 2023</b>	<b>At 31 August 2022</b>
<i>Current Pensioners</i>		
Males	20.8	22.1
Females	24.7	24.5
<i>Future Pensioners (assume members aged 45 as at the last formal valuation date)</i>		
Males	21.7	23.1
Females	25.9	26.2

\* Figures assume members aged 45 as at the last formal valuation date.

## NOTES TO THE ACCOUNTS

### 19 Pension and similar obligations (continued)

UK corporate bond yields at 31 August 23 are at their highest levels for many years resulting in higher accounting discount rates at the year end. This places a significantly lower value on the pension obligations compared to last year end and is the main reason that a net asset position exists. FRS 102 requires that a surplus position is only recognised if the present value of the defined obligation at the reporting date is less than the fair value of the plan assets at that date, the plan has a surplus. An entity shall recognise a surplus as a defined benefit plan asset only to the extent that it is able to recover the surplus either through reduced contributions in the future or through refunds from the plan". There is uncertainty whether the academy trust will be able to recover the asset through reduced contributions in the future or through refunds from the scheme and as a result the asset of £1,187,000 has not been recognised in the financial statements as at 31 August 2023.

The academy trust's share of the assets in the plan and the expected return were:

	<b>Fair Value at 31 August 2023 £'000</b>	<b>Fair Value at 31 August 2022 £'000</b>
Equities	8,565	7,579
Bonds	1,335	1,396
Property	890	798
Cash	334	199
<b>Total fair value of plan assets</b>	<b>11,124</b>	<b>9,972</b>
<b>Actual return on plan assets</b>	<b>40</b>	<b>(683)</b>
<b>Long term discount rate</b>	<b>5.2%</b>	<b>4.3%</b>

## NOTES TO THE ACCOUNTS

### 19 Pension and similar obligations (continued)

#### Local Government Pension Scheme (continued)

The amount included in the balance sheet in respect of the defined benefit pension plan is as follows:

	Fair Value at 31 August 2023 £'000	Fair Value at 31 August 2022 £'000
Fair value of plan assets	11,124	9,972
Present value of plan liabilities	(9,937)	(9,970)
Net pensions asset as determined by the actuary	<b>1,187</b>	<b>2</b>
Adjustment recognised in actuarial gains and losses to cap the asset	(1,187)	-
<b>Net pensions asset recognised on the balance sheet</b>	<b>-</b>	<b>2</b>

Amounts recognised in the Statement of Financial Activities in respect of the plan are as follows:

	Fair Value at 31 August 2023 £'000	Fair Value at 31 August 2022 £'000
<b>Amounts included in staff costs</b>		
Current service cost	<b>593</b>	<b>1,096</b>

#### **Amounts included in interest and other finance costs**

Pension finance costs	<b>4</b>	<b>95</b>
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#### **Amounts recognised in actuarial gains / (losses) on defined benefit pension schemes**

Return on pension plan assets	40	(683)
Change in demographic assumptions	87	48
Change in financial assumptions	2,155	6,920
Other experience remeasurements	(900)	(28)
Asset ceiling adjustment	(1,187)	-
<b>Total</b>	<b>195</b>	<b>6,257</b>

## NOTES TO THE ACCOUNTS

### 19 Pension and similar obligations (continued)

#### Local Government Pension Scheme (continued)

##### Movement in net defined benefit asset during year

	2023 £'000	2022 £'000
Asset / (deficit) in scheme at 1 September	2	(5,413)
Movement in year:		
Employer service cost (net of employee contributions)	(593)	(1,096)
Employer contributions	400	349
Net interest on the defined liability / asset	(4)	(95)
Actuarial gain or loss (as reconciled above)	195	6,257
<b>Net defined asset at 31 August</b>	<b>-</b>	<b>2</b>

##### Asset and Liability Reconciliation

	2023 £'000	2022 £'000
<b>Changes in the present value of defined benefit obligations</b>		
Defined benefit obligations at 1 September	9,970	15,640
Current service cost	593	1,096
Interest cost	433	266
Contributions by Scheme participants	133	117
Change in demographic assumptions	(87)	(48)
Change in financial assumptions	(2,155)	(6,920)
Other experience remeasurements	1,303	28
Estimated benefits paid	(253)	(209)
<b>Defined benefit obligations at 31 August</b>	<b>9,937</b>	<b>9,970</b>

	2023 £'000	2021 £'000
<b>Changes in fair value of plan assets</b>		
<b>Fair value of plan assets at 1 September</b>	<b>9,972</b>	<b>10,227</b>
Interest on plan assets	429	171
Return on plan assets	40	(683)
Employer contributions	400	349
Contributions by Scheme participants	133	117
Other experience remeasurements	403	-
Estimated benefits paid	(253)	(209)
<b>Fair value of plan assets at 31 August</b>	<b>11,124</b>	<b>9,972</b>



## NOTES TO THE ACCOUNTS

### 20 Related party transactions

Owing to the nature of the academy trust's operations and the composition of the board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the Trustees may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academies Financial Handbook and with the academy trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

Richard Stephen, a Trustee until 31 July 2023, is also Chair of Reigate Priory Youth Football Club. The academy trust lets its sporting facilities to the club, and received income of £10,000 during the year (2021/22 £10,000)

Remuneration of and payments to Trustees is disclosed in note 9.

Key management personnel compensation is disclosed in note 8.

Other than the above, there were no further related party transactions during the period of the report (2021/22: no other transactions).

### 21 Agency arrangements

The academy trust distributes 16-19 bursary funds to students as an agent for the Education and Skills Funding Agency.

For the year ending 31 August 2023 the academy trust released £33,000 of funds brought forward, received £200,000 and disbursed £200,000 from the fund. An amount of £33,000 is included in other creditors relating to undistributed funds.

For the year ending 31 August 2022 the academy trust released £42,000 of funds brought forward, received £193,000 and disbursed £202,000 from the fund. An amount of £33,000 was included in other creditors relating to undistributed funds.

### 22 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.

## **INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE TRUSTEES OF REIGATE LEARNING ALLIANCE IN RESPECT OF REIGATE LEARNING ALLIANCE, AND THE SECRETARY OF STATE FOR EDUCATION ACTING THROUGH THE DEPARTMENT FOR EDUCATION**

### **Conclusion**

In accordance with the terms of our engagement letter dated 6 March 2023 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2022 to 2023, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Reigate Learning Alliance during the period from 1 September 2022 to 31 August 2023 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

### **Respective responsibilities of Reigate Learning Alliance's accounting officer and the reporting accountant**

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

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

### **Approach**

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

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

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

The work undertaken to draw to our conclusion includes:

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

### **Conclusion**

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



Buzzacott LLP  
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130 Wood Street  
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EC2V 6DL

Date: 12 December 2023