



Esher Sixth Form College

(A Company Limited by Guarantee)

Annual Report and Financial Statements

For the year 1 September 2022 to 31 August 2023

Company Registration number: 12062118 (England and Wales)

Esher Sixth Form College

Contents

| | Page |
|--|-------------|
| Reference and Administrative Details | 3 |
| Trustees' Report | 5 |
| Governance Statement | 17 |
| Statement on Regularity, Propriety and Compliance | 23 |
| Statement of Trustees' Responsibilities | 24 |
| Independent Auditors' Report on the Financial Statements | 25 |
| Independent Reporting Accountant's Report on Regularity | 29 |
| Statement of Financial Activities incorporating Income & Expenditure Account | 31 |
| Balance Sheet | 32 |
| Statement of Cash Flows | 33 |
| Notes to the Financial Statements | 34 |

Esher Sixth Form College

Reference and Administrative Details

Members

M Blackburn
P Collyer
D Irving
D Lavarack
T Price
C Wilks

Trustees

| | |
|-------------------------|--|
| T Oliver | Chair of Trustees |
| P Collyer | |
| S Cook | Appointed 1 September 2023 |
| C Dawes | Resigned 9 November 2022 |
| C Douglas | Appointed 1 September 2023 |
| J Duscherer | |
| C Egginton | Appointed 3 May 2023 |
| S Fudge | Appointed 10 November 2022 |
| E Gilroy-Scott | Appointed 1 September 2023 |
| D Hards | Principal and Accounting Officer. Appointed 1 September 2022 |
| Z Lyons | Resigned 8 May 2023 |
| D Mason (Staff Trustee) | Resigned 31 August 2023 |
| A Mawson | Appointed 1 September 2023 |
| A McVeigh | |
| N Meade | |
| M Nelligan | |
| M Nicholson | Resigned 8 May 2023 |
| B Obese-Jecty | Resigned 14 July 2023 |
| E O'Brien | Appointed 1 September 2023 |
| K Parsons | Resigned 31 August 2023 |
| D Roberts | Appointed 15 November 2023 |
| R Robinson | Appointed 2 May 2023 |
| R Seabrook | Resigned 31 December 2022 |
| F Stewart | Resigned 21 September 2023 |
| J Thater | Appointed 1 September 2023 |

Senior Management Team

| | |
|---------------------|--------------------|
| Principal | D Hards |
| Deputy Principal | S Patel |
| Assistant Principal | K Parsons |
| Assistant Principal | L Bentley-Pattison |

| | |
|--------------------------|----------|
| Clerk to Trustees | C Davies |
|--------------------------|----------|

Esher Sixth Form College

Reference and Administrative Details (continued)

| | | |
|--|--|---|
| Company name | Esher Sixth Form College | |
| Company Registration number | 12062118 (England and Wales) | |
| Principal and Registered Office | Weston Green Road Thames Ditton, KT7 0JB | |
| Independent auditor | Buzzacott LLP 130 Wood Street London, EC2V 6DL | |
| Internal auditor | Wylie Bisset 168 Bath Street Glasgow G2 4TP | |
| Bankers | National Westminster Bank Plc Commercial Banking 1 st Floor, 440 Strand London, WC2R 0QS | Lloyds Bank Plc Commercial banking 3 rd Floor, 2 City Place Beehive Ring Road Gatwick, RH6 0PA |
| Solicitors | Eversheds Kett House Station Road Cambridge, CB1 2JY | |

Esher Sixth Form College

Trustees' Report

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

Esher Sixth Form College ("the Academy") operates a 16-19 Academy Trust for students aged 16 to 19 serving a catchment area of North East Surrey and South West London.

Structure, Governance and Management

Constitution

The Academy Trust is a private company limited by guarantee and an exempt charity. The charitable company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust. The Trustees of Esher Sixth Form College are also the Directors of the charitable company for the purposes of company law. The charitable company is known as Esher Sixth Form College.

Details of the Trustees who served during the period are included in the Reference and Administrative Details on page 3.

Members' liabilities

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

Trustees' Indemnities

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

Trustees' Report (continued)

Method of Recruitment and Appointment or Election of Trustees

Eligibility to act as a Trustee of the Academy Trust is detailed within the constitutional framework and clauses 45 - 80 of the Articles of Association.

The Academy looks to ensure a mix of skills and selects new Trustees from the local community, local businesses, local government, the parent body, the student body and the staff body. The Academy places adverts on Women on Boards and via the Surrey Chamber of Commerce. Parent Trustees are elected by parents and individuals exercising parental responsibility of registered students at the Academy Trust. Staff are elected by the staff body and students by the student body. Trustees other than Parent Trustees, Staff Trustees and Student Trustees are appointed by the Members via the Recruitment Committee. There is an application and interview process and these external Trustees are selected based on skills, background and ability to provide the Academy Trust with the best possible advice and support.

Policies and Procedures Adopted for the Induction and Training of Trustees

The Board of Trustees is responsible for ensuring that appropriate training is provided as required. All new Trustees are invited for induction training and receive a pack of all relevant guidance to their role, including access to the Trustees' portal. Trustees are provided with support from the Clerk to the Trustees. The Academy Trust provides training presentations as part of Trustee meetings on topical issues according to need.

An annual Trustee training session is usually held in the spring term to update Trustees on latest developments within the sector and the possible impact for the Academy Trust. An annual skills audit is undertaken to identify gaps and used to direct training requirements.

Organisation Structure

The Senior Management Team of the Academy Trust consists of:

- Principal
- Deputy Principal
- Assistant Principal (Student Services)
- Assistant Principal (Curriculum, Development and Innovation)

The Principal is also the Accounting Officer.

The Committee structure of the Board of Trustees consists of:

- Audit
- Finance and Estates
- Strategy and Policy
- Quality and Standards
- Remuneration
- Recruitment
- Special Committee

The decision-making process is detailed within the Governance Statement.

Esher Sixth Form College

Trustees' Report (continued)

Arrangements for setting pay and remuneration of key management personnel

At the Academy Trust, the Accounting Officer (Principal) and the Deputy Principal are the only roles defined as senior post holder. Decisions relating to senior post holder appointments and remuneration are made by the Trustees after detailed review of benchmarking data and recommendation by the Remuneration Committee.

Decisions relating to other members of the senior management team are taken by the Principal having regard to benchmarking data, Sixth Form Colleges Association pay increases and affordability. Trustees/Members do not receive any remuneration.

Trade Union facility time

The Trade Union (Facility Time Publications Requirements) Regulations 2017 require the Academy Trust to publish information on facility time arrangements for trade union officials at the Academy Trust.

| | |
|---|--------------------------------------|
| Number of employees who were relevant union officials during the relevant period | Full-time equivalent employee number |
| 3 | 2.79 |
| Percentage of time spent on facility time | Number of employees |
| 1-50% | 3 |
| Percentage of total pay bill spent on facility time | 0.04% |
| Time spent on paid trade union activities as a percentage of total paid facility time hours | 100% |

Related Parties and other Connected Charities and Organisations

The Academy Trust has no formal related parties and is not connected with any other charity or organisation. However, the Academy Trust works closely with local schools and is a member of the S7 consortium of sixth form colleges which provides training and other cross college activities. The Academy Trust is also a member of the Sixth Form Colleges Association (SFCA) and works closely with the Elmbridge 14-19 Consortium and has established relationships with Higher Education Institutions and local employers. In line with other colleges and universities, the Academy Trust has many stakeholders. These include:

- Students, Parents, Staff
- Education and Skills Funding Agency (ESFA)
- Regional Schools Commissioner and the Sixth Form Commissioner
- Higher education institutions
- Local employers
- Local authorities
- Other FE institutions
- Trade unions
- Professional Bodies

Esher Sixth Form College

Trustees' Report (continued)

Objectives and Activities

Objectives, Activities and Strategies

The Academy Trust's mission is to provide non-selective, open-access, specialised sixth form college education for North East Surrey and South West London.

The Academy Trust is committed to:

- creating a culture of high expectations and outstanding achievement for 16-19 year olds
- delivering high quality teaching and learning, tailored to individual learning needs
- developing a broad range of skills and experiences to ensure students fulfil their potential and progress to further study or employment
- promoting inclusivity, tolerance and respect for others within a supportive and caring College community which values diversity
- making a positive contribution to the wider community, including a diverse range of courses for adults

Public Benefit

The Academy Trust is an exempt charity under Part 3 of the Charities Act 2011 and following the Machinery of Government changes in July 2016, is regulated by the Secretary of State for Education.

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

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

- High quality teaching
- Widening participation, an inclusive Admissions Policy which aims to tackle social exclusion and support social mobility
- Excellent progression for students
- Strong student support systems
- Links with higher education institutions, employers, industry and commerce

Trustees' Report (continued)

Implementation of Strategic Plan and College Self-assessment

Every year the Academy Trust undertakes the process of self-assessment in which every teaching department and key support team produces a self-assessment report (SAR) based on evaluating performance against key benchmarks and performance indicators with the intention of improving the quality of its service. On this basis the Academy Trust produces an overall SAR and Quality Improvement Plan (QIP) in December. This QIP provides the operational targets for the coming year within the context of Academy Trust strategic planning, which has most recently been reviewed by the Board in September 2023. At the same time the self-assessment process allows the Academy Trust, its management and the Board to update and amend its strategic planning priorities in accordance with changing needs and circumstances. The QIP, which is due to be approved by the Board in December 2023, acts as an Operational Plan for the Academy Trust and is the mechanism through which the Academy Trust's strategic priorities are delivered. The 3-year Strategic Plan sets the strategic direction for the Academy Trust. An updated Strategic Plan for 2023-25 was approved by the Board of Trustees in December 2022. The strategic priorities set provides the focus for the targets in the new QIP for 2023-24.

The Academy Trust's main strategic priorities for 2023-25 are as follows:

- **Curriculum and Study Programmes:**
to ensure that Study Programmes remain fit for purpose by meeting student needs and interests and comply with government requirements and expectations.
- **Quality Assurance and Progression after Esher:**
to maintain high standards in all aspects of College provision and to respond proactively to changes to current progression options and other new emerging opportunities
- **Student Experience & Digital Strategy:**
to further empower our students to take ownership of their ESFC journey, with particular focus on the development and implementation of a Digital Strategy
- **Financial Health:**
to explore possible opportunities presented by the increase in funding, carefully balancing an enriched learning experience with longer term financial viability
- **External Relations:**
to engage with a wide range of external agencies and organisations for the benefit of students, staff, and the reputation of the College
- **Resources and the Estate:**
to ensure that the estate is maintained in excellent condition and that investment is focused on high quality teaching and student support, as well as the wellbeing of our staff

Esher Sixth Form College

Trustees' Report (continued)

Financial objectives

The financial aim of the Academy Trust is to keep the expenditure within the income received, 96% of which is provided by the Education and Skills Funding Agency (ESFA) as recurrent funding, and to manage finances in general on a prudent basis. More specifically, the Academy Trust's financial objectives are:-

- Financial Health to be maintained such that an operating surplus of 1% or more is delivered*
- A minimum of £1 million in cash reserves to be maintained
- To maintain a current ratio of 2:1*
- To minimise exposure to debt*
- To maximise other sources of income and ensure value for money in expenditure
- Student enrolment to be within 2% of budgeted numbers
- To generate sufficient income to enable continued maintenance of teaching and support facilities and to have the funds to keep a well maintained estate.

*Each of these objectives went towards gaining a "Good" score on the ESFA's financial health scorecard for Sixth Form Colleges. Although the College is no longer measured like this, it is felt prudent to continue with this as an objective.

Strategic Report

Achievement and Performance

The Academy Trust was inspected by Ofsted in September 2022. The Academy Trust was graded "outstanding" in every category, a fantastic reflection of the hard work and efforts of staff, Trustees and students.

Student Numbers

16-19 student numbers for 2022-23 were above the budgeted target of 2030 students, with an enumeration figure of 2078. 16-19 student numbers for 2023-24 were in line with the target number, with an expected enumeration figure of 2046 students, against a budgeted figure of 2050.

Trustees' Report (continued)

Student Achievements

Students achieved a 98.1% pass rate at A level and an A*-B rate of 58.9%. Performance on our BTEC courses was strong with all except three subject courses achieving a 100% pass rate at the end of a 2-year study programme. The Academy Trust is also currently rated as "Outstanding" by OFSTED.

The Academy Trust's specific operational objectives for 2022-23 and achievement of these objectives is addressed below:

- the Academy Trust achieved an A level pass rate of 98.1%
- the Academy Trust was close to its student numbers target for 2023
- for 2023 Academy Trust leavers, 73.5% went on to University, Art Foundation courses or Further Education courses (including those who have deferred or who applied during their gap year), 9.3% went into an apprenticeship or employment. The remaining 17.2% are either looking for employment or we don't have an update.
- the Academy Trust has developed a new Property Strategy and is now moving into an implementation phase

Going Concern

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

Financial results

These results are for the year 1 September 2022 to 31 August 2023. The Academy Trust generated a surplus before other gains and losses (excluding the LGPS FRS102 reporting impact) for the year of £576,000. (2022: Loss £68,000).

At the end of the period ended 31 August 2023 the Academy Trust had:

- Financial Health operating surplus before depreciation and FRS102 pension adjustments of 12%
- Cash Reserves of £4,535,034 (2022: £3,571,000)
- A current ratio of 4.2:1 (2022: 3.8:1)
- No loans
- The Academy Trust had other income of £468,000 (2022: £256,000), and had achieved good control over expenditure against budget
- Student enrolment objective was achieved

Trustees' Report (continued)

Performance Indicators

Performance indicators relating to key areas of the Academy Trust's activity are:

- achievement rates and progress
- progression - destinations data
- achievement of student recruitment targets

Reserves Policy

At 31 August 2023 in total, balance sheet reserves amounted to £16,988,000 (2022: £16,412,000). This includes total restricted funds of £15,574,000 (2022: £15,317,000). Included within restricted funds are £13,244,000 represented by Fixed Assets (2022: £13,469,000) and a pension reserve of £Nil (2022: £Nil). Unrestricted reserves totalled £1,414,000 (2022: £1,095,000). Following the latest actuarial valuation as at 31 March 2022, the employer's agreed contribution rate for future years is 17.5% with effect from 1 April 2023, with no additional contributions payable.

A balance of reserves is required to ensure that the Academy Trust has funds in place to cover day to day expenditure that in the short term may not be covered due to differing phasing of receipts. A balance is also required should there be a shortfall in receipts in any one year. Having taken all these considerations into account, the Academy Trust maintains cash reserves of a minimum of £1,000,000 at any one time. At 31 August 2023 cash at bank and in hand was £4,535,000 (2022: £3,571,000).

Investment Policy

The Academy Trust monitors its cashflow closely so that any funds not required in the short term for day-to-day operations can be identified and placed on term deposits with the Academy Trust bankers. The terms of these deposits typically range from three to twelve months.

Trustees' Report (continued)

Principal risks and uncertainties

The system of internal controls maintained by the Academy Trust includes financial, operational and risk management which is designed to help protect the Academy Trust assets and reputation. A Risk Register is maintained by the Academy Trust. The Risk Register identifies the key risks, the likelihood of those risks occurring, their potential impact on the Academy Trust and the actions being taken to reduce and mitigate the risk. Key risks identified by the Academy Trust include:

- The Academy Trust fails to recruit planned student numbers and as a result grant funding in the next academic year could be at reduced levels based on lagged funding
- Changes to staff terms and conditions including pay restraint could have a negative impact on staff morale
- Any increase in employer contributions or withdrawal of the Teacher Pension Scheme (TPS) subsidy could negatively affect the Academy Trust's ability to set a balanced budget
- Continued low level of funding compared to other educational sectors
- Failure to maintain the Estate in a good state of repair could have a negative impact on the ability to suitably accommodate and teach students

The key issues affecting the Academy Trust form the basis of this Strategic Risk Register, approved annually by the Board at its July meeting. The Register is reviewed and updated twice a year by both the Academy Trust management and the Audit Committee.

Fundraising statement

The Academy Trust does not use any external fundraisers. All fundraising undertaken during the year was monitored by the Trustees.

Plans for future periods

The Academy Trust confirmed the Strategic Plan for the next three academic years in 2022-23, which is consistent with our long-standing Academy Trust Mission Statement. In 2023-24 we will continue to deliver the increase in funded Guided Learning Hours (GLH) through supervised academic study, the recording of further non-qualification activity and additional qualification delivery time provided through a timetable format change. We will continue to delivery high quality teaching and learning within the constraints of our campus and plan to deliver further supervised academic study for all our students in the 2024-25 academic year.

Events after the end of the Reporting Period

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

Trustees' Report (continued)

Equality

Equal opportunities and the employment of disabled persons

As an Academy Trust we are committed to Equality, Diversity and Inclusion, not just because it is a legal requirement, but because we value difference and believe that learning and working environments should be places where everyone feels valued and respected. Equality and Diversity regularly features in the Academy Trust's INSET programme, with the aim of raising staff awareness of issues. Training is held with a focus on exploring and developing staff awareness of various topics including unconscious bias, neurodiversity and dialectical behaviour therapy amongst others. We recognise that fulfilling our commitment to Equality and Diversity is not just about fulfilling our legal obligations but about being pro-active and celebrating diversity. We also recognise that embedding Equality and Diversity is an ongoing process with a series of changing goals that we need to action. As part of our legal responsibility, we have a duty that covers each of the 'protected characteristics' under the Equality Act 2010. The duties are outlined in one key document for ease of access and to ensure regular re-visiting and use. This document is our Equality and Diversity Policy. For further information please see our website.

The Academy Trust is a Disability Confident scheme employer. Any applicant with a disability wishing to be considered under the scheme will be guaranteed an interview for the post for which they are applying, provided they meet the minimum criteria for the job. Where an existing employee becomes disabled, every effort is made to ensure that employment within the Academy Trust continues. The Academy Trust's policy is to provide training, career development and opportunities for promotion which are, as far as possible, identical to those for other employees.

Disability statement

The Academy Trust seeks to achieve the objectives set down in the Equality Act 2010.

- The Academy Trust is committed to providing specific facilities and equipment for the disabled in all existing and new buildings as far as funding permits.
- As far as possible and reasonable students who have a medical condition or disability which affects their capacity to learn will be supported with advice, practical help, and a suitably tailored learning programme.
- An Admissions Policy for all students was last approved by the Board of Trustees in March 2021.
- The Academy Trust has made significant investment in the appointment of learning support mentors to support students with learning difficulties and / or disabilities.
- There is a continuing programme of staff development to ensure that support for students is appropriate.
- Counselling and welfare services are aimed at catering for individual needs and are as described in the Academy Trust Charter.

Esher Sixth Form College

Trustees' Report (continued)

Streamlined Energy and Carbon Reporting

UK Greenhouse gas emissions and energy use data for the period 1 September to 31 August

| | 2022-23 | 2021-22 |
|---|-------------|-------------|
| Energy consumption used to calculate emissions (kWh) | 1,614,330 | 1,735,400 |
| Energy consumption breakdown (kWh): | | |
| Gas | 923,604 | 1,090,115 |
| Electricity | 684,862 | 643,908 |
| Transport fuel | 5,864 | 1,377 |
| Scope 1 emissions in metric tonnes CO ₂ e | | |
| Gas consumption | 191 | 200 |
| Owned transport – minibus | 1 | 0 |
| Scope 2 emissions in metric tonnes CO ₂ e | | |
| Purchased electricity | 145 | 137 |
| Scope 3 emissions in metric tonnes CO ₂ e | | |
| Business travel in employee owned vehicles | 0 | 0 |
| Total Gross emissions in metric tonnes CO₂e | 338 | 336 |
| Intensity ratio tonnes CO₂e per student | 0.16 | 0.16 |
| Intensity ratio tonnes CO₂ per square metre | 0.03 | 0.03 |

Actions taken to improve energy efficiency during the last two years include:

- Replacement of College Theatre roof with improved insulation.
- Y Block window replacement with triple glazing and solar controlled glass.
- LED light replacement programme continues. Approximately 80% of the Academy Trust campus has been converted, with the remainder planned over the next 2 years.
- New buildings are fitted with air source heat pumps and have been built with sustainability as a key objective.

Esher Sixth Form College

Trustees' Report (continued)

Disclosure of Information to Auditors

In so far as the Trustees are aware:

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

The Trustees' report, incorporating a strategic report, was approved by order of the Board of the Trustees, as the company directors, on 6 December 2023 and signed on the Board's behalf by:

A handwritten signature in black ink, appearing to read 'T Oliver', with a stylized flourish at the end.

T Oliver (Chair of Trustees)

Esher Sixth Form College

Governance Statement

Scope of Responsibility

As Trustees we acknowledge we have overall responsibility for ensuring that the Academy Trust 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 Principal, as Accounting Officer, for ensuring financial controls conform to the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between the Academy Trust and the Secretary of State for Education.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees Responsibilities. The Board of Trustees has formally met 5 times during the year.

Attendance was as follows:

| Trustees | Meetings attended | Out of a possible | % Attendance |
|-------------------|--------------------------|--------------------------|---------------------|
| P Collyer | 5 | 5 | 100 |
| C Dawes | 0 | 1 | 0 |
| J Duscherer | 3 | 5 | 60 |
| C Egginton | 1 | 1 | 100 |
| S Fudge | 4 | 4 | 100 |
| D Hards | 5 | 5 | 100 |
| Z Lyons (Student) | 4 | 4 | 100 |
| D Mason (Staff) | 5 | 5 | 100 |
| A McVeigh | 0 | 5 | 0 |
| N Meade | 5 | 5 | 100 |
| M Nelligan | 5 | 5 | 100 |
| M Nicholson | 4 | 4 | 100 |
| B Obese-Jecty | 1 | 5 | 20 |
| T Oliver | 5 | 5 | 100 |
| K Parsons (Staff) | 5 | 5 | 100 |
| R Robinson | 1 | 1 | 100 |
| R Seabrook | 2 | 2 | 100 |
| F Stewart | 3 | 5 | 60 |

Esher Sixth Form College

Governance Statement (continued)

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

The Board of the Academy Trust meets four times during the year, but additional meetings will be convened as required. The Trust Board also conducts its business through a number of committees. These committees are: Audit, Finance and Estates, Strategy and Policy, Remuneration, Quality and Standards and Special Committee. All Committees, other than the Special Committee, which is only convened when necessary, and the Audit Committee and Quality and Standards Committee, which meet twice per annum, meet at least three times per annum. Each committee has terms of reference which were adopted by the Board of Trustees and are reviewed each year.

The Board is provided with regular, timely information on the overall financial performance of the Academy Trust, together with other information such as performance against funding targets, proposed capital expenditure, quality matters, health and safety and environmental activities. The AGM was held on 13 December 2022. Effective oversight of the Trust's funds was maintained through the four meetings of the Trust Board and three meetings of the Finance and Estates Committee. In addition, monthly management accounts were made available to the Finance and Estates Committee and the Chair of the Board.

All Trustees are able to take independent professional advice in furtherance of their duties at the Academy Trust's expense and have access to the Clerk to the Board, which is responsible to the Board for ensuring that all applicable procedures and regulations are complied with.

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

Full minutes of all meetings, except those deemed to be confidential by the Board, are available on the Academy Trust's website ([Esher Sixth Form College | Esher Sixth Form College Academy Trust](#))

The committee structure was reviewed in 2017/18 as part of the Academy Trust's ongoing quality improvement process. Review of Board performance is through the annual Governance Self-Assessment Report (SAR). This is considered by the Strategy and Policy Committee and approved by the Board. This is available on the Academy Trust website. An internal audit review of Corporate Governance and Risk Management was undertaken in March 2022 resulting in an overall conclusion of strong.

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

Esher Sixth Form College

Governance Statement (continued)

Appointment to the Board

Recruitment is through an open and transparent recruitment process. The members may appoint by ordinary resolution up to 15 Trustees. The Trustees may appoint co-opted Trustees. The Trustees of the Board are appointed for a term of office not exceeding 4 years.

Audit Committee

The Audit Committee comprises five members of the Board of Trustees (excluding the Accounting Officer (Principal) and the Chair). The Committee operates in accordance with written terms of reference approved by the Board. Its purpose is to advise the Board on the adequacy and effectiveness of the Academy Trust's systems of internal control and its arrangements for risk management, control and governance processes.

The Audit Committee meets twice a year and provides a forum for reporting by the Academy Trust's financial statements/regularity auditors, who have access to the Committee for independent discussion, without the presence of the Academy Trust management. The Committee also receives and considers reports from the main FE funding bodies as they affect the Academy Trust's business.

The Academy Trust's internal auditors review the systems of internal control, risk management controls and governance processes in accordance with an agreed audit plan. Their findings are reported to the Audit Committee. This year's review was on the Academy Trust's payroll and safeguarding procedures. The Academy Trust achieved a strong level of assurance on controls in these areas.

The Audit Committee advises the Board on the appointment of the financial statements/regularity auditors and their remuneration for any work undertaken.

Attendance during the period was as follows:

| Trustees | Meetings attended | Out of a possible | % Attendance |
|-----------------|--------------------------|--------------------------|---------------------|
| C Dawes | 0 | 1 | 0 |
| S Fudge | 1 | 1 | 100 |
| A McVeigh | 2 | 2 | 100 |
| N Meade | 1 | 2 | 50 |
| M Nelligan | 2 | 2 | 100 |
| B Obese-Jecty | 1 | 2 | 50 |
| F Stewart | 2 | 2 | 100 |

Esher Sixth Form College

Governance Statement (continued)

Finance and Estates Committee

The Finance and Estates committee is a sub-committee of the Academy Board. Its purpose is to review the financial position of the Academy Trust, including cash flow and receive regular reports on capital projects. It advises the Board on all financial matters. The committee is advised by the Director of Finance and Estates.

Attendance during the period was as follows:

| Trustees | Meetings attended | Out of a possible | % Attendance |
|-----------------|--------------------------|--------------------------|---------------------|
| P Collyer | 3 | 3 | 100 |
| J Duscherer | 3 | 3 | 100 |
| D Hards | 3 | 3 | 100 |
| D Mason | 2 | 3 | 67 |
| M Nelligan | 3 | 3 | 100 |
| T Oliver | 2 | 3 | 67 |
| K Parsons | 2 | 3 | 67 |
| F Stewart | 2 | 3 | 67 |

Review of Value for Money

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

The Accounting Officer considers how the Academy Trust's use of 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. The Accounting Officer for the Academy Trust has delivered value for money during the year by:

- Three year financial planning, cash flow forecasting and tight monitoring of expenditure against budgets
- Robust challenging of all expenditure
- Collaborative procurement programme with S7 covering staff development and benchmarking of costs
- Use of tendering procedures for any significant expenditure
- Continuing to achieve excellent student outcomes

Governance Statement (continued)

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place at the Academy Trust for the period 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Board has reviewed the key risks to which the Academy Trust is exposed, together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board is of the view that there is a formal on-going process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board.

The Risk and Control Framework

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

- comprehensive budgeting systems with an annual budget and a further two-year forecast, along with a 24 month cashflow forecast, which is reviewed and agreed by the Board of Trustees
- regular reviews by the Finance and Estates Committee of periodic and annual financial reports which indicate financial performance against forecasts and of major purchase plans, capital works and expenditure programmes
- setting targets to measure financial and other performance
- clearly defined purchasing (asset purchase, capital investment or contract purchasing) control guidelines
- delegation of authority and segregation of duties
- identification and management of risks through the Risk Register, which is reviewed by the Audit Committee twice a year

The Audit Committee considers it prudent to maintain a degree of oversight of internal controls by commissioning independent auditor reviews. The Academy Trust has appointed an internal auditor independent of the external auditors to carry out a programme of reviews each year. The annual plan for this additional systems work is informed by an analysis of the risks to which the Academy Trust is exposed, a three year plan was submitted to and approved by the Audit Committee in June 2021. The analysis of risks and the plan for additional work is endorsed by the Board on the recommendation of the Audit Committee.

Esher Sixth Form College

Governance Statement (continued)

Review of effectiveness

As Accounting Officer, the Principal 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 executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework
- comments made by the Academy Trust's financial statements/regularity auditors and the internal auditors in their management letters and other reports
- the financial management and governance self-assessment process

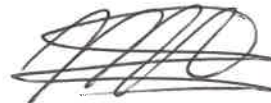
The Accounting Officer has been advised on the implications of these reviews and the system of internal control and ensures continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on 6 December 2023 and signed on its behalf by:



T Oliver

Chair of Trustees



D Hards

Accounting Officer and Principal

Esher Sixth Form College

Statement of Regularity, Propriety and Compliance

As Accounting Officer of Esher Sixth Form College, I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education and Skills Funding Agency of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, including for estates safety and management, under the funding agreement in place 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 2022.

I confirm that I and the Academy Trust Board of Trustees are able to identify any material irregular or improper use of 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 2022.

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



D Hards
Accounting Officer and Principal

Date: 6 December 2023

Statement of Trustees' Responsibilities

The Trustees (who are the Directors of the charitable company for the purposes of company law), are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with the Annual Accounts Direction published by the Education and Skills Funding Agency (ESFA), 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 the period. In preparing these financial statements, the Trustees are required to:

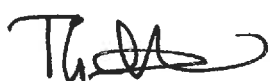
- select suitable accounting policies and apply them consistently
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023
- make judgements and estimates that are reasonable and prudent
- state whether applicable UK accounting standards have been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

The Trustees are responsible for keeping adequate 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 operations the charitable company applies financial and other controls, which conform to 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 of the Academy Trust on 6 December 2023 and signed on its behalf by:



T. Oliver
Chair of the Trustees

Independent Auditor's Report to the Members of Esher Sixth Form College

Opinion

We have audited the financial statements of Esher Sixth Form College (the 'charitable company') for the year ended 31 August 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies and the notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (the Charities SORP 2019) and the Academies Accounts Direction 2022 to 2023.

In our opinion, the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

Esher Sixth Form College

Other information (continued)

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

- ◆ adequate accounting records have not been kept by the charitable company, 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 or 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 trustees responsibilities statement, the trustees (who are also the directors for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

- ◆ the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- ◆ we identified the laws and regulations applicable to the charitable company through discussions with management, and from our knowledge of the academy trust sector;
- ◆ the identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit;
- ◆ we considered the legal and regulatory frameworks that are applicable to the charitable company and determined that the most significant are the Companies Act 2006, the Charities SORP 2019, the Academies Accounts Direction 2022 to 2023, the Academy Trust Handbook 2022, and the academy trust's funding agreement with the ESFA as well as legislation pertaining to safeguarding in the UK;
- ◆ we understood how the charitable company is complying with those legal and regulatory frameworks by making inquiries to management and those responsible for legal, compliance and governance procedures. We corroborated our inquiries through our review of the minutes of trustees' meetings and papers provided to the trustees.
- ◆ we planned and carried out a separate limited assurance engagement in respect of regularity, propriety and compliance in accordance with the Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts issued by the ESFA, as set out in our separate independent reporting accountant's assurance report on regularity.

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

- ◆ making enquiries of management and those charged with governance as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- ◆ considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.
- ◆ To address the risk of fraud through management bias and override of controls, we:
 - ◆ performed analytical procedures to identify any unusual or unexpected relationships;
 - ◆ tested journal entries to identify unusual transactions;
 - ◆ tested the authorisation of expenditure as part of our substantive testing thereon;
 - ◆ assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policies were indicative of potential bias; and
- ◆ used data analytics to identify any significant or unusual transactions and identify the rationale for them.

Esher Sixth Form College

Auditor's responsibilities for the audit of the financial statements (continued)

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

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

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

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

Use of our report

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



Catherine Biscoe (Senior Statutory Auditor)
For and on behalf of
Buzzacott LLP, Statutory Auditor
130 Wood Street
London

Date: 11 December 2023

Independent Reporting Accountant's Assurance Report on Regularity to Esher Sixth Form College and the Education and Skills Funding Agency

In accordance with the terms of our engagement letter dated 17 May 2023 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2022 to 2023, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Esher Sixth Form College during the period from 1 September 2022 to 31 August 2023 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of the Esher Sixth Form College Accounting Officer and the reporting accountant

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

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

Approach

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

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

Esher Sixth Form College

Approach (continued)

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

The work undertaken to draw to our conclusion includes:

- ◆ An assessment of the risk of material irregularity and impropriety across all of the 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.

Conclusion

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



Buzzacott LLP
Chartered Accountants
130 Wood Street
London
EC2V 6DL

Date: 11 December 2023

Esher Sixth Form College

Statement of Financial Activities for the year ended 31 August 2023 (including Income and Expenditure Account)

| | Notes | Unrestricted Funds £000 | Restricted General Funds £000 | Restricted Fixed Asset Funds £000 | 2022-23 Total £000 | 2021-22 Total £000 |
|--|-------|-------------------------------|--|--|--------------------------|--------------------------|
| Income and endowment funds: | | | | | | |
| Donations and capital grants | 2 | 45 | - | 137 | 182 | 107 |
| Charitable activities: | | | | | | |
| Funding for the Academy Trust's educational operations | 3 | 215 | 11,928 | - | 12,143 | 10,874 |
| Other trading activities | 4 | 112 | - | - | 112 | 89 |
| Investments | 5 | 96 | - | - | 96 | 7 |
| Total Income | | 468 | 11,928 | 137 | 12,533 | 11,077 |
| Expenditure on: | | | | | | |
| Charitable activities: | | | | | | |
| Academy Trust educational operations | 6 | 149 | 10,872 | 1,095 | 12,116 | 11,772 |
| Transfers between funds | | | | | | |
| Total | | 149 | 10,872 | 1,095 | 12,116 | 11,772 |
| Net Income / (Expenditure) | | 319 | 1,056 | (958) | 417 | (695) |
| Transfers between funds | 17 | - | (733) | 733 | - | - |
| Other recognised gains: | | | | | | |
| Actuarial gains on defined benefit pension schemes | 24 | - | 159 | - | 159 | 3,755 |
| Net movement in funds | | 319 | 482 | (225) | 576 | 3,060 |
| Reconciliation of funds | | | | | | |
| Total funds brought forward | | 1,095 | 1,848 | 13,469 | 16,412 | 13,352 |
| Total funds carried forward | 18 | 1,414 | 2,330 | 13,244 | 16,988 | 16,412 |

All activities derive from continuing operations during the period.

Esher Sixth Form College

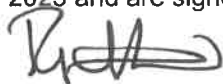
Company Registration number: 12062118 (England and Wales)

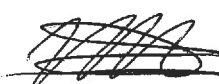
Balance Sheet as at 31 August 2023

| | Notes | 2023 £'000 | 2023 £'000 | 2022 £'000 | 2022 £'000 |
|--|-------|----------------|---------------|----------------|---------------|
| Fixed assets | | | | | |
| Intangible assets | 11 | 21 | | - | |
| Tangible fixed assets | 12 | 13,223 | | 13,469 | |
| | | | 13,244 | | 13,469 |
| Current assets | | | | | |
| Debtors | 13 | 378 | | 435 | |
| Short term deposits | | 2,500 | | - | |
| Cash at bank and in hand | | 2,035 | | 3,571 | |
| | | 4,913 | | 4,006 | |
| Less: Creditors – amounts falling due within one year | 14 | (1,169) | | (1,063) | |
| Net current assets | | | 3,744 | | 2,943 |
| Total assets less current liabilities | | | 16,988 | | 16,412 |
| Provisions | | | | | |
| Defined benefit obligations | 17/24 | | - | | - |
| Total net assets | | | 16,988 | | 16,412 |
| Funds of the Academy Trust: | | | | | |
| Restricted funds: | | | | | |
| Fixed Asset Fund | 17/18 | 13,244 | | 13,469 | |
| Restricted Income Fund | | 2,330 | | 1,848 | |
| Pension Reserve | | - | | - | |
| Total restricted reserves | | | 15,574 | | 15,317 |
| Unrestricted Income funds | | | 1,414 | | 1,095 |
| Total funds | | | 16,988 | | 16,412 |

The Notes on pages 34 to 56 form a part of these financial statements.

The financial statements on pages 31 to 56 were approved and authorised for issue by the Trustees on 6 December 2023 and are signed on their behalf by:


T Oliver
Chair of the Trustees


D Hards
Principal

Esher Sixth Form College

Cash Flow Statement for the period ended 31 August 2023

| | Note | 2023 £'000 | 2022 £'000 |
|--|------|---------------|---------------|
| Cash inflow from operating activities | | | |
| Net cash provided by operating activities | 19 | 1,601 | 776 |
| Cash flows from Investing activities | 20 | (3,137) | (2,152) |
| Cash flows from financing activities | | - | - |
| Change in cash and cash equivalents in the reporting period | 21 | (1,536) | (1,426) |
| Cash and cash equivalents at 1 September 2022 | | 3,571 | 4,997 |
| Cash and cash equivalents at 31 August 2023 | 21 | 2,035 | 3,571 |

Analysis of changes in cash and cash equivalents

| | At 1 September 2022 £'000 | Cash flows £'000 | At 31 August 2023 £'000 |
|---------------------------|------------------------------------|------------------------|----------------------------------|
| Cash and cash equivalents | 3,571 | (1,536) | 2,035 |
| Total | 3,571 | (1,536) | 2,035 |

The notes on pages 34 to 56 form part of these financial statements

Esher Sixth Form College

Notes to the Financial Statements for the period ended 31 August 2023

1. Accounting policies

Statement of accounting policies

Esher Sixth Form College is a charitable company limited by guarantee, incorporated in England and Wales (Company number 12062118) and is a public benefit entity, the registered office of which is Weston Green Road, Thames Ditton, KT7 0JB. The financial statements are presented in sterling which is the functional currency of the College and are rounded to the nearest £'000. A summary of the principal accounting policies adopted (which have been applied consistently), judgements and key sources of estimation uncertainty, is set out below.

Basis of preparation

The financial statements of the Academy Trust, which is a public benefit entity under FRS102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), 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 (FRS102) (Charities SORP (FRS102)), the Academies Accounts Direction 2022-23 issued by the ESFA, the Charities Act 2011 and the Companies Act 2006. There have been no material departures from these applicable standards.

Going concern

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. In making this assessment the Trustees have considered a period of at least one year from the date of authorisation for the issue of the financial statements and have concluded that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy Trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

Notes to the Financial Statements for the period ended 31 August 2023 (cont.)

1. Accounting policies (cont.)

Income

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

Grants

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

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

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

Donations

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

Other income

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

Notes to the Financial Statements for the period ended 31 August 2023 (cont.)

1. Accounting policies (cont.)

Expenditure

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

Expenditure on raising funds

This includes all expenditure incurred by the Academy Trust to raise funds for its charitable purposes and includes costs of all fundraising activities and non-charitable trading.

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.

Intangible fixed Assets

Computer software assets costing £1,000 or more are capitalised as intangible fixed assets and are carried at cost net of amortisation and any provision for impairment. Amortisation is provided on all intangible fixed assets on a straight line basis over its expected useful life of 4 years.

Tangible fixed assets

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

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

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

- Freehold buildings – 50 years
- Buildings Refurbishments – 10 years
- Motor vehicles – 4 years
- Furniture, fixtures and fittings – 4 years
- Computer hardware – 4 years

Notes to the Financial Statements for the period ended 31 August 2023 (cont.)

1. Accounting policies (cont.)

Tangible fixed assets (cont.)

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

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.

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 advance payments for the goods or services it must provide.

Provisions

Provisions are recognised when the Academy Trust has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

Leased Assets

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

Financial Instruments

The Academy Trust only holds basic financial instruments as defined in FRS102. The financial assets and financial liabilities of the Academy Trust and their measurement 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 12. Prepayments are not financial instruments.

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

Short term deposits – fixed term deposit accounts with a maturity date between 3 – 12 months.

Financial liabilities – trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 13. 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.

Notes to the Financial Statements for the period ended 31 August 2023 (cont.)

1. Accounting policies (cont.)

Taxation

The Academy Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the College is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Pensions Benefits

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

Teachers' Pension Scheme (TPS)

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. As stated in note 23, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The Surrey Local Government Pension Scheme (LGPS)

The Surrey Local Government Pension Scheme (LGPS) is a funded 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 method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred.

Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

Notes to the Financial Statements for the period ended 31 August 2023 (cont.)

1. Accounting policies (cont.)

Fund Accounting

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

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

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder/donor and grants received from the Education and Skills Funding Agency.

Critical accounting estimates and areas of judgement

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

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.

Tangible Fixed Assets

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of assets are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation and maintenance programmes are taken into account.

Local Government Pension Scheme

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate, inflation rate and rate of increase in salaries. 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 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

The asset values are reported using estimated asset allocations prepared by the scheme Actuary. The asset value is calculated at each triennial valuation. Thereafter it is rolled forward to accounting dates using investment returns, contributions received and benefits paid out. During each annual reporting period between triennial valuations, asset returns are estimated using 11 months of market experience and one month of extrapolation being assumed.

Notes to the Financial Statements for the period ended 31 August 2023
(cont.)

2 Donations and capital grants

| | Unrestricted Funds £'000 | Restricted Funds £'000 | 2022-23 Total £'000 | 2021-22 Total £'000 |
|-----------------------------|--------------------------------|------------------------------|---------------------------|---------------------------|
| Capital grants – DfE / ESFA | - | 137 | 137 | 47 |
| Other donations | 45 | - | 45 | 60 |
| | <u>45</u> | <u>137</u> | <u>182</u> | <u>107</u> |

3 Funding for the Academy Trust's educational operations

| | Unrestricted Funds £'000 | Restricted Funds £'000 | 2022-23 Total £'000 | 2021-22 Total £'000 |
|--|--------------------------------|------------------------------|---------------------------|---------------------------|
| DfE / ESFA Grants | | | | |
| General Annual Grant (GAG) | - | 11,330 | 11,330 | 10,029 |
| Teachers' Pension Grant | | 427 | 427 | |
| Other DfE Group grants | - | 127 | 127 | 636 |
| | - | 11,884 | 11,884 | 10,665 |
| Other Government grants | | | | |
| Local authority grants | | 33 | 33 | 80 |
| Other income (DfE / ESFA) – 16-19 tuition fund | - | 11 | 11 | 13 |
| Other income - Covid-19 mass testing | - | - | - | 16 |
| Other income from the Academy Trust's educational operations | 158 | - | 158 | 67 |
| Other income | 57 | - | 57 | 33 |
| | <u>215</u> | <u>11,928</u> | <u>12,143</u> | <u>10,874</u> |

The academy received £11k of funding for the 16-19 tuition fund, costs in respect of this tuition exceeded £11k.

4 Other trading activities

| | Unrestricted Funds £'000 | Restricted Funds £'000 | 2022-23 Total £'000 | 2021-22 Total £'000 |
|--------------------|--------------------------------|------------------------------|---------------------------|---------------------------|
| Hire of facilities | 112 | - | 112 | 89 |
| | <u>112</u> | <u>-</u> | <u>112</u> | <u>89</u> |

Esher Sixth Form College

Notes to the Financial Statements for the period ended 31 August 2023 (cont.)

| 5 Investment income | Unrestricted Funds £'000 | Restricted Funds £'000 | 2022-23 Total £'000 | 2021-22 Total £'000 |
|---------------------|--------------------------------|------------------------------|---------------------------|---------------------------|
| Short term deposits | 96 | - | 96 | 7 |
| | <u>96</u> | <u>-</u> | <u>96</u> | <u>7</u> |

| 6 Expenditure | Staff Costs £'000 | Non-Pay expenditure | | 2022-23 Total £'000 | 2021-22 Total £'000 |
|--|-------------------------|---------------------|----------------|---------------------------|---------------------------|
| | | Premises £'000 | Other £'000 | | |
| Academy's educational operations: | | | | | |
| Direct costs | 7,107 | - | 1,084 | 8,191 | 7,160 |
| Allocated support costs | 1,566 | 938 | 1,421 | 3,925 | 4,612 |
| | <u>8,673</u> | <u>938</u> | <u>2,505</u> | <u>12,116</u> | <u>11,772</u> |

Net income / (expenditure) for the period includes:

| | 2022-23 £'000 | 2021-22 £'000 |
|--|------------------|------------------|
| Operating lease rentals | 75 | 25 |
| Depreciation | 1,092 | 995 |
| Loss on disposal of Fixed Assets | - | 17 |
| Net interest on defined benefit pension scheme | (7) | 56 |
| - External Audit fees | 16 | 15 |
| - External audit – other | 1 | 3 |
| - Internal auditors | 9 | 8 |
| | <u>9</u> | <u>8</u> |

**Notes to the Financial Statements for the period ended 31 August 2023
(cont.)**

| 7 Charitable Activities | 2022-23 | 2021-22 |
|---|----------------|----------------|
| | £'000 | £'000 |
| Direct costs – education operations | | |
| Teaching and educational support staff costs | 7,107 | 6,514 |
| Educational supplies | 430 | 274 |
| Examination fees | 448 | 326 |
| Staff development | 47 | 34 |
| Other direct costs | 159 | 12 |
| | <u>8,191</u> | <u>7,160</u> |
| Direct Costs | | |
| Support costs – educational operations | | |
| Support staff costs | 1,566 | 2,118 |
| Depreciation | 1,092 | 995 |
| Technology costs | 35 | 96 |
| Recruitment and support | 46 | 47 |
| Premises costs | 938 | 985 |
| Other support costs | 212 | 340 |
| Governance costs | 36 | 31 |
| | <u>3,925</u> | <u>4,612</u> |
| Support costs | | |
| | <u>12,116</u> | <u>11,772</u> |
| Total direct and support costs | | |

Included within Support staff costs and other support costs are costs of £14,000 (2022: £49,000) and £135,000 (2022: £41,000) respectively relating to costs incurred in direct relation to the unrestricted income received.

| 8 Staff | 2022-23 | 2021-22 |
|-------------------------------------|----------------|----------------|
| a Staff costs | £'000 | £'000 |
| Staff costs during the period were: | | |
| Wages and Salaries | 6,486 | 6,090 |
| Social security costs | 653 | 624 |
| Pension costs | 1,484 | 1,856 |
| | <u>8,623</u> | <u>8,570</u> |
| Agency staff costs | 56 | 68 |
| | <u>8,679</u> | <u>8,638</u> |
| Total Staff costs | | |

Notes to the Financial Statements for the period ended 31 August 2023 (cont.)

8 Staff (cont.)

b Staff numbers

The average number of persons employed by the Academy during the period, expressed as headcount was as follows:

| | 2022-23 | 2021-22 |
|----------------------------|----------------|----------------|
| | No. | No. |
| Teachers | 117 | 116 |
| Administration and support | 76 | 69 |
| Management | 4 | 4 |
| | <u>197</u> | <u>189</u> |

The average number of persons employed by the Academy during the period, expressed as full-time equivalents was as follows:

| | 2022-23 | 2021-22 |
|----------------------------|----------------|----------------|
| | No. | No. |
| Teachers | 94 | 95 |
| Administration and support | 56 | 51 |
| Management | 4 | 4 |
| | <u>154</u> | <u>150</u> |

c Higher paid staff

The number of employees whose employee benefits (excluding employer pension costs and employer national insurance) exceeds £60,000 on a 12 month period basis was:

| | 2022-23 | 2021-22 |
|---------------------|----------------|----------------|
| | No. | No. |
| £60,001 - £70,000 | 1 | 3 |
| £70,001 - £80,000 | 3 | - |
| £80,001 - £90,000 | - | 1 |
| £120,000 - £130,000 | 1 | - |
| £140,000 - £150,000 | - | 1 |
| | <u>-</u> | <u>1</u> |

d Key management personnel

The key management personnel of the Academy Trust comprise the Trustees and the senior management team as listed on page 3. The total amount of employee benefits (including pension contributions and employer national insurance) received by key management personnel for their services to the Academy Trust was £464,000 comprising:

| | 2022-23 | 2021-22 |
|--|----------------|----------------|
| | £'000 | £'000 |
| Salaries | 339 | 352 |
| Pension and Employers National insurance | 125 | 129 |
| Benefits in kind | - | - |
| | <u>464</u> | <u>481</u> |

**Notes to the Financial Statements for the period ended 31 August 2023
(cont.)**

8 Staff (cont.)

e Accounting Officer (Principal)

| | 2022-23 £'000 | 2021-22 £'000 |
|--|--------------------------|--------------------------|
| Salaries | 121 | 141 |
| Pension and Employers National insurance | 44 | 52 |
| Benefits in kind | - | - |
| | <u>165</u> | <u>193</u> |

f Staff Trustees

The staff Trustees (who are named in the Trustees' report) received no remuneration in respect of their voluntary role as staff Trustees.

9 Related Party Transactions – Trustees' Remuneration and Expenses

The Principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment, and not in respect of their role as Trustees. Non-staff Trustees are not remunerated for their services. Trustee expenses paid during the year in respect of travel and subsistence totalled £Nil (2022: £Nil).

10 Trustees' and Officers Insurance

In accordance with normal commercial practice the Academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The Insurance policy provides cover up to £5,000,000 on any one claim at an annual cost of £1,258 (2022: £1,258 for £5,000,000). The cost of this insurance is included in the total insurance cost.

Notes to the Financial Statements for the period ended 31 August 2023
(cont.)

| 11 Intangible Assets | | Computer Software £'000 | Total £'000 |
|---|--|-------------------------------|----------------|
| Cost | | | |
| At 1 September 2022 | | - | - |
| Additions | | 24 | 24 |
| At 31 August 2023 | | <u>24</u> | <u>24</u> |
| Amortisation | | | |
| At 1 September 2022 | | - | - |
| Charged in the year | | 3 | 3 |
| At 31 August 2023 | | <u>3</u> | <u>3</u> |
| Carrying amount | | | |
| At 31 August 2023 | | <u>21</u> | <u>21</u> |
| At 31 August 2022 | | <u>-</u> | <u>-</u> |
| | | | |
| 12 Tangible Fixed Assets | Freehold Land and Buildings £'000 | Equipment £'000 | Total £'000 |
| Cost | | | |
| At 31 August 2022 | 21,185 | 4,057 | 25,242 |
| Additions | 257 | 589 | 846 |
| Disposals | - | - | - |
| At 31 August 2023 | <u>21,442</u> | <u>4,646</u> | <u>26,088</u> |
| Depreciation | | | |
| At 31 August 2022 | 8,767 | 3,006 | 11,773 |
| Charged in the year | 661 | 431 | 1,092 |
| Disposals | - | - | - |
| At 31 August 2023 | <u>9,428</u> | <u>3,437</u> | <u>12,865</u> |
| Net book value at 31 August 2023 | <u>12,014</u> | <u>1,209</u> | <u>13,223</u> |
| Net book value at 31 August 2022 | <u>12,418</u> | <u>1,051</u> | <u>13,469</u> |

The Trust's transactions relating to land and buildings included:

- Replacement of the College Theatre Roof £49,000
- Replacement of Y block windows £136,000
- Final instalment on the Dance Studio and Study Centre £59,000
- A shipping storage container £6,000

Esher Sixth Form College

Notes to the Financial Statements for the period ended 31 August 2023 (cont.)

| 13 Debtors | 2023 £'000 | 2022 £'000 |
|--------------------------------|---------------|---------------|
| Trade Debtors | 23 | - |
| VAT recoverable | 164 | 248 |
| Other debtors | 20 | 27 |
| Prepayments and accrued income | 171 | 160 |
| | <u>378</u> | <u>435</u> |

| 14 Creditors: amounts falling due within one year | 2023 £'000 | 2022 £'000 |
|---|---------------|---------------|
| Trade Creditors | 361 | 201 |
| Other taxation and social security | 160 | 154 |
| Other creditors | 220 | 219 |
| Accruals and deferred income | 428 | 489 |
| | <u>1,169</u> | <u>1,063</u> |

| Deferred Income | 2023 £'000 | 2022 £'000 |
|-------------------------------------|---------------|---------------|
| Deferred income at 1 September 2022 | 207 | 214 |
| Release from previous years | (207) | (214) |
| Resources deferred in the year | 206 | 207 |
| Deferred Income at 31 August 2023 | <u>206</u> | <u>207</u> |

At the balance sheet date the Academy Trust was holding funds received in advance for the Devolved Formula Capital Grant, trips, general fund donations, adult education and bursary.

| 15 Capital Commitments | 2023 £'000 | 2022 £'000 |
|---|---------------|---------------|
| Commitments contracted for at 31 August | <u>63</u> | <u>-</u> |

16 Operating Leases

At 31 August 2023 the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:

| | 2023 £'000 | 2022 £'000 |
|--|---------------|---------------|
| Amounts due within one year | 74 | 73 |
| Amounts due between one and five years | 37 | 77 |
| Amounts due after five years | - | - |
| | <u>111</u> | <u>150</u> |

Notes to the Financial Statements for the period ended 31 August 2023
(cont.)

| 17 Funds | | Balance at 1 September 2022 £'000 | Income £'000 | Expenditure £'000 | Gains, losses and transfers £'000 | Balance at 31 August 2023 £'000 |
|--|----------------|--|-----------------|----------------------|---|---|
| Restricted funds | general | | | | | |
| General Annual Grant (GAG) | | 1,169 | 11,330 | (10,115) | (54) | 2,330 |
| Teachers' Pension Grant | | - | 427 | (427) | - | - |
| Other Grants | | 618 | 160 | (160) | (618) | - |
| Covid-19 funding (DfE / ESFA) – 16-19 Tuition fund | | - | 11 | (11) | - | - |
| Other income | | 61 | - | - | (61) | - |
| Pension reserve | | - | - | (159) | 159 | - |
| | | <u>1,848</u> | <u>11,928</u> | <u>(10,872)</u> | <u>(574)</u> | <u>2,330</u> |
| Restricted fixed asset funds | | | | | | |
| Transfer on conversion | | 11,397 | - | (546) | (2,397) | 8,454 |
| DfE / ESFA capital grants | | 1,350 | 137 | (30) | (184) | 1,273 |
| Other capital grants | | 200 | - | (20) | (40) | 140 |
| Capital expenditure from GAG | | 3,442 | - | (499) | 434 | 3,377 |
| Depreciation | | (2,920) | - | - | 2,920 | - |
| | | <u>13,469</u> | <u>137</u> | <u>(1,095)</u> | <u>733</u> | <u>13,244</u> |
| Total restricted funds | | <u>15,317</u> | <u>12,065</u> | <u>(11,967)</u> | <u>159</u> | <u>15,574</u> |
| Total unrestricted funds | | <u>1,095</u> | <u>468</u> | <u>(149)</u> | <u>-</u> | <u>1,414</u> |
| Total funds | | <u>16,412</u> | <u>12,533</u> | <u>(12,116)</u> | <u>159</u> | <u>16,988</u> |

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

The Restricted General Fund includes GAG and other grants received from the ESFA and the Local Authority towards educational activities.

The Restricted Asset Fund includes amounts received from the ESFA in respect of tangible assets held for use by the academy trust. Transfers between the Restricted General Fund and the Restricted Asset Fund relate to amounts used for purchases from this fund.

Additions during the year were made in relation to capital spend which was funded from GAG and was subsequently transferred into the Restricted Fixed Asset Fund.

The Pension Reserve relates to the academy trust's share of assets held by the Local Government Pension Scheme overseen by Surrey County Council.

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

Notes to the Financial Statements for the period ended 31 August 2023
(cont.)

17 Funds (cont.)

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

| | Balance at 1 September 2021 | Income | Expenditure | Gains, losses and transfers | Balance at 31 August 2022 |
|--|-----------------------------------|---------------|-----------------|-----------------------------------|------------------------------------|
| Restricted general funds | | | | | |
| General Annual Grant (GAG) | 522 | 10,029 | (9,277) | (105) | 1,169 |
| Teachers' Pension Grant | - | 410 | (410) | - | - |
| Other Grants | 618 | 306 | (306) | - | 618 |
| Covid-19 funding (DfE / ESFA) – 16-19 Tuition fund | - | 13 | (13) | - | - |
| Covid-19 – NHS mass testing | 38 | 16 | (54) | - | - |
| Other income | 43 | 18 | - | - | 61 |
| Pension reserve | (3,128) | - | (627) | 3,755 | - |
| | <u>(1,907)</u> | <u>10,792</u> | <u>(10,687)</u> | <u>3,650</u> | <u>1,848</u> |
| Restricted fixed asset funds | | | | | |
| Transfer on conversion | 11,397 | - | - | - | 11,397 |
| DfE / ESFA capital grants | 1,350 | 47 | - | (47) | 1,350 |
| Other capital grants | 200 | - | - | - | 200 |
| Capital expenditure from GAG | 1,236 | - | - | 2,206 | 3,442 |
| Depreciation | (1,907) | - | (995) | (18) | (2,920) |
| | <u>12,276</u> | <u>47</u> | <u>(995)</u> | <u>2,141</u> | <u>13,469</u> |
| Total restricted funds | <u>10,369</u> | <u>10,839</u> | <u>(11,682)</u> | <u>5,791</u> | <u>15,317</u> |
| Total unrestricted funds | <u>2,982</u> | <u>238</u> | <u>(90)</u> | <u>(2,036)</u> | <u>1,095</u> |
| Total funds | <u>13,352</u> | <u>11,077</u> | <u>(11,772)</u> | <u>3,755</u> | <u>16,412</u> |

Notes to the Financial Statements for the period ended 31 August 2023
(cont.)

18 Analysis of Net Assets between Funds

Fund balances at 31 August 2023 are represented by:

| | Unrestricted Funds £'000 | Restricted General Funds £'000 | Restricted Fixed Asset Fund £'000 | 31 August 2023 Total Fund £'000 |
|--------------------------|--------------------------------|---|---|---|
| Intangible Fixed Assets | - | - | 21 | 21 |
| Tangible Fixed Assets | - | - | 13,223 | 13,223 |
| Current Assets | 1,507 | 3,406 | - | 4,913 |
| Current Liabilities | (93) | (1,076) | - | (1,169) |
| Pension Scheme liability | | | | |
| Total Net Assets | 1,414 | 2,330 | 13,244 | 16,988 |

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

| | Unrestricted Funds £'000 | Restricted General Funds £'000 | Restricted Fixed Asset Fund £'000 | 31 August 2022 Total Fund £'000 |
|--------------------------|--------------------------------|---|---|---|
| Intangible Fixed Assets | - | - | - | - |
| Tangible Fixed Assets | - | - | 13,469 | 13,469 |
| Current Assets | 1,161 | 2,845 | - | 4,006 |
| Current Liabilities | (66) | (997) | - | (1,063) |
| Pension Scheme liability | - | - | - | - |
| Total Net Assets | 1,095 | 1,848 | 13,469 | 16,412 |

Notes to the Financial Statements for the period ended 31 August 2023
(cont.)

| | | | |
|-----------|--|-----------------------------|-----------------------------|
| 19 | Reconciliation of Net Income / (expenditure) to Net Cash Flow from Operating Activities | 2023 £'000 | 2022 £'000 |
| | Net income / (expenditure) for the reporting period (as per the statement of financial activities) | 417 | (695) |
| | Adjusted for: | | |
| | Amortisation (note 11) | 3 | - |
| | Depreciation charges (note 12) | 1,092 | 1,013 |
| | Capital grants from DfE and other capital income | (137) | (47) |
| | Interest receivable (note 5) | (96) | (7) |
| | Defined benefit pension scheme costs (note 24) | 159 | 627 |
| | Decrease / (Increase) in debtors | 57 | (127) |
| | Increase / (Decrease) in creditors | 106 | (38) |
| | Net cash provided by Operating Activities | 1,601 | 726 |
| 20 | Cash Flows from Investing Activities | 2023 £'000 | 2022 £'000 |
| | Dividends, interest and rents from investments | 96 | 7 |
| | Purchase of intangible fixed assets | (24) | - |
| | Purchase of tangible fixed assets | (846) | (2,206) |
| | Purchase of short term deposits | (2,500) | |
| | Capital grants from the DfE / ESFA | 137 | 47 |
| | Net cash used in investing activities | (3,137) | (2,152) |
| 21 | Analysis of cash and cash equivalents | 2023 £'000 | 2022 £'000 |
| | Cash and cash equivalents | 2,035 | 3,571 |
| | Total cash and cash equivalents | 2,035 | 3,571 |
| 22 | Contingent liabilities | | |

The Academy Trust had no contingent liabilities at 31 August 2023.

Notes to the Financial Statements for the period ended 31 August 2023 (cont.)

23 Members' Liability

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

24 Pension and Similar Obligations

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

The LGPS relates to employees of the Academy Trust who were employees who transferred as past of the conversion from an incorporated Sixth Form College. The obligation in respect of the employees who transferred on conversion represents their cumulative service at the balance sheet date.

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

Contributions amounting to £159,000 were payable to the schemes as at 31 August 2023 and included within creditors.

| Total pension cost for the year | 2022-23 | 2021-22 |
|---|----------------|----------------|
| | £'000 | £'000 |
| TPS contributions paid | 1,040 | 1,015 |
| LGPS contributions paid | 277 | 270 |
| FRS102 (28) charge | 166 | 571 |
| | <u>443</u> | <u>841</u> |
| Total pension cost for the year within staff costs (note 8a) | <u>1,483</u> | <u>1,856</u> |

Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for teachers in academy trusts. All teachers have the option to opt-out of the TPS following enrolment. The TPS is an unfunded scheme to which both the member and the employer make 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.

Notes to the Financial Statements for the period ended 31 August 2023(cont.)

24 Pension and Similar Obligations (continued)

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The actuarial valuation of the TPS which applied during the year ended 31 August 2023 was carried out at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

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

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

The latest actuarial TPS valuation results, as at 31 March 2020, were released in October 2023. The valuation result is due to be implemented from 1 April 2024, from this date employer contribution rates will increase to 28.6% (including a 0.08% administration levy).

A full copy of the valuation report and supporting documentation can be found on the Teachers' Pension Scheme website

<https://www.teacherspensions.co.uk/-/media/documents/member/documents/news-items/teachers-pension-scheme-actuarial-valuation-2016>.

The employer's pension costs paid to TPS in the year ended 31 August 2023 amounted to £1,040,000 (2021/22 £1,015,000).

Under the definitions set out in FRS102, the TPS is a 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.

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate funds administered by Surrey County council. The total contributions made for the year ended 31 August 2023 were £378,000 of which employer's contributions totalled £277,000 and employees' contributions totalled £101,000. The agreed contribution rates for future years are 17.5% for the employer and range from 5.5% to 8.5% for employees depending on salary according to a national scale.

Parliament has agreed, at the request of the Secretary of State for Education, to guarantee that, in the event of academy closure, outstanding Local government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.

Notes to the Financial Statements for the period ended 31 August 2023(cont.)

24 Pension and Similar Obligations (continued)

Principal Actuarial Assumptions

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

| | At 31 August 2023 | At 31 August 2022 |
|--------------------------------------|-------------------------|-------------------------|
| Rate of increase in salaries | 4.00% | 4.10% |
| Future pension increases | 3.00% | 3.20% |
| Discount rate for scheme liabilities | 5.20% | 4.25% |
| Inflation assumption (CPI) | 3.00% | 3.20% |
| Commutation of pensions to lump sums | | |
| - Pre April 2008 Service | 25% | 25% |
| - Post April 2008 Service | 63% | 63% |

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

| | At 31 August 2023 | At 31 August 2022 |
|-----------------------------|-------------------------|-------------------------|
| <i>Retiring today</i> | | |
| Males | 21.8 | 22.1 |
| Females | 25.1 | 24.5 |
| <i>Retiring in 20 years</i> | | |
| Males | 22.3 | 23.1 |
| Females | 26.2 | 26.2 |

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

| | Fair value at 31 August 2023 £'000 | Fair value at 31 August 2022 £'000 |
|---------------------------------------|--|--|
| Equity instruments | 6,834 | 6,110 |
| Bonds | 1,065 | 1,125 |
| Property | 710 | 643 |
| Cash | 266 | 161 |
| Total market value of assets | 8,875 | 8,039 |
| Actual gain / (loss) on scheme assets | 365 | (550) |

**Notes to the Financial Statements for the period ended 31 August 2023
(cont.)**

24 Pension and Similar Obligations (continued)

Amounts recognised in the Statement of Financial Activities

| | 2022-23 | 2021-22 |
|-------------------------------|----------------|----------------|
| | £'000 | £'000 |
| Current service cost | (166) | (571) |
| Net interest cost | 7 | (56) |
| Total operating charge | (159) | (627) |

Changes in the fair value of academy's defined benefit obligations were as follows:

| | 2022-23 | 2021-22 |
|-------------------------|----------------|----------------|
| | £'000 | £'000 |
| At 1 September | 7,787 | 11,391 |
| Current service cost | 452 | 841 |
| Interest cost | 337 | 194 |
| Employee contributions | 101 | 95 |
| Actuarial loss / (gain) | (968) | (4,557) |
| Benefits paid | (260) | (177) |
| At 31 August | 7,449 | 7,787 |

Changes in the fair value of the academy's share of the scheme assets

| | 2022-23 | 2021-22 |
|-------------------------|----------------|----------------|
| | £'000 | £'000 |
| At 1 September | 8,039 | 8,263 |
| Interest income | 344 | 138 |
| Actuarial gain / (loss) | 365 | (550) |
| Employer contributions | 286 | 270 |
| Employee contributions | 101 | 95 |
| Benefits paid | (260) | (177) |
| At 31 August | 8,875 | 8,039 |

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

| | 31 August | 31 August |
|---|------------------|------------------|
| | 2023 | 2022 |
| | £'000 | £'000 |
| Fair value of plan assets | 8,875 | 8,039 |
| Fair value of plan liabilities | (7,449) | (7,787) |
| Net pensions asset / (liability) | 1,426 | 252 |

The net pensions asset is not recognised in the Balance Sheet for reasons of prudence.

**Notes to the Financial Statements for the period ended 31 August 2023
(cont.)**

24 Pension and Similar Obligations (continued)

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

| | 31 August 2023 £'000 | 31 August 2022 £'000 |
|--|-------------------------------|-------------------------------|
| Fair value of plan assets | 8,875 | 8,039 |
| Fair value of plan liabilities | <u>(7,449)</u> | <u>(7,787)</u> |
| Net pensions asset | <u>1,426</u> | <u>252</u> |
| Adjustment recognised in actuarial gains to cap scheme surplus | <u>(1,426)</u> | <u>(252)</u> |
| Recognised in the financial statements | <u>-</u> | <u>-</u> |

The net pensions asset is not recognised in the Balance Sheet for reasons of prudence.

25 Related Party Transactions

Owing to the nature of the Academy Trust's operation and composition of the Board of Trustees being drawn from local public and private sector organisations, it is possible that transactions will take place with organisations in which a member of the Board may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the requirements of the AFH and the Academy trust's financial regulations and normal procurement procedures relating to connected and related party transactions. No related party transactions took place in the period of account, other than certain Trustees' remuneration and expenses already disclosed in note 9.

26 Post Balance Sheet events

There have been no events since the balance sheet date that would materially affect the results for the period.

27 Learner support funds

| | 2022-23 £'000 | 2021- 22 £'000 |
|---|------------------|----------------------|
| Balance at 1 September | 63 | 67 |
| Balance transferred on conversion | - | - |
| Funding body grants | 59 | 60 |
| Disbursed to students | (61) | (61) |
| Administration costs | (3) | (3) |
| Balance unspent at 31 August 2023, included in creditors | <u>58</u> | <u>63</u> |

Funding body grants are available solely for students. In the majority of instances, the College only acts as a paying agent. In these circumstances, the grants and related disbursements are therefore excluded from the Statement of Financial Activities.

**Notes to the Financial Statements for the period ended 31 August 2023
(cont.)**

28 Government provision of laptops and other devices

During 2021-22 the Academy received 10 HP200 series – 4GB RAM – 128GB SSD laptops from the DfE in addition to the 33 received previously. No additional laptops were received this year. These are stored on site in the College Learning Resource Centre and are available for use to students on a loan basis. These are kept ready to be loaned out to disadvantaged students should ever the need arise again for remote learning.