

Company Registration Number: 07455452 (England & Wales)

Chatham & Clarendon Grammar School
(A Company Limited by Guarantee)

Annual Report and Financial Statements

For the Year Ended 31 August 2024

Chatham & Clarendon Grammar School
(A Company Limited by Guarantee)

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**Reference and Administrative Details of the Academy trust, its trustees and Advisers
for the year ended 31 August 2024**

Members	Mr. R.A. Bath Mr. D.D. Harris Mrs. J. King Mr. J. Waker Mr. S. Wren
Trustees	Mr S. Wren (resigned Chair of Finance & Resources 10 October 2023) Mr. D.D. Harris, Responsible Officer Mr. M Baker-Milner, Staff Trustee (retired 14 May 2024) Dr. A. Sutton-Jones, Staff Trustee (retired 14 May 2024) Mrs. C. Goldsmith (resigned 7 October 2023) Mr. M. Hutchings (resigned 5 December 2023) Mrs. J. King Mrs. D. Liddicoat, Headteacher Ms. C. Tonkin Jukes, Staff Trustee Mr A Milne Mr. J. Waker (Chair of Trustees) Mrs. M. Chaston (Chair of Finance & Resources from 10 October 2023) (resigned 9 December 2024) Ms. L Collier (resigned 19 September 2023) Mr J.C. Sims Mr J Perks (appointed parent governor 5 December 2023) Ms S Polden (appointed parent governor 5 December 2023) Ms S Stubberfield (appointed parent governor 5 December 2023) Ms C Emes (appointed staff governor 14 May 2024) Mr M Wilks (appointed staff governor 25 June 2024)
Company registered number	07455452
Principal and registered office	Chatham Street Ramsgate Kent. CT11 7PS
Company secretary	Mr. C. Freeman
Chief executive officer	Mrs. D.J. Liddicoat
Senior management team	Mrs. D. Liddicoat, Headteacher, Accounting Officer Mr. T. Richford, Assistant Headteacher Mr. C. Goodwin, Deputy Headteacher - Lower School Mr. C. Bowman, Assistant Headteacher (resigned 22 September 2024) Mr. B. Chidwick, Assistant Headteacher (appointed 1 September 2024) Mrs. K. Parkins, Deputy Headteacher – Upper School Mr C. Lowis, Head of CCVI Mr. C. Freeman, Business Manager, Chief Financial Officer, Company Secretary
Independent auditors	UHY Hacker Young Chartered Accountants, Registered Auditors Thames House, Roman Square Sittingbourne, Kent ME10 4BJ
Bankers	Lloyds Bank plc 3 Queen Street Ramsgate Kent. CT11 9DL
Solicitors	Furley Page LLP 39 St Margaret's Street Canterbury Kent. CT1 2TX

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Trustees' Report for the year ended 31 August 2024

The trustees present their annual report together with the financial statements and auditor's report of the School for the year ended 31 August 2024. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

INTRODUCTION

Chatham House & Clarendon House Grammar Schools formally merged on 1st September 2013 having been federated since 2009. Drawing on the long history of academic excellence at both schools and utilising our traditional buildings, we have embraced a contemporary outlook to teaching and learning: with Key Stage 3 retaining single sex classes and Key Stage 4 a combination of both single and mixed sex teaching.

The foundations of our success remain rooted in the traditional values and ethos of both schools:-

- Community: Our belief that everyone in the school is equally valued and has a part to play in the school and wider community's success;
- Creativity: Students are encouraged to learn by taking risks and trying out new things;
- Growth: All students aspire to make the most of the opportunities offered to them in order to become fully rounded individuals;
- Success: Staff and students aspire to be outstanding in everything we do.

Our school operates as an academy trust for students aged 11 to 19 serving a catchment area between the towns of Whitstable, Herne Bay and the district of Thanet. It has a student capacity of 1,550 and had a roll of 1,430 in the school census of January 2024.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The academy trust (hereafter referred to as "the School") was incorporated on 30 November 2010 as a company limited by guarantee and an exempt charity. The School's memorandum and articles of association are its primary governing documents.

The trustees of Chatham & Clarendon Grammar School are also the directors of the School for the purposes of company law.

Details of the trustees who served throughout the year, except as noted, are included in the Reference and Administrative Details on page one.

As from 1 September 2013 the School changed its name and status from "The Chatham & Clarendon Grammar School Federation" to Chatham & Clarendon Grammar School, following the merger of the two individual schools into one combined school.

Members' liability

Each member of the School undertakes to contribute to the assets of the School in the event of it being wound up while they were 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

The School maintains trustees' and officers' liability insurance which gives appropriate cover for any legal action brought against its trustees. The School has also granted indemnities to each of its trustees and other officers to the extent permitted by law. Qualifying third party indemnity provisions (as defined by section 234 of the Companies Act 2006) were in force during the year and remain in force, in relation to certain losses and liabilities which the trustees or other officers may incur to third parties in the course of acting as trustees or officers of the School.

Details of the insurance cover are provided in note 13 to the financial statements.

Method of recruitment and appointment or election of trustees

The School has determined that there will be up to 16 trustees (directors) on the Board in the following categories:

- Five trustees appointed by members;
- Four staff trustees consisting of the Headteacher, plus three staff trustees who are elected by the staff at the school. Employees of the School must not exceed one third of the total number of trustees;
- Four parent trustees who shall be elected by the parents/carers of registered students at the school. The elected parent trustee must be a parent/carer of a registered student at the school at the time when he or she is elected; and

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- Three trustees co-opted by the Board of trustees.

A trustee's term of office is four years; this does not apply to the Headteacher.

The trustees shall each school year, at their first meeting in that year, elect a chairman and a vice-chairman from among their number. A trustee who is employed by the School shall not be eligible for election as chairman or vice-chairman.

The trustees who were in office at 31 August 2024 and served throughout the year, except where shown, are listed on page one.

At the end of August 2024, there was one Co-opted Governor vacancy on the Board.

Policies and procedures adopted for the induction and training of trustees

The training and induction provided for new trustees will depend on their existing experience. Where necessary induction will provide training on charity and educational legal and financial matters. All new trustees will be given a tour of the schools and the chance to meet with staff and students. All trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as trustees. As there are normally only two or three new trustees a year, induction tends to be undertaken informally and is tailored specifically to the individual.

Organisation structure

The management structure consists of three levels: trustees, the Senior Leadership Team (SLT) and Pastoral/Curriculum Managers. The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels.

Trustees are responsible for setting general policy, adopting an annual plan and budget, monitoring the School by the use of budgets and making major decisions about the direction of the School, capital expenditure and senior staff appointments. They do this through their structure which consists of four committees: the Curriculum and Welfare Committee; the Audit Committee; the Pay Committee and the Finance & Resources Committee. The trustees, the members and the committees met every term (except Audit – thrice and Pay - thrice) during the 2023/2024 academic year.

The Senior Leadership Team are the Headteacher, two Deputy Headteachers, Head of 6th form, two Assistant Headteachers and the Business Manager. These managers lead the School at an executive level implementing the policies laid down by the trustees and reporting back to them. As a group, the Senior Leadership Team are responsible for the authorisation of spending within agreed budgets and the appointment of staff, though appointment boards for posts in the Leadership Team always contain a trustee. Some spending control is devolved to members of the Leadership Team, with limits above which a Senior Manager must countersign. At the end of the academic year 2023/24, Mr C Bowman, Assistant Headteacher, retired from Teaching after spending 30 years at school. Mr B Chidwick was appointed Assistant Headteacher to start on 1 September 2024.

Arrangements for setting pay and remuneration of key management personnel

The key management personnel of the School comprise the trustees and senior leadership team as disclosed on page 1.

The remuneration policy, setting the terms and conditions for the key management personnel, was developed and approved by the board of trustees, after taking advice from the Headteacher and following guidance from the relevant professional pay review bodies. Naturally the Headteacher was not involved in setting their own remuneration.

Only staff trustees, including the Headteacher, are remunerated and these individuals only receive remuneration in respect of their roles within school (as per their contracts of employment), and not in respect of their role as trustees. Specific disclosures concerning staff trustees' remuneration is included in note 12.

The day to day management of the remuneration policy is delegated to the Headteacher and monitored by the finance and resources committee. All details for setting pay and remuneration of key management personnel are set out in the pay policy and appraisal policy which are reviewed annually by the board of trustees.

Remuneration of key management personnel is set at an individual level, and where possible the trustees have taken external professional advice which includes benchmarking, market trends and advice on structuring of incentives. Senior management salaries are linked to pay spines, helping trustees conclude that each individual is remunerated at an appropriate level. As such salaries are linked to factors such as length of service and experience. Total remuneration packages include employer pension contribution at specific approved rates.

The board always bear in mind the charitable status of the School and in recognition of the fact the School receives funding under a funding agreement with the Secretary of State for Education. It ensures the remuneration paid to senior management personnel never exceeds a reasonable amount and that it provides value for money to the trust. The performance of senior management personnel is reviewed on a regular basis to ensure continuing value for money.

Total remuneration paid to senior management personnel is set out in note 11(d).

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Relevant trade union officials and time
During the year the School had one employee who is a union official.

Relevant union officials

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

Percentage of time spent on facility time

Percentage of time spent	No of Employees
0%	1
1% - 50%	0

Percentage of pay bill spent on facility time

Provide the total cost of facility time	£0
Provide the total pay bill	£8,082,513
Provide the percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time ÷ total pay bill) × 100	0.0%

Connected organisations, including related parties

The School discloses that there is a separate Parent/Teacher Association, called the Friends of Chatham & Clarendon Grammar School, charity registration no. 283471, and commonly known as Friends of CCGS.

The School is also a founder member of BRESIC (Broadstairs and Ramsgate Ethos School Improvement Company) a collaborative partnership with five church schools whose main aim is to share good practice in teaching and learning and achieve economies of scale in procuring goods and services.

OBJECTIVES AND ACTIVITIES

Objects and aims
The principal object and activity of the School is to provide high quality education for students of different abilities between the ages of 11 and 19. A more detailed summary is provided in the school prospectus (and on the website).

In accordance with the articles of association the School has adopted a "Scheme of Government" (Funding Agreement) approved by the Secretary of State for Education and Skills. The Scheme of Government specifies, amongst other things, the basis for admitting students to the School, the catchment area from which the students are drawn, and that the curriculum should comply with the substance of the national curriculum.

Objectives, strategies and activities
The main objectives of the School during the year ended 31 August 2024 are summarised below:

- to ensure that every student enjoys the same high quality education in terms of resourcing, tuition and care;
- to raise the standard of educational achievement of all students;
- to improve the effectiveness of the School by keeping the curriculum and organisational structure under continual review;
- to ensure students are happy, safe and secure whilst attending school;
- to provide value for money for the funds expended;
- to comply with all appropriate statutory and curriculum requirements;
- to maintain close links with primary schools, industry and commerce; and
- to conduct the School’s business in accordance with the highest standards of integrity, probity and openness.

The School's main strategy is encompassed in its mission statement which is: *'Our school strives for excellence in everything we do to fulfil the potential of all students'*. Our school exists to identify and develop the full potential of each student, to equip them with the skills and the qualifications they need to achieve their ambition, whatever that may be. We have a very strong track record of examination success at GCSE and Advanced Level. A high proportion of our students go on to Higher Education, usually securing places at their first

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choice university. A fuller explanation of our key values and purposes is set out in the School prospectus which is on the School's website but is also available as a hard copy on request. To this end the activities provided include:

- tuition and learning opportunities for all students to attain appropriate academic qualifications;
- training opportunities for all staff, and especially teaching staff;
- secondments and placements of students with industrial and commercial partners;
- a programme of sporting and after school leisure activities for all students;
- a wide selection of after school clubs to allow students to explore science, mathematics, technology and engineering in a practical and project oriented way;
- a careers advisory service to help students obtain employment or move on to higher education; and
- co-operation and sharing good practice with other local schools.

Public benefit

In setting our objectives and planning our activities the trustees have given careful consideration to the Charity Commission's general guidance on public benefit. The trustees believe that the School's educational object and aims are demonstrably to the public benefit.

Amongst the benefits brought to the wider community by the School are:

- Use of the sports fields and sports amenities at Chatham House;
- Use of the halls by local community groups;
- Inviting primary school pupils to special events such as science days;
- Sixth formers visit local primary schools with mentoring schemes, literacy and numeracy support;
- Sixth form assistance in charity shops;
- Sixth form support in libraries;
- Sports coaching;
- Help with local youth organisations (scouts, guides, Cadets, theatre and dance groups).

Equal opportunities

The trustees recognise that equal opportunities should be an integral part of good practice within the workplace. The School aims to establish equal opportunity in all areas of its activities including creating a working environment in which the contribution and needs of all people are fully valued.

Disabled persons

Lifts and disabled toilets are installed in the CCVI centre and Beresford Road Science Block. Chatham House has stair lifts on its main staircase. The policy of the School is to support recruitment and retention of students and employees with disabilities. The School does this by making reasonable adjustment to the physical environment where possible, by making support resources available and through training and career development.

The School makes reasonable adjustments to ensure they are able to admit students with varying levels of disabilities within the constraints of the buildings and other resources available to it.

STRATEGIC REPORT

Achievements and performance

Total students in the year ended 31st August 2024 numbered 941 pre 16 and 479 16-19 (1,420 in total).

On March 5th and 7th 2024 the school had its third OFSTED Inspection since it was amalgamated. The outcome of the inspection was graded overall as inadequate. The final outcome of the inspection at this time is not yet known. Due to inaccuracies within the draft report, the Governing Body has responded by making a formal complaint to OFSTED about the inaccurate claims within the report and the process that the OFSTED Inspection team followed – the complaint is currently being dealt with by the DfE.

Examination results for 2023/24 at both GCSE and A level were very good.

This year saw 91.6% of our students achieving 5 or more grade 9 to grade 4 including Maths and English (93.2% for the previous year). 47% of all grades were Grade 9 to Grade 7 (A* to B) – (37% last year) and 28% Grade 9 to 8 (19% last year).

At 'A' level the overall pass rate was 98.7% and 49.75% of these were the higher grades A*-B (97.7% and 51.1% respectively last year). A full report of the public exam results and destinations of the sixth form leavers will be published on the website.

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To ensure that standards are continually raised the School operates a programme of observation of lessons; is visited regularly by inspectors and school improvement partners; undertakes a comparison of results from entry to Key Stage 3 to GCSE and from GCSE to A-level to assess the added value. The School also participates in national programmes looking at added value through the key stages.

The School monitors the destination of its leavers, the vast majority of our students’ progress to higher education attending some of the top universities in the country and Europe.

Due to the Covid 19 Pandemic, students in Years 10, 11, 12 and 13 were offered catch up or recovery classes which were provided by all departments. The school received two ESFA grants (one for KS4 and one for KS5) for the provision of extra tuition and it is pleasing to report an enormous take up by students who participated in these extra recovery or revision sessions.

The School plays an active part in the local community including sporting activities, fund-raising for charities and much more. It offers a broad and balanced curriculum for Year 7 to Year 11. The Sixth Form offers over 30 Level 3 courses (A levels and vocational courses). The School has an outstanding record of assisting students into higher education and for some years has had no 'NEETS'. The established House system, supported by sixth form prefects, regularly donate money to a range of local and national charities. (Full details are published in the School newsletters and also on the website).

Staff achievements: The School has strong links with local higher education teacher-training establishments. A member of staff is employed to provide careers advice, organise a work experience programme and provide support for students going to university. The school also offers students the opportunity to train as teachers of EFL and to learn sign language in order to be able to communicate with the deaf and hard of hearing. Over 30 staff volunteered to take recovery lessons throughout the year for our year 10, 11, 12 and 13 students – a total of 590 students participated in these extra lessons.

Going concern

After making appropriate enquiries, the board of trustees has a reasonable expectation that the School 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 at Note 1.2 within the statement of accounts.

Key financial performance indicators

Student numbers at key stage 3 have fallen year on year for the last two years; it is hoped that we will try to continue to recruit up to 200 students into year 7 in future years. The school will continue to maintain its provision for students, thereby potentially increasing education funding through growth.

Staff costs represent the largest part of the School’s budget and so monitoring these is always key. The table below shows staff costs as a proportion of total expenditure (excluding depreciation), revenue income and total income.

	2023/24	2022/23	¹ FRS 102 LGPS defined benefit costs are excluded from both salary costs and total expenditure for the purpose of these calculations since these are a non-cash accounting adjustment for the purposes of the statutory accounts.
Salary costs as % of total expenditure ¹	83.2	84.1	
Salary costs ¹ as % of revenue income	83.6	81.1	
Salary costs ¹ as % of total income	78.6	80.1	

The ratios are within acceptable ranges although traditionally staff costs above 80% of total expenditure are considered to be high (per the DfE ‘top 10 planning checks for governors’).

These ratios of staff costs have been monitored and benchmarked against similar schools both locally and nationally and the trustees are confident that these remain reasonable and represent value for money.

FINANCIAL REVIEW

Most of the School's recurrent income is obtained from the ESFA in the form of grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the year ended 31 August 2024 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities ("SoFA"). Core grant income has been supplemented by capital funding and various other self-generated income streams.

Total income for the year was £10.32m, an increase on £9.40m in the previous year. This includes capital funding of £615k, up from £114k in 2022/23.

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Revenue income for the day-to-day running of the School's educational operations, as detailed in note 6. The majority of this is core General Annual Grant (GAG) funding, which increased to £5.73m (2023: £5.70m).

Total expenditure for the year amounted to £10.41m (2022: £9.89m), leaving net expenditure over income for the year of £99k (2023: £490k). The overall movement in funds for the year, after a small loss (2023: loss) on investments and the actuarial loss of £78k (2023: gain of £600k) on the LGPS, was a decrease of £164k (2023: increase of £108k).

It is important to note that this overall movement in funds does not reflect the meaningful operational result because it includes:

- movements in the restricted fixed asset fund, which tracks capital income and depreciation charges that write off the cost of the School's fixed assets – notably the school buildings – over their useful economic lives. This fund was responsible for £161k of the current year deficit, which is after a profit on disposal of £176k in respect of the Red House, a surplus property on the School's grounds, sold in the year for net proceeds of £361k.
- movements on the pension reserve. The balance sheet carries the School's share of the LGPS deficit, although this is £nil at both 31 August 2024 and 31 August 2023 (explained below in the financial position). The actuarial movement referred to above is only part of the movement, and this year there is an equal and opposite charge within staff costs as explained in accounting policy 1.13.

The table below is therefore included to reconcile from the overall reduction in funds to the more meaningful movement on revenue income funds, a decrease of £3k (2023: increase of £85k), and then to the operational result:

	2024 (£000s)	2023 (£000s)
Overall net movement in funds for the year per SoFA	(164)	108
<u>Add:</u>		
Decrease attributable to fixed asset fund	161	523
LGPS actuarial (gain)/loss	78	(600)
LGPS service and interest costs	(78)	54
Total movement in year on revenue funds	(3)	85
Revenue to capital transfers less non-capitalised CIF costs	-	244
Expenditure not capitalised but covered by capital grants	(42)	-
Operational (deficit) / surplus on revenue funds	(45)	329

Financial position

The School held fund balances at 31 August 2024 of £28.28m (2023: £28.4m). These funds comprised restricted fixed asset funds of £27.72m (2023: £27.9m), and revenue income funds of £574k (2023: £577k).

The restricted fixed asset funds comprise the net book value of the academy trust's tangible fixed assets, as carried on the balance sheet, together with any unspent capital funds:

- At 31 August 2024, the net book value of fixed assets was £27.68m and movements in tangible fixed assets are shown in note 14 to the financial statements. The assets are used almost exclusively for providing education and the associated support services to the School's pupils, the only exceptions to this being limited letting of the premises to local community groups.
- Unspent capital funds at 31 August 2024 stood at £23k (2023: £nil) and related to proceeds from the Red House sale which hadn't been used by the year end.

As noted in the financial review the pension liability and reserve, relating to the present value of the Local Government Pension Scheme defined benefit liability, at 31 August 2024 was £nil (2023: £nil). In accordance with accounting requirements, the School's share of the LGPS is carried on the Balance Sheet, with movements each year quantified by the Local Authority's actuary and reflected through the SOFA. The valuation report received this year indicated that a pension accounting surplus existed at 31 August 2024. Accounting standards state that if an employer has an accounting surplus, it should only be recognised to the extent that it is able to recover the surplus either through reduced contributions in the future, or through refunds. However, there are differing opinions as to the extent to which a pension surplus represents an "unconditional right" of employers and therefore the extent to which the surplus can be recognised as being of economic value, and to date the ESFA have been unable to give any guidance to academy trusts. The Trustees have therefore taken the view that, since the School is a long-term employer open to new members, there is not a reasonable expectation of ever reaching a point of cessation and therefore being able to access a return of surplus. Accordingly the surplus has not been included, and a break-even £nil position has been reflected on the Balance Sheet. The pension surplus per the valuation report is disclosed in note 2 and the actuarial assumptions and other movements in the year are disclosed in note 24.

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Any pension surplus or deficit is merely an accounting figure calculated under FRS 102 for the purposes of the financial statements, and has no direct effect on the employer contribution rate paid by the School, which is determined using longer-term funding assumptions. These contribution rates are reviewed every three years in consultation with the scheme's administrators, and current employer contributions due by the School are fixed until 1 April 2026.

At the end of the academic year, the school, having received approval from the Department for Education, disposed of one of its main assets – the Red House. This property had been unused for many years and was costing the school in maintenance and other fees. The net capital receipt from the disposal of this property enabled the school to replace its aging and failing astroturf area with a new polymeric surface which will enable all types of sports activities over the next 25 years. The newly resurfaced play area will also accrue letting income from community sports clubs.

Reserves policy

The Governors review the reserve levels of the School annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. Governors have determined that the appropriate level of free cash should be equivalent to four weeks expenditure, approximately £500,000. The reason for this is to provide sufficient working revenue to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance. It is the School's aim to increase and maintain reserves up to this level, however, it is envisaged that its reserves are unlikely to meet the target during the next year. Governors will need to undertake strategic action in order to meet its financial aims and objectives.

Governors will continue to monitor levels of reserves closely to ensure that they are maintained at the desired level. In the event that they are partly used the trust will strive to rebuild free reserves up to the level required when appropriate to do so.

Financial and risk management objectives and policies

The School does not use complex financial instruments. It manages its activities using cash and various items such as trade debtors and trade creditors that arise directly from its operations.

The main risk arising from the School's financial activities is liquidity risk. (The School manages its cash resources, including sufficient working capital, so that its bank ledger balance is available to the finance team for monitoring at all times and is always taken into account when making payments).

Principal risks and uncertainties

The trustees have considered the major risks to which the School is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the School and its finances. The trustees have implemented a number of systems to assess risks that the school faces, especially in the operational areas (e.g. in relation to teaching, health and safety, buildings and school trips) and in relation to the control of finance. They have introduced systems, including operational procedures (e.g. vetting of new staff and visitors, supervision of school grounds) and internal financial controls (see below) in order to minimise risk.

Where significant financial risk still remains, they have ensured they have adequate insurance cover. The School maintains a Risk Register which is reviewed regularly by the trustees and senior management. The School also has an effective system of internal financial controls and this is explained in more detail in the following statement. The major risks are:

- failure to successfully recruit and retain students – resulting in a falling roll;
- changes to Government policy on Education Funding;
- changes to Education priorities by the Government;
- loss of a key member of the Senior Leadership Team;
- impact of an uncontrollable event, e.g. fire or flood;
- major injury or a Health & Safety issue or environmental incident; and
- changes to Pension policy or funding for the TPS and LGPS.

Fundraising

In accordance with the provisions of the Charities (Protection and Social Investment) Act 2016, the school is required to report upon its fundraising activities during the year.

Trustees approved a fundraising strategy in 2020 and identified an action plan with an objective to raise £50,000 per annum. Many of the initiatives identified within the plan were suggested by students and for students to carry out.

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Some planned fundraising activities could not be carried out and we had to, for example, postpone our planned Sponsored Walk. A number of foreign students visits from Colombia, Panama and Spain took place this year in partnership with the Broadstairs English Centre raising £14,000; parental contributions continued to be received, raising £22,000 and individual fund raising activities held by the students for chosen House charities have taken place. However, Fund Raising continues to be difficult to undertake as we continue to be faced with the Cost of Living crisis.

The school regularly provides information about fund raising through its termly newsletters and on the website.

PLANS FOR FUTURE PERIODS

The School's plans for the future in both the medium and long term are included in the School Improvement Plan, which is reviewed regularly. Key plans include:

- Attainment & Achievement: Examination results – Positive Value added scores for all GCSE and A level subjects. 50% of entries at GCSE to be grade 7, 8 or 9 with 25% being at grades 8 or 9. For A level results - 25% of entries to be A* or A grade and 60% A* to B grade. Academic Standards: Improve student outcomes and increase the proportion of students' who progress to higher education.
- Teaching & Learning. To continue with embedding METAL (Monitoring and Evaluating Teaching and Learning practice).
- Student focus: To use indicators to track progress of students across KS3 and 4 and use working at grades to track progress in KS5
- Curriculum Change and assessment: Prioritise curriculum intent to support students' knowledge and skills
- Business focus: to increase student numbers and implement a carbon reduction strategy.
- Finance & Personnel:
 - i) Monitor Academy budget ensuring sound operational surplus/contingency; explore options for operational economies & savings within budget lines and of income generation; maximise opportunities presented by wider association of academies/other partner schools for economies of scale, benchmarked Value for Money purchases of goods & services; improving the management of financial processes within school;
 - ii) Monitor & promote student recruitment; review & adjust teaching group sizes, staffing budget & timetable deployments to ensure viable cost-effective arrangements which will maintain a balanced budget; review and where necessary modify staffing structures to maintain sustainable leadership & management.
- The Learning Environment:
 - iii) Implement and monitor (minor works) changes to the buildings which support the operations of the main school sites, ensuring that these are completed on time, to the required standard and within the assigned budget. As/when further financial resources become available (i.e. from successful bids to the DfE's CIF Fund), to develop and implement additional elements of this plan.
 - iv) Disposal of the "Red House" site to fund further improvements – this was achieved in June 2024.
 - v) Disposal of Newington Fields to fund further improvements.
 - vi) Improve Science, Technology and Mathematics resources with the view to building a new STEM building at Chatham House (lower school site) - this has now been confirmed by the DfE who have selected our school as part of the School Rebuilding Programme. Works will commence in the summer of 2027.
 - vii) Improve Physical Education and sports resources with the view to building a new Sports Centre and Multi-use games Area (MUGA) at Chatham House (lower school site)
 - viii) Improve the learning environment for students and staff to work in with specific reference to the heating of classrooms (installation of new heating systems and controls);

Chatham & Clarendon Grammar School
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Trustees’ Report for the year ended 31 August 2024

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

The School distributes 16-19 Bursary Funds to its students as an agent for the ESFA. Details, including any amounts not dispersed by the financial year end, are disclosed in note 28 to the financial statements.

DISCLOSURE OF INFORMATION TO AUDITORS

In so far as the trustees are aware, there is no relevant information (as defined by Section 418 of the Companies Act 2006) of which the School's auditors are unaware, and each trustee has taken all the steps that they ought to have taken as a trustee in order to make them aware of any audit information and to establish that the School's auditors are aware of that information.

AUDITORS


The auditors, UHY Hacker Young, have indicated their willingness to remain in office, and the audit process will be reviewed in detail and re-appointment of the auditors will be considered following the forthcoming Annual General Meeting.

This report, incorporating the Strategic report, was approved by order of the board of trustees, as the company directors, and signed on the board's behalf by:

Signed by:

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Mr. J. Waker, Chair of Trustees

DocuSigned by:

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Mrs. D. Liddicoat, Accounting Officer

Date: 10 December 2024

Chatham & Clarendon Grammar School

(A company limited by guarantee)

Governance Statement

Scope of Responsibility

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

The board of trustees has delegated the day-to-day responsibility to the Headteacher, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Chatham & Clarendon Grammar School and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the trustees' report and in the trustees' responsibilities statement. The board of trustees has formally met 6 times during the year and attendance at meetings was as follows:

<u>Trustee</u>	<u>Meetings attended</u>	<u>Out of a possible</u>
Mr. S. Wren, Chair of Finance & Resources up Oct 10 2023	0	1
Mr. D. D. Harris, Responsible Officer	5	7
Mr. M. Hutchings	1	2
Mrs. J. King	7	7
Mrs. D. Liddicoat, Headteacher	7	7
Mr. A. Milne	3	7
Ms. C. Tonkin Jukes, Staff Trustee	7	7
Ms M Chaston, Chair of Finance from Oct 10 th 2023	5	7
Mr. J. Waker Chair of Trustees	7	7
Mrs. C. Goldsmith (Siggers-Manson)	0	1
Mr. M. Baker	4	6
Dr. A. Sutton-Jones	5	6
Mr J Sims	4	7
Mrs L Collier	0	1
Mrs C Emes	1	1
Mr J Perks	2	3
Ms S Polden	3	5
Mrs S Stubberfield	1	4
Mr M Wilks	1	1

There have been some changes on the Governing Body this year. Mr S Wren stood down as a Governor and has now become a Member. Mrs M Chaston joined the body as a member elected trustee in December 2022 and subsequently was elected Chair of Finance and resources. Mrs Collier resigned as a Parent Trustee in the summer 2023. Mr M Baker-Milner resigned and was replaced by Mrs C Emes, likewise Dr A Sutton-Jones resigned and his place was taken by Mr M Wilks – both replacements as staff governors. Dr Goldsmith and Mr M Hutchings resigned as parent governors and were replaced by Mr J Perks and Mrs S Stubberfield. Mrs S Polden took the vacant parent governor position. There is currently one vacancy for a co-opted trustee.

The Finance and Resources Committee is a sub-committee of the main board of trustees. Its purpose is to monitor and guide financial activity of the School and to ensure resources are properly used. Attendance at meetings in the year was as follows:

<u>Trustee</u>	<u>Meetings attended</u>	<u>Out of a possible</u>
Mrs. D. Liddicoat, Headteacher	6	6
Mr. M Wilks	1	1
Mr. M. Baker	5	5
Mrs M Chaston, Chair	6	6
Mr. M. Hutchings	2	2
Mr J Perks	1	3
Ms S Polden	1	1
Mr. A. Milne	4	6
Mr. J. Waker	6	6

Chatham & Clarendon Grammar School

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Governance Statement

The Audit Committee is a further sub-committee of the main board of trustees. Its purpose is to maintain an oversight of the School's governance, risk management, internal control and value for money framework. It will report its findings regularly to the board of Trustees and the Accounting Officer as a critical element of the School's annual reporting requirements.

The Audit Committee has no executive powers or operational responsibilities/duties. Attendance at Audit Committee meetings in the year was as follows:

<u>Trustee</u>	<u>Meetings attended</u>	<u>Out of a possible</u>
Mrs. J. King	2	2
Mr. D. D. Harris	2	2
Mrs. D. Liddicoat	2	2
Mr J Sims	2	2

Review of Value for money

As Accounting Officer, the Headteacher has responsibility for ensuring that the School delivers good value in the use of public resources. The Accounting Officer understands that value for money refers to the educational and wider societal outcomes, as well as estates safety and management, achieved in return for the taxpayer resources received.

The Accounting Officer considers how the School's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data where appropriate.

Chatham & Clarendon Grammar School is committed to:

1) Raising student attainment

Chatham & Clarendon Grammar School has continued to make excellent progress with significant rises in outcomes in the last three years at both Key Stage 4 and Key Stage 5 and progress measures being consistently above national averages. The leadership team judges the quality of teaching to be good and considering all observations are unannounced, many bordering on outstanding. Observation data shows over 100 completed observations covering 88 teaching staff; 33% of observations showed minor areas for development compared to 47% the previous year. Student attendance has improved significantly although more work needs to be done to improve current KS4 persistent absence levels. We have continued to invest significantly in new IT equipment and have used innovative and new teaching strategies to embed the technology into classroom practice following the use of on-line teaching practices during the Covid pandemic period. The introduction of Satchel 1 – an on-line homework platform – has helped staff and students with planning and undertaking homework in KS3 and KS4 especially. The introduction of attendance hardware and software has helped improve the management and monitoring of staff and 6th form student attendance.

2) Robust governance and oversight of the school's finances

The Finance and Resources Committee consists of a very experienced team of governors with appropriate business and financial skills to support and challenge the work of the School.

The Chair is a fully qualified Accountant and reports termly to the Governing Body on all financial matters supported by the Business Manager. The Governing Body have approved the annual budget forecast, the student roll forecast and a five-year budget plan on a termly basis endorsing the fact that the school continues as a 'going concern'. There are clear ICT and Premises Development strategies which include addressing potential future funding reductions, improving the ICT infrastructure and earmarking significant building repair funds. The Finance Committee and Audit Committee have received and approved financial statements and the external auditor's management report for 2023/24. Action on recommendations has been undertaken. The Finance Committee have met termly to review the budget monitoring reports and to approve larger expenditure items and compliance with the tender arrangements. A Scrutiny Officer and a Responsible Officer regularly review the financial and non-financial processes within the school and report back accordingly. These processes have been supported by the Business Manager's annual self-evaluation of a range of financial related procedures.

3) Ensuring the school demonstrates good value for money and efficient and effective use of resources

CCGS ensures a continual focus on achieving best value and how this can be used effectively to support student achievement. This is mainly carried out by Budget heads and Finance staff ensuring the receipt of quotations and tenders in accordance with the Finance Policy. Goods and services are obtained in the most economic, efficient and effective way. The Headteacher, Business Manager and Finance Manager continuously challenge expenditure transactions and purchase orders for efficiency, through their roles as signatories.

Chatham & Clarendon Grammar School

(A company limited by guarantee)

Governance Statement

The Finance and Resources Committee also review procurement within the school and challenge why, when and how services are provided. The Business Manager is a member of the national Finance Directors Forum and regularly contributes and seeks advice from his peers.

An example of securing good value for money this year and mindful of the significant technological issues that the change to telephony will cause in 2025, we secured a substantial saving on telephone charges; whereby the cost of using the telephone (call charges) will be zero as we have moved to digital technology. We expect an annual saving on telephone calls charges of £14,000 per annum.

4. Maximising income generation

CCGS explores all opportunities to generate income. In house catering arrangements, the hiring out of facilities and by working closely with local educational establishments have all helped contribute funds.

Teaming up with Broadstairs Education Centre has seen hundreds of foreign students from Europe, South America and the Far East visit CCGS throughout the year and generate thousands of pounds in income. Our students also benefit from meeting and working with students from far away.

Lettings income for the year was higher than expected and many local sports, theatre and dance groups now regularly use our facilities. Our Assembly Hall is very much in demand as the Granville Theatre, Theatre Royal and Winter Gardens Complex have all recently closed. We have teamed up with the Thanet Netball League and host up to 32 teams playing on three evenings per week. We have also allowed the East Kent District Camping and Caravanning Club use the site throughout the summer which generated a substantial sum.

The School was very fortunate to receive a donation from the estate of the late Mr Norman Poole – Mr Poole was a former student and Old Ruymian. The school is grateful to the OR lodge for helping secure and transfer the sum of £114,700 to the school's accounts. This sum has helped procure new furniture and carpet for the CCGI Centre and to procure new computers for a computer suite. Lastly, we have secured a new minibus, our fourth, which will help the Geography and PE department tremendously in getting out and about around the county.

5. Estate Management and Future Plans

Due to an aging science block and mobiles used for Mathematics and DT, the school was very fortunate to have been selected by the Department for Education for the Schools Rebuilding Programme. A new STEM (Science, Technology, Engineering and Maths) building has been planned and works are due to start in the Summer of 2027.

As part of the school's commitment to reduce its carbon footprint, a recent grant application for £990,000 has been approved by the Department for Education, to have an air source and water source heat pumping system to be installed at the Chatham House lower school site. Work commenced in December 2023 and will be finished in Autumn 2024. A further grant of £60,000 was received from the Department for Education for 'green' initiatives. CCGS will use this funding to install over 40 solar panels on the roof at Beresford Block – this solar energy will reduce the cost of gas and electricity for the upper school site by at least £9,000 per annum.

Works during the summer 2024 were undertaken at the Beresford Block to continue to remove asbestos in the boiler rooms and basement cupboards – asbestos works were also carried out at Chatham House lower school site (basement and underground boiler rooms).

The Red House was finally sold in June 2024 – realising the value of the property. These funds were already earmarked to fund the replacement Astro surface which was completed last year. The residue will be held in reserves.

The School hopes to dispose of land (surplus to requirements) that it owns in order to release capital funds needed to build a brand new Sports Hall and reception area at Chatham House lower school site. These works will dovetail with the School Rebuilding Programme and it is hoped will be open in time for the summer of 2029.

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 School 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 Chatham & Clarendon Grammar School for the year 1 September 2023 to 31 August 2024 and up to the date of approval of the annual report and financial statements.

Chatham & Clarendon Grammar School

(A company limited by guarantee)

Governance Statement

Capacity to Handle Risk

The board of trustees has reviewed the key risks to which the School is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the School's significant risks, which has been in place for the year 1 September 2023 to 31 August 2024 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

The Risk and Control Framework

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

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

The board of trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the trustees have appointed Mr. D. Harris, a non-employed trustee, as Responsible Officer. His role includes giving advice on financial matters and performing a range of checks on the School's financial systems. On a quarterly basis, he reports to the board of trustees on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

On 27 September 2023, the School appointed Mrs J Reynolds as a Finance and Scrutiny Officer – Mrs Reynolds undertakes all scrutiny reviews except those relating to procurement and financial accounting systems – these reviews will need to be outsourced. Also in September 2023, the school procured the services of Mr Alan Martin, Director of Data Protection Advice Ltd to act as the school's Data Protection Officer.

The Audit Committee have approved a plan of reviews covering the period of April 2023 to June 2024 – 7 reviews were carried out by the Scrutiny officer and the findings and recommendations emanating from each review were reported to the Audit Committee.

A review of Internal Scrutiny and the role of the Responsible Officer will be considered by Governors early next year to determine whether the arrangements meet the requirements of the Academies Handbook 2024.

Managing Conflicts of Interest

Chatham & Clarendon Grammar School managers, teachers and other staff are expected to declare all and any potential conflict of interests at the earliest opportunity. Where any potential conflict of interests may arise in relation to contracts, negotiations, pricing or other factors, where the person is directly related or has interest in the other party, managers, teachers and other staff are expected to excuse themselves from discussions, negotiations etc., unless directed by the Headteacher otherwise. This does not include where the benefits are universal, or where the benefit is insignificant. Nevertheless, all interests are expected to be declared formally and in advance (wherever possible) to the Headteacher. All decisions regarding what qualifies as a significant interest will be decided by the Headteacher. These decisions are final and not subject to appeal. Where required, if a conflict of interest is discovered, the Headteacher will convene a formal meeting. This meeting will decide: the nature and extent of the conflict and the actions taken to manage the conflict. A de minimis exemption will apply to contracts or purchases less than £100 in value.

No member of staff may be involved in managing or monitoring a contract where they have a direct interest. Monitoring arrangements for such contracts will include provisions for an independent check of invoices and termination of the contract if the relationship is deemed unsatisfactory.

Review of Effectiveness

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

- the work of the Responsible Officer;
- the work of the Scrutiny Officer;

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Governance Statement

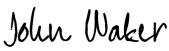
- the work of the external auditors;
- the financial management and governance self-assessment process;
- the work of the executive managers within the School who have responsibility for the development and maintenance of the internal control framework


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

Conclusion

Based on the advice of the Finance and Resources Committee, the Audit Committee and the Accounting Officer, the board of trustees is of the opinion that the School has an adequate and effective framework for governance, risk management and control.

Approved by order of the members of the board of trustees on and signed on their behalf, by:

Signed by:

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Mr. J. Waker
Chair of Trustees

DocuSigned by:

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Mrs. D. Liddicoat
Accounting Officer

Date: 10 December 2024


Chatham & Clarendon Grammar School
(A Company Limited by Guarantee)

Statement of Regularity, Propriety and Compliance

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

I confirm that I and the academy trust board of 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 Academy Trust Handbook 2023.

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

DocuSigned by:

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Mrs. D. Liddicoat
Accounting Officer

Date: 10 December 2024

Chatham & Clarendon Grammar School
(A Company Limited by Guarantee)

Statement of trustees' responsibilities
For the Year Ended 31 August 2024

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

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

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

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

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

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

Approved by order of the members of the board of trustees and signed on its behalf by:

Signed by:

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Mr. J. Waker
Chair of Trustees

Date: 10 December 2024

Chatham & Clarendon Grammar School
(A Company Limited by Guarantee)

Independent Auditors' Report on the financial statements to the Members of Chatham & Clarendon Grammar School

Opinion

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

In our opinion the financial statements:

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

Basis for opinion

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

Material uncertainty related to going concern

We draw attention to note 1.2 in the financial statements, which indicates that the Termination Warning Notice issued by the Department for Education on 18 October 2024 may cast significant doubt on the academy trust's ability to continue as a going concern. As stated in note 1.2, these events or conditions, along with the other matters as set forth in note 1.2, indicate that a material uncertainty exists that may cast significant doubt on the academy trust's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the trustees' assessment of the academy trust's ability to continue to adopt the going concern basis of accounting included a review of cash flow and income and expenditure forecasts, and discussions with management to gain a thorough understanding of the assumptions and basis of the forecasts.

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

We have nothing to report in this regard.

Chatham & Clarendon Grammar School
(A Company Limited by Guarantee)

Independent Auditors' Report on the financial statements to the Members of Chatham & Clarendon Grammar School
(continued)

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

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

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

Auditors' responsibilities for the audit of the financial statements

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

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

How the audit was considered capable of detecting irregularities including fraud:

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:

- we identified the laws and regulations applicable to the academy trust through discussions with management, and from our commercial knowledge and experience of the academy and wider education sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the operations of the academy trust, including the Academy Trust Handbook, Annual Accounts Direction, Charity SORP and the Companies Act 2006;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting correspondence; and

Chatham & Clarendon Grammar School
(A Company Limited by Guarantee)

Independent Auditors' Report on the financial statements to the Members of Chatham & Clarendon Grammar School
(continued)

- identified laws and regulations were communicated within the audit team and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the academy trust's accounts to material misstatement, including obtaining an understanding of how fraud might occur, by:

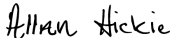
- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

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

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

Use of our report

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

DocuSigned by:

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Allan Hickie BSc FCA (Senior Statutory Auditor)

for and on behalf of
UHY Hacker Young
Chartered Accountants
Statutory Auditors
Thames House
Roman Square
Sittingbourne
Kent
ME10 4BJ

Date: 20 December 2024

Chatham & Clarendon Grammar School
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Independent Reporting Accountant's Assurance Report on Regularity to Chatham & Clarendon Grammar School and the Education and Skills Funding Agency

In accordance with the terms of our engagement letter dated 5 July 2021 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2023 to 2024, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Chatham & Clarendon Grammar School during the year 1 September 2023 to 31 August 2024 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Chatham & Clarendon Grammar School's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Chatham & Clarendon Grammar School's funding agreement with the Secretary of State for Education dated 17 December 2010 and the Academy Trust Handbook, extant from 1 September 2023, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2023 to 2024. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2023 to 31 August 2024 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

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

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

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

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

We conducted our work in accordance with Technical Release TECH 08/12 AAF issued by the Institute of Chartered Accountants In England and Wales. In accordance with that Technical Release we have carried out the procedures we consider necessary to arrive at our conclusion. Other than those procedures undertaken for the purposes of our audit of the financial statements of Chatham and Clarendon Grammar School for the year ended 31 August 2024 which provide evidence on regularity, our work was limited to only those additional procedures necessary to provide limited assurance.

The work undertaken to draw to our conclusion included:

- an assessment of the risk of material irregularity and impropriety across all of the Academy 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.

In line with the Framework and guide for External Auditors and Reporting Accountants of Academy Trusts issued March 2024, we have not performed any additional procedures regarding the Academy Trust's compliance with safeguarding, health and safety and estates management.

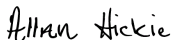
Chatham & Clarendon Grammar School
(A Company Limited by Guarantee)

Independent Reporting Accountant's Assurance Report on Regularity to Chatham & Clarendon Grammar School and the Education & Skills Funding Agency (continued)

Conclusion

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

DocuSigned by:



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UHY Hacker Young
Chartered Accountants
Statutory Auditors
Thames House
Roman Square
Sittingbourne
Kent
ME10 4BJ

Date: 20 December 2024

Chatham & Clarendon Grammar School
(A Company Limited by Guarantee)

Statement of financial activities (incorporating income and expenditure account)
For the Year Ended 31 August 2024

	Note	Unrestricted funds 2024 £	Restricted funds 2024 £	Restricted fixed asset funds 2024 £	Total funds 2024 £	Total funds 2023 £
Income from:						
Donations and capital grants	3	175,808	-	615,230	791,038	175,486
Other trading activities	4	36,336	-	-	36,336	58,346
Investments	5	10,948	-	-	10,948	130
Funding for educational operations	6	312,998	9,172,689	-	9,485,687	9,164,976
Total income		536,090	9,172,689	615,230	10,324,009	9,398,938
Expenditure on:						
Charitable activities	8	211,092	9,466,708	734,601	10,412,401	9,889,287
Total expenditure		211,092	9,466,708	734,601	10,412,401	9,889,287
Net income/(expenditure) before net gains/(losses) on investments		324,998	(294,019)	(119,371)	(88,392)	(490,349)
Net gains/(losses) on investments		2,535	-	-	2,535	(2,045)
Net income/(expenditure)		327,533	(294,019)	(119,371)	(85,857)	(492,394)
Transfers between funds	18	(268,641)	310,374	(41,733)	-	-
Net movement in funds before other recognised gains/(losses)		58,892	16,355	(161,104)	(85,857)	(492,394)
Other recognised gains/(losses):						
Actuarial (losses)/gains on defined benefit pension schemes	24	-	(78,000)	-	(78,000)	600,000
Net movement in funds		58,892	(61,645)	(161,104)	(163,857)	107,606
Reconciliation of funds:						
Total funds brought forward		515,384	61,645	27,869,133	28,446,162	28,338,556
Net movement in funds		58,892	(61,645)	(161,104)	(163,857)	107,606
Total funds carried forward	18	574,276	-	27,708,029	28,282,305	28,446,162

The Statement of Financial Activities includes all gains and losses recognised in the year.


The notes on pages 26 to 47 form part of these financial statements.

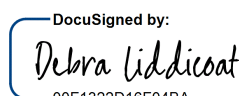
Chatham & Clarendon Grammar School
(A Company Limited by Guarantee)
Registered number: 07455452

Balance Sheet
As at 31 August 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	14	27,683,130	27,869,133
Investments	15	23,510	20,975
		<u>27,706,640</u>	<u>27,890,108</u>
Current assets			
Debtors	16	830,023	303,206
Cash at bank and in hand		332,947	645,302
		<u>1,162,970</u>	<u>948,508</u>
Creditors: amounts falling due within one year	17	(587,305)	(392,454)
Net current assets		<u>575,665</u>	<u>556,054</u>
Net assets excluding pension scheme		<u>28,282,305</u>	<u>28,446,162</u>
Defined benefit pension liability	24	-	-
Total net assets		<u><u>28,282,305</u></u>	<u><u>28,446,162</u></u>
Funds of the academy trust			
Restricted funds:			
Fixed asset funds	18	27,708,029	27,869,133
Restricted income funds	18	-	61,645
Total restricted funds	18	<u>27,708,029</u>	<u>27,930,778</u>
Unrestricted income funds	18	<u>574,276</u>	<u>515,384</u>
Total funds		<u><u>28,282,305</u></u>	<u><u>28,446,162</u></u>

The financial statements on pages 23 to 47 were approved and authorised for issue by the trustees and are signed on their behalf, by:

Signed by:

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Mr. J. Waker
 Chair of Trustees

DocuSigned by:

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Mrs. D. Liddicoat
 Accounting Officer

Date: 10 December 2024

The notes on pages 26 to 47 form part of these financial statements.

Chatham & Clarendon Grammar School
(A Company Limited by Guarantee)

Statement of Cash Flows
For the Year Ended 31 August 2024

	Note	2024 £	2023 £
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	20	(384,704)	258,295
Cash flows from investing activities	21	72,140	(241,847)
Change in cash and cash equivalents in the year		(312,564)	16,448
Cash and cash equivalents at the beginning of the year		645,302	628,854
Cash and cash equivalents at the end of the year	22, 23	332,738	645,302

The notes on pages 26 to 47 form part of these financial statements

Chatham & Clarendon Grammar School
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2024

1. Accounting policies

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

1.1 Basis of preparation of financial statements

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

Chatham & Clarendon Grammar School meets the definition of a public benefit entity under FRS 102.

1.2 Going concern

The trustees have assessed the financial position of the academy trust, taking into account the current reserves, projected income and expenditure, and the trust's ability to meet its obligations as they fall due. In making their assessment, the trustees have considered the following:

1. Funding and Income: The academy trust continues to receive regular funding from the Education and Skills Funding Agency (ESFA), including General Annual Grant (GAG) income, and has not been informed of any material changes to this funding. There is a concern in the slight fall within the school roll which has meant a reduction in the School's funding (GAG) for the forthcoming year. Trustees have had to set a deficit budget for 2024/25 which will be covered by brought forward reserves. This funding gap widens in future years and unless a significant increase from government funding is announced, it will be necessary for trustees to take strategic action to reduce planned expenditure through the reduction of staffing and non-staffing budgets.

2. Cash Flow Management: Detailed cash flow forecasts have been prepared, demonstrating that the academy trust can manage its liquidity and meet its financial obligations over the next 12 months, and appropriate financial controls and cost-saving measures have been implemented to maintain a balanced operational budget.

3. Reserves Policy: While the forecasts predict that the academy trust's reserves will fall below the target level outlined in its reserves policy, trustees are actively monitoring financial performance and implementing measures to keep the depletion of reserves to a minimum.

4. Mitigating Risks: The trustees have considered potential risks, including unforeseen reductions in funding or unexpected costs, and are confident that appropriate contingency plans are in place.

5. The academy trust was issued with a Termination Warning Notice on 18 October 2024, in response to the unfavourable Ofsted report the School received in July 2024 in which it was judged to require special measures. The Warning Notice outlines that the Department for Education (DfE) need to be satisfied that the trust has capacity to deliver rapid and sustainable improvement, and if they cannot be satisfied that this can be achieved, they will consider whether to terminate the funding agreement in order to transfer the School to a multi-academy trust. The academy trust has provided written representations to the DfE outlining the School's Post Ofsted Plan and how it intends to strengthen leadership and governance oversight.

The trustees are confident that the financial difficulties the School faces can be addressed with appropriate restructuring, however they recognise that this poses a significant challenge. Despite this, the trustees are satisfied that the academy trust has adequate resources to continue operating for the foreseeable future. However, with the Termination Warning Notice in place the financial outlook could be an additional factor in the DfE's decision over the School's future, and therefore whilst the trustees have concluded the use of the going concern basis is appropriate, they consider there to be a material uncertainty over the academy trust's ability to continue as a going concern pending the outcome of the DfE's decision.

1.3 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.

Chatham & Clarendon Grammar School
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2024

1. Accounting policies (continued)

1.3 Income (continued)

- **Grants**

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

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

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

- **Donations**

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

- **Other income**

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

- **Donated fixed assets (excluding transfers on conversion or into the academy trust)**

Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The donation is recognised as 'Income from Donations and Capital Grants' and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the academy trust's accounting policies.

1.4 Expenditure

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

- **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.

Where relevant, all expenditure is shown inclusive of irrecoverable VAT.

1.5 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.

Chatham & Clarendon Grammar School
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2024

1. Accounting policies (continued)

1.6 Tangible fixed assets

Assets costing £2,000 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.

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

Depreciation is provided on the following bases:

Buildings	- 2 - 4%
Furniture and equipment	- 15 - 25%
Computer equipment	- 33%
Motor vehicles	- 25%

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

1.7 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of Financial Activities.

1.8 Debtors

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

1.9 Cash at bank and in hand

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

1.10 Liabilities

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

Chatham & Clarendon Grammar School
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2024

1. Accounting policies (continued)

1.11 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 16. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 17. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.12 Operating leases

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

1.13 Pensions

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

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

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

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

1.14 Agency arrangements

The academy trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the academy trust does not have control over the charitable application of the funds. The academy trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the statement of financial activities. The funds received and paid, and any balances held are disclosed in note 28.

Chatham & Clarendon Grammar School
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2024

1. Accounting policies (continued)

1.15 Fund accounting

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

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

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

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

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 24, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2022 has been used by the actuary in valuing the pensions liability at 31 August 2024. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

The ultimate responsibility for setting the LGPS assumptions is that of the academy trust, as the employer, however each year the LGPS actuary proposes a standard set of assumptions as part of the valuation exercise, using their expert opinion, and which comply with the accounting requirements. The academy trust has, in practice with most employers, adopted the recommended actuarial assumptions following further consultation with its auditors to ensure these assumptions are reasonable and in line with those adopted by other academy trusts.

Critical areas of judgment:

LGPS pension asset recognition

FRS 102 section 28.22 allows an entity to recognise a pension asset "only to the extent it is able to recover the surplus either through reduced contributions in the future or through refunds from the plan."

Whilst the LGPS actuarial valuation report for the year ended 31 August 2023 indicates a defined benefit asset of £101k (2023 - £81k) exists at the year end date, the Trustees have considered that there is insufficient evidence that a surplus being recognised would ever result in a repayment or reduction in contributions, given that such a surplus is probably only temporary. Also, as a longer term employer that is open to new members, there isn't a reasonable expectation that the Academy Trust will ever reach a point of cessation that would enable access to a return of surplus.

The actuarial movement has therefore been restricted to instead leave a break-even position on the Balance Sheet with neither an asset or liability recognised.

Chatham & Clarendon Grammar School
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2024

3. Income from donations and capital grants

	Unrestricted funds 2024 £	Restricted fixed asset funds 2024 £	Total funds 2024 £	<i>Total funds 2023 £</i>
Donations	175,808	-	175,808	61,351
Capital grants	-	615,230	615,230	114,135
	<u>175,808</u>	<u>615,230</u>	<u>791,038</u>	<u>175,486</u>
<i>Analysis of 2023 total by fund</i>	<u>60,851</u>	<u>114,635</u>	<u>175,486</u>	

4. Income from other trading activities

	Unrestricted funds 2024 £	Total funds 2024 £	<i>Total funds 2023 £</i>
Lettings	7,072	7,072	17,728
Sale of goods and services	23,291	23,291	31,964
Other	5,973	5,973	8,654
	<u>36,336</u>	<u>36,336</u>	<u>58,346</u>
<i>Analysis of 2023 total by fund</i>	<u>58,346</u>	<u>58,346</u>	

5. Investment income

	Unrestricted funds 2024 £	Total funds 2024 £	<i>Total funds 2023 £</i>
Bank interest	10,948	10,948	130
	<u>10,948</u>	<u>10,948</u>	
<i>Analysis of 2023 total by fund</i>	<u>130</u>	<u>130</u>	

Chatham & Clarendon Grammar School
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2024

6. Funding for educational operations

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	<i>Total funds 2023 £</i>
Educational operations				
DfE/ESFA grants				
General Annual Grant (GAG)	-	5,732,698	5,732,698	5,696,275
Other DfE/ESFA grants				
16 - 19 funding	-	2,636,695	2,636,695	2,458,083
Pupil Premium	-	177,124	177,124	176,292
Schools supplementary grant	-	-	-	188,065
Mainstream schools additional grant	-	205,959	205,959	85,816
Teachers' pension grant	-	175,830	175,830	95,857
Teachers' pay grant	-	102,823	102,823	316
Recovery premium	-	41,814	41,814	41,469
Others	-	64,554	64,554	69,978
	-	9,137,497	9,137,497	8,812,151
Other Government grants				
Local authority grants	-	35,192	35,192	28,306
Other income from educational operations	312,998	-	312,998	324,519
	312,998	9,172,689	9,485,687	9,164,976
<i>Analysis of 2023 total by fund</i>	324,519	8,840,457	9,164,976	

Other income from educational operations comprises catering of £279k (2023: £254k), school trip income of £11k (2023: £10k) together with sundry other amounts of £23k (2023: £60k).

7. Expenditure

	Staff Costs 2024 £	Premises 2024 £	Other 2024 £	Total 2024 £	<i>Total 2023 £</i>
Educational operations:					
Direct costs	6,770,604	676,428	666,791	8,113,823	7,630,329
Allocated support costs	1,263,753	631,293	403,532	2,298,578	2,258,958
	8,034,357	1,307,721	1,070,323	10,412,401	9,889,287
<i>Analysis of 2023 total</i>	7,580,604	1,169,692	1,138,991	9,889,287	

Chatham & Clarendon Grammar School
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2024

8. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	<i>Total 2023 £</i>
Educational operations	211,092	10,201,309	10,412,401	9,889,287
<i>Analysis of 2023 total by fund</i>	<i>114,228</i>	<i>9,775,059</i>	<i>9,889,287</i>	

9. Analysis of expenditure by activities

	Direct costs 2024 £	Support costs 2024 £	Total funds 2024 £	<i>Total funds 2023 £</i>
Educational operations	8,113,823	2,298,578	10,412,401	9,889,287
<i>Analysis of 2023 total</i>	<i>7,630,329</i>	<i>2,258,958</i>	<i>9,889,287</i>	

Analysis of support costs

	Total funds 2024 £	<i>Total funds 2023 £</i>
Staff costs	1,263,753	1,306,180
Depreciation	45,680	44,093
Premises costs	579,496	444,045
Technology costs	98,373	86,017
Other support costs	474,308	367,625
Governance costs	13,375	10,998
Profit on disposal of fixed assets	(176,407)	-
	2,298,578	2,258,958

Support staff costs include the non-cash and non-actuarial element of the Local Government Pension Scheme movement for the year in accordance with accounting policy 1.13. The costs above include a credit of £78k for the current year (2023: charge of £54k).

Chatham & Clarendon Grammar School
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2024

10. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2024	<i>2023</i>
	£	<i>£</i>
Operating lease rentals	33,475	25,534
Depreciation of tangible fixed assets	911,008	881,867
Profit on disposal of fixed assets	(176,407)	-
Fees paid to auditors for:		
- audit	10,825	10,210
- other services	2,350	2,240
	<u> </u>	<u> </u>

The profit on disposal of fixed assets relates to the sale of the Red House, a property on the grounds that the School has sold after deeming it to be surplus to requirements.

11. Staff

a. Staff costs

Staff costs during the year were as follows:

	2024	<i>2023</i>
	£	<i>£</i>
Wages and salaries	6,095,484	5,711,991
Social security costs	610,912	569,219
Pension costs	1,299,864	1,277,861
	<u> </u>	<u> </u>
	8,006,260	7,559,071
Agency staff costs	28,097	21,533
	<u> </u>	<u> </u>
	<u>8,034,357</u>	<u>7,580,604</u>

b. Staff numbers

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

	2024	<i>2023</i>
	No.	<i>No.</i>
Teachers	89	89
Administration and support	94	98
Management	7	6
	<u> </u>	<u> </u>
	<u>190</u>	<u>193</u>

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11. Staff (continued)

c. Higher paid staff

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

	2024	2023
	No.	No.
In the band £60,001 - £70,000	4	5
In the band £70,001 - £80,000	1	2
In the band £80,001 - £90,000	1	-
In the band £100,001 - £110,000	-	1
In the band £110,001 - £120,000	1	-
	=====	=====

d. Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £747,393 (2023 - £707,277).

12. Trustees' remuneration and expenses

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

		2024	2023
		£	£
Mrs. D. Liddicoat, Head Teacher	Remuneration	115,000 - 120,000	110,000 - 115,000
	Pension contributions paid	30,000 - 35,000	25,000 - 30,000
Ms. C. Tonkin Jukes, Staff Trustee	Remuneration	45,000 - 50,000	40,000 - 45,000
	Pension contributions paid	10,000 - 15,000	10,000 - 15,000
Mr. M. Baker, Staff Trustee	Remuneration (no pension)	30,000 - 35,000	30,000 - 35,000
Mr. A. Sutton-Jones, Staff Trustee	Remuneration	50,000 - 55,000	50,000 - 55,000
	Pension contributions paid	10,000 - 15,000	15,000 - 20,000
Mr. M. Wilkes, Staff Trustee	Remuneration (no pension)	40,000 - 45,000	nil

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

13. Trustees' and Officers' insurance

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

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14. Tangible fixed assets

	Land & buildings £	Furniture and equipment £	Computer equipment £	Motor vehicles £	Total £
Cost					
At 1 September 2023	36,342,546	853,512	825,046	35,320	38,056,424
Additions	224,064	600,631	85,114	-	909,809
Disposals	(245,616)	-	-	-	(245,616)
At 31 August 2024	36,320,994	1,454,143	910,160	35,320	38,720,617
Depreciation					
At 1 September 2023	8,806,792	704,763	646,718	29,018	10,187,291
Charge for the year	726,866	72,613	108,091	3,438	911,008
On disposals	(60,812)	-	-	-	(60,812)
At 31 August 2024	9,472,846	777,376	754,809	32,456	11,037,487
Net book value					
At 31 August 2024	26,848,148	676,767	155,351	2,864	27,683,130
At 31 August 2023	27,535,754	148,749	178,328	6,302	27,869,133

The land and building disposal relates to the sale of the Red House, a property on the grounds that the School has sold after deeming it to be surplus to requirements. In accordance with the Academy Trust Handbook, approval for this disposal was obtained from the ESFA.

15. Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 September 2023	20,975
Revaluations	2,535
At 31 August 2024	23,510

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Notes to the Financial Statements
For the Year Ended 31 August 2024

16. Debtors

	2024 £	2023 £
Trade debtors	44,631	59,726
Other debtors	7,483	11,690
Prepayments and accrued income	724,190	202,623
VAT recoverable	53,719	29,167
	<u>830,023</u>	<u>303,206</u>

17. Creditors: Amounts falling due within one year

	2024 £	2023 £
Trade creditors	247,657	20,765
Other taxation and social security	138,499	137,210
Other creditors	60,113	63,311
Accruals and deferred income	141,036	171,168
	<u>587,305</u>	<u>392,454</u>

	2024 £	2023 £
Deferred income at 1 September 2023	100,182	100,425
Resources deferred during the year	70,645	100,182
Amounts released from previous periods	(100,182)	(100,425)
	<u>70,645</u>	<u>100,182</u>

Deferred income included above is income collected from pupils in advance of trips taking place during 2023/24.

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Notes to the Financial Statements
For the Year Ended 31 August 2024

18. Statement of funds

	Balance at 1 September 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2024 £
Unrestricted funds						
General fund	515,384	536,090	(211,092)	(268,641)	2,535	574,276
Restricted general funds						
General Annual Grant (GAG)	(258)	5,732,698	(6,042,814)	310,374	-	-
16 - 19 core funding	-	2,636,695	(2,636,695)	-	-	-
Other DfE/ESFA grants	61,903	744,740	(806,643)	-	-	-
Other government grants	-	35,192	(35,192)	-	-	-
Other restricted income	-	23,364	(23,364)	-	-	-
Pension reserve	-	-	78,000	-	(78,000)	-
	61,645	9,172,689	(9,466,708)	310,374	(78,000)	-
Restricted fixed asset funds						
Fixed assets	27,869,133	-	(734,601)	548,598	-	27,683,130
DfE/ ESFA capital grants	-	615,230	-	(615,230)	-	-
Red House sale funds	-	-	-	24,899	-	24,899
	27,869,133	615,230	(734,601)	(41,733)	-	27,708,029
Total Restricted funds	27,930,778	9,787,919	(10,201,309)	268,641	(78,000)	27,708,029
Total funds	28,446,162	10,324,009	(10,412,401)	-	(75,465)	28,282,305

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Notes to the Financial Statements
For the Year Ended 31 August 2024

18. Statement of funds (continued)

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

General Annual Grants ("GAG") must be used for the normal running costs of the School. The transfer into this fund of £310,374 represents a transfer of £268,641 from unrestricted funds, plus non-capitalised expenditure of £41,733 that has been funded by CIF capital grant funding.

The other DfE/ESFA grant fund is used to track non-GAG revenue grant funding received from the DfE/ESFA and connected bodies, and principally included the material grants detailed separately in note 6.

The other government grants fund is used to track grants provided by government departments other than the DfE/ESFA and includes grants received from Kent County Council.

The other restricted balance relates to the Combined Cadet Force at the School.

The pension reserve relates to the academy trust's share of the deficit of the Local Government Pension Scheme overseen by the Local Authority.

The restricted fixed asset funds represent the net book value of fixed assets carried on the Balance Sheet, together with any unspent capital funds. The £24,899 carried forward in respect of the Red House sale proceeds represents unspent funding from this sale that will cover future capital projects. The net transfers out of the restricted fixed asset fund of £41,733 relate to non-capitalised expenditure funded by CIF funding.

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

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Notes to the Financial Statements
For the Year Ended 31 August 2024

18. Statement of funds (continued)

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

	<i>Balance at 1 September 2022 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2023 £</i>
Unrestricted funds						
General fund	492,212	383,466	(114,228)	(244,021)	(2,045)	515,384
Restricted general funds						
General Annual Grant (GAG)	-	5,696,275	(5,696,533)	-	-	(258)
16 - 19 core funding	-	2,458,083	(2,458,083)	-	-	-
Other DfE/ESFA grants	-	657,793	(595,890)	-	-	61,903
Other government grants	-	28,306	(28,306)	-	-	-
Other restricted income	-	60,380	(60,380)	-	-	-
Pension reserve	(546,000)	-	(54,000)	-	600,000	-
	(546,000)	8,900,837	(8,893,192)	-	600,000	61,645
Restricted fixed asset funds						
Fixed assets	28,392,344	114,635	(881,867)	244,021	-	27,869,133
Total Restricted funds	27,846,344	9,015,472	(9,775,059)	244,021	600,000	27,930,778
Total funds	28,338,556	9,398,938	(9,889,287)	-	597,955	28,446,162

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Notes to the Financial Statements
For the Year Ended 31 August 2024

19. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2024 £	Restricted fixed asset funds 2024 £	Total funds 2024 £
Tangible fixed assets	-	27,683,130	27,683,130
Fixed asset investments	23,510	-	23,510
Current assets	1,138,071	24,899	1,162,970
Creditors due within one year	(587,305)	-	(587,305)
Total	574,276	27,708,029	28,282,305

Analysis of net assets between funds - prior period

	<i>Unrestricted funds 2023 £</i>	<i>Restricted funds 2023 £</i>	<i>Restricted fixed asset funds 2023 £</i>	<i>Total funds 2023 £</i>
Tangible fixed assets	-	-	27,869,133	27,869,133
Fixed asset investments	-	20,975	-	20,975
Current assets	515,384	433,124	-	948,508
Creditors due within one year	-	(392,454)	-	(392,454)
Total	515,384	61,645	27,869,133	28,446,162

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Notes to the Financial Statements
For the Year Ended 31 August 2024

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

	2024	2023
	£	£
Net expenditure for the period (as per Statement of Financial Activities)	(85,857)	(492,394)
Adjustments for:		
Depreciation	911,008	881,868
Capital grants from DfE and other capital income	(615,230)	(114,635)
Interest receivable	(10,948)	(130)
Defined benefit pension scheme cost less contributions payable	(66,000)	38,000
Defined benefit pension scheme finance cost	(12,000)	16,000
Increase in debtors	(526,817)	(30,211)
Increase/(decrease) in creditors	197,547	(40,203)
Profit on disposal of fixed assets	(176,407)	-
Net cash (used in)/provided by operating activities	(384,704)	258,295

21. Cash flows from investing activities

	2024	2023
	£	£
Dividends, interest and rents from investments	10,948	130
Purchase of tangible fixed assets	(909,809)	(358,657)
Proceeds from the sale of tangible fixed assets	358,306	-
Capital grants from DfE Group	615,230	92,411
Other capital funding	-	22,224
(Gains)/losses on investments	(2,535)	2,045
Net cash provided by/(used in) investing activities	72,140	(241,847)

22. Analysis of cash and cash equivalents

	2024	2023
	£	£
Cash in hand and at bank	332,738	645,302

Chatham & Clarendon Grammar School
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Notes to the Financial Statements
For the Year Ended 31 August 2024

23. Analysis of changes in net debt

	At 1 September 2023 £	Cash flows £	At 31 August 2024 £
Cash at bank and in hand	645,302	(312,355)	332,947

24. Pension commitments

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

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

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

Teachers' Pension Scheme

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

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

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2020. The valuation report was published by the Department for Education on 30 October 2023. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% administration levy)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £262,000 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £222,200 million, giving a notional past service deficit of £39,800 million
- the SCAPE discount rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 1.74% above the rate of CPI, and is based on the Office for Budget Responsibility's forecast for long-term GDP growth

The revised employer contribution rate, arising from the 2020 valuation, was implemented from 1 April 2024. The next valuation result is due to be implemented from 1 April 2027.

The employer's pension costs paid to TPS in the year amounted to £1,055,000 (2023 - £914,000).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (<https://www.teacherspensions.co.uk/news/employers/2023/10/valuation-result.aspx>)

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The academy trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The academy trust has set out above the information available on the scheme.

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24. Pension commitments (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 contribution made for the year ended 31 August 2024 was £408,000 (2023 - £391,000), of which employer's contributions totalled £322,000 (2023 - £309,000) and employees' contributions totalled £ 86,000 (2023 - £82,000). The agreed contribution rates for future years are 22.5 per cent for employers, and 5.5-12.5 per cent for employees.

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

Principal actuarial assumptions

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

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

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

Sensitivity analysis

	2024	2023
	£000	£000
Discount rate +0.1%	(117)	(104)
Discount rate -0.1%	120	106
Mortality assumption - 1 year increase	196	174
Mortality assumption - 1 year decrease	(190)	(169)
CPI rate +0.1%	111	97
CPI rate -0.1%	(108)	(95)

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24. Pension commitments (continued)

Share of scheme assets

The academy trust's share of the assets in the scheme was:

	At 31 August 2024 £	<i>At 31 August 2023 £</i>
Equities	3,712,000	3,713,000
Gilts	454,000	34,000
Corporate bonds	944,000	808,000
Property	601,000	590,000
Cash and other liquid assets	158,000	62,000
Investment funds	329,000	419,000
Infrastructure	303,000	221,000
Total market value of assets	6,501,000	5,847,000

The actual return on scheme assets was £453,000 (2023 - £(38,000)).

The amounts recognised in the Statement of Financial Activities are as follows:

	2024 £	<i>2023 £</i>
Current service cost	(251,000)	(344,000)
Interest income	315,000	229,000
Interest cost	(303,000)	(245,000)
Administrative expenses	(5,000)	(3,000)
Total amount recognised in the Statement of Financial Activities	(244,000)	(363,000)

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

	2024 £	<i>2023 £</i>
At 1 September	5,847,000	5,798,000
Current service cost	251,000	344,000
Interest cost	303,000	245,000
Employee contributions	86,000	82,000
Actuarial losses/(gains)	216,000	(482,000)
Benefits paid	(202,000)	(140,000)
At 31 August	6,501,000	5,847,000

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24. Pension commitments (continued)

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

	2024	<i>2023</i>
	£	<i>£</i>
At 1 September	5,847,000	5,252,000
Interest income	315,000	229,000
Actuarial gains	138,000	118,000
Employer contributions	322,000	309,000
Employee contributions	86,000	82,000
Benefits paid	(202,000)	(140,000)
Administrative expenses	(5,000)	(3,000)
At 31 August	<u>6,501,000</u>	<u>5,847,000</u>

25. Operating lease commitments

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

	2024	<i>2023</i>
	£	<i>£</i>
Not later than 1 year	19,638	20,223
Later than 1 year and not later than 5 years	32,452	6,895
	<u>52,090</u>	<u>27,118</u>

26. Members' liability

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

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27. Related party transactions

Owing to the nature of the academy trust and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Academy Trust Handbook, including notifying the ESFA of all transactions made and obtaining their approval where required, and with the academy trust's financial regulations and normal procurement procedures relating to connected and related party transactions. The following related party transactions took place in the financial period:

Expenditure Related Party Transactions:

During the year, Mr. I. Jones, a close family member of the Accounting Officer, was paid a total of £100 (2023 - £160) for school marketing photos. There were no amounts outstanding at 31 August 2023.

The academy trust made the purchase at arms' length, which the Accounting Officer neither participated in, nor influenced. In entering into the transaction, the academy trust has complied with the requirements of the Academy Trust Handbook, and since the value of the transaction is considerably below the £2,500 de-minimus threshold it was not necessary to obtain an 'at cost' statement.

28. Agency arrangements

The academy trust distributes 16-19 bursary funds to students as an agent for the ESFA. In the accounting period ended 31 August 2023 the academy trust received £65,788 (2023 - £58,922) and disbursed £62,431 (2023 - £50,819) from the fund. An amount of £48,235 (2023 - £44,878) is included in other creditors relating to undistributed funds that are repayable to ESFA if not expended in the following year.

29. Controlling party

The academy trust is run by the senior management team on a day to day basis. Strategic decisions are made by the trustees. There is no ultimate controlling party.