

Company Registration Number: 08127108 (England & Wales)

Hailsham Community College Academy Trust

(A company limited by guarantee)

Annual report and financial statements

For the year ended 31 August 2024

Hailsham Community College Academy Trust
(A company limited by guarantee)

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Hailsham Community College Academy Trust
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REFERENCE AND ADMINISTRATIVE DETAILS

Members	J Harrison Dr J Leach
Trustees	R Farmer, Co-opted Director/Chair of Trustees (appointed 1 September 2024) J Prower, Co-opted Director (appointed 18 April 2024) A Robinson, Appointed Director, Executive Headteacher (appointed 1 September 2024) S Addison, Appointed Director (appointed 1 September 2024) R Hansell, Appointed Director (appointed 1 September 2024) B Hughes (resigned 31 August 2024) D Coslett (resigned 31 August 2024) J Greenwood (resigned 31 August 2024) D Williamson (resigned 31 August 2024) S Weiner (resigned 18 April 2024) S Divall (resigned 31 August 2024) R Simmons (resigned 1 September 2023)
Company registered number	08127108
Company name	Hailsham Community College Academy Trust
Principal and registered office	Hailsham Community College Academy Trust Battle Road Hailsham East Sussex BN27 1DY
Company secretary	S Wilkinson
Business Manager	S Wilkinson
Key Management Personnel	A Robinson, Executive Headteacher (Accounting Officer - Appointed 1 September 2024) N Chamberlain, Head of School - Secondary Phase T Redman, Head of School - Primary Phase (Accounting Officer - Resigned 31 August 2024) S Wilkinson, Head of Business Services
Independent auditors	Kreston Reeves LLP Chartered Accountants 9 Donnington Park 85 Birdham Road Chichester West Sussex PO20 7AJ
Bankers	Lloyds Bank Plc Terminus Road Eastbourne East Sussex

Hailsham Community College Academy Trust
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REFERENCE AND ADMINISTRATIVE DETAILS (continued)
For the year ended 31 August 2024

Solicitors	Browne Jacobson Victoria House Victoria Square Birmingham B2 4BU
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Hailsham Community College Academy Trust
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Trustees' report
For the year ended 31 August 2024

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

The trust operates an academy for pupils aged 2 to 18 serving a catchment area of Hailsham and surrounding areas. It has a capacity of 300 pupils per year group for 11 to 16, 200 for post-16 provision and 60 per year group for the primary phase. The college roll as at October 2024 census was 1637.

Structure, governance and management

Constitution

The Academy Trust is a charitable 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 act as the directors of the charitable company for the purposes of company law. The charitable company is Hailsham Community College Academy Trust, also known as Hailsham Community College.

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

Members' liability

Each member of the charitable company undertakes to contribute to the assets of the charitable company in the event of it being wound up while they are a member, or within one year after they cease to be a member, such amount as may be required, not exceeding £1.00, for the debts and liabilities contracted before they ceased to be a member.

Trustees' indemnities

Governor Liability and Fidelity Guarantee is covered by the Academies Risk Protection Arrangement provided by the Education Funding Agency.

Method of recruitment and appointment or election of Trustees

The academy appoints Trustees in accordance with clauses 50 to 58 of its Articles of Association.

However, following several trustee resignations towards the end of the financial year in July and August 2024, the DfE arranged for an Interim Trust Board to be created, and five trustees were subsequently appointed.

The purpose of the Interim Trust Board is to oversee the governance of the Hailsham Community College Academy Trust during the period of transition as it moves towards the transfer to a Multi Academy Trust. As such it is recognised that this is a time limited arrangement.

Hailsham Community College Academy Trust
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Trustees' report (continued)
For the year ended 31 August 2024

Structure, governance and management (continued)

Organisational structure

The Board of Trustees is collectively responsible for the overall direction of Hailsham Community College and its strategic management. This involves determining the guiding principles within which the Academy operates, setting general policy, adopting an annual development plan and budget, monitoring the Academy activities, and making major decisions about capital expenditure and senior staff appointments. The Board of Trustees is also responsible for ensuring that the Academy meets all its statutory obligations and through the Executive Head, Heads of School and Head of Business Services that it complies with financial regulations.

The Board of Trustees recognises that it would be impractical to undertake all day-to-day activities itself in discharging its responsibilities and that it is necessary to delegate some of its functions through committees and to the Executive Headteacher, and the Senior Leadership of the College.

The Senior Leadership Team (SLT) of the Secondary Phase comprises the Head of School - Secondary, two Deputy Headteachers, one Senior Assistant Head and four Assistant Heads. In addition, there is a Senior Leadership Team at the Primary Phase comprising of Head of Primary Phase, two Assistant Heads of School and a Teaching and Learning Lead. The Executive Headteacher and Head of Business Services work across all phases.

These senior leaders control the Academy at an executive level implementing the policies handed down by the Trustees and reporting back to them. The SLT meet at least once per week to discuss matters relating to the operation and leadership of the Academy.

The Core Executive Team, comprising of the Heads of Phases, Executive Headteacher and Head of Business Services meet once per week to oversee the Strategic Plans set by the Trustees.

Heads of Department are responsible for each curriculum area and Heads of Year for the pastoral operations of the Academy. These individuals are line managed by members of the SLT.

Arrangements for setting pay and remuneration of key management personnel

The board of trustees has delegated the arrangements for staff pay and remuneration to the Pay Committee. This committee is formed from the Interim Trust Board and is currently meeting monthly. A large portion of one of these meetings is dedicated to reviewing and approving pay recommendations from the CEO for key leaders and managers. This committee also receives a pay recommendation from the two trustees who have been appointed to undertake the CEO's performance review.

Hailsham Community College Academy Trust
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Trustees' report (continued)
For the year ended 31 August 2024

Structure, governance and management (continued)

Trade union facility time

Relevant union officials

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

Percentage of time spent on facility time

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

Percentage of pay bill spent on facility time £

Total cost of facility time	4,761
Total pay bill	8,951,618
Percentage of total pay bill spent on facility time	- %

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	- %
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Related parties and other connected charities and organisations

No related party transactions took place in the year, other than certain trustees' remuneration and expenses disclosed in note 11.

Objectives and activities

Objects and aims

The principal objectives and aims of the academy trust are specifically restricted to the following:

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

Hailsham Community College Academy Trust
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Trustees' report (continued)
For the year ended 31 August 2024

Objectives and activities (continued)

The principal objective of the Academy Trust is to advance for the public benefit, of education for students of different abilities between the ages of 2 and 19. In setting the Trust's objectives and planning its activities, the trustees have considered the Charity Commission's general guidance on public benefit. Our catchment is diverse and draws from a broad range of socio-economic contexts. It includes several surrounding villages where there is a significant degree of affluence, but also includes areas of significant economic disadvantage. The Charitable Company has agreed within the provisions of the Funding Agreement between the Trustees and Secretary of State the following characteristics of the Academy:

- The Academy will offer a balanced and broadly-based curriculum.
- The Academy will provide a curriculum for students of different abilities.
- The Academy will provide education for students who are mainly drawn from an area in which the Academy is situated.

Objectives, strategies and activities

The main objectives, strategies and activities of the Academy during the period ending 31st August 2024 are summarised below:

- Reducing variability within the intent and implementation of our curriculum
- Create and sustain the necessary conditions for teachers to teach and students to learn, leading to improved outcomes in all phases.
- To further advance Behaviour and Attitudes To further advance Personal Development
- To improve leadership in all levels at all phases.

Public benefit

In setting our objectives and planning our activities, the Trustees have carefully considered the Charity Commission's general guidance on public benefit.

Strategic report

Achievements and performance

In 2023 - 2024 the board of trustees had an accurate understanding of the college and recognised that the issues facing HCC required external support and capacity to ensure that these barriers were worked through to keep the college on an upwards trajectory of improvement. In its January 2023 meeting, the Trust Board empowered the Chair to commence discussions with MARK Education Trust a small local trust with two secondary schools in East Sussex. The CEO of the trust has a long history with the college as she worked there from 1996 as a trainee and newly qualified teacher of PE and English and left in 2012 as Head of School, before going onto to be the headteacher of Beacon Academy, judged as an outstanding school in April 2024

In September 2023, a memorandum of understanding was agreed with MARK Education Trust. Their CEO and Executive Headteacher Anna Robinson provided support to the Senior Leadership Team at the college for a minimum of one day a week with a view to formalising the partnership and joining MARK Education Trust in the future. The Regional Director's Office and the local authority also indicated that they fully supported these plans.

The leadership team was been re-organised and strengthened with two new members of the team starting in January 2024. One has a specific focus on Progress and Outcomes, including overseeing the most disadvantaged student's strategy and one to oversee the quality of education, particular, teaching and learning and teacher training and development. Key strategies and policies were also reviewed with an aim of focusing on the improvements required, staff morale, team cohesion and creating a collective and compelling vision for Hailsham Community College to provide the best possible education for all of our learners and to improve the college's reputation at the secondary phase in particular over time and become the school of choice for the community once more.

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Trustees' report (continued)
For the year ended 31 August 2024

Strategic report (continued)

Achievements and performance (continued)

As a result of this journey, the Senior Leadership's self-assessment and planning for 2023/24 focused on these areas:

1. Improve the quality of education and standards for all learners, leading to improved outcomes for all learners in all phases
2. Improve the attendance, behaviour and culture within the college, so that all learners feel happy, safe and supported
3. Develop the Personal Development curriculum so that all learners have opportunities to engage positively with themselves, each other and the wider community
4. Improve the quality of leadership and management across the college at all levels

Leaders and staff focused on these throughout the year with support from MARK Education Trust's School Improvement Team. The School Improvement Team were in support in the school for the equivalent of eight days across a week. They provided support and training for the following areas; English and literacy leadership and development, middle leadership development, standards and school culture.

Some examples of key areas that were advanced in 2023 - 2024 were:

- Reorganised the Senior Leadership Team with an emphasis on the two areas of the Quality of Education and Standards and teams under these areas made up of Deputy Headteachers and Assistant Headteachers.
- Line management responsibilities amended to support the new structure and play to strengths on the team where possible.
- Appointment of a professional learning coach for ECTs and ITTs.
- Calendar, including INSET days and assessment points aligned with MARK Education Trust to support consistency, collaboration and staff development.
- Revision of the behaviour policy and in turn the pastoral staffing structure was reorganised and enhanced for further effectiveness and improved safeguarding.
- Reviewed and amended the leadership of attendance and also linked up with East Sussex County Council and their Team Around the School Setting (TASS) to engage in pilot projects and additional support.
- Creation of 'The Hailsham Way' to promote positive behaviours via a rewards structure.
- Timings of unstructured time and the school day to reduce internal truancy and improve attendance.
- Improved staff supervision during structured and unstructured time via a more robust duty rota.
- Timings of lessons and a strategy to support everyone doing the same thing in the first ten minutes of a lesson to support better and more consistent quality first teaching.
- Creation of an internal alternative provision to further meet the needs of the most vulnerable learners.
- Investment in CCTV and reorganising of some rooms, buildings and department areas for a safer, more logical environment.
- Provided further training and support, including targeted CPD.

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Trustees' report (continued)
For the year ended 31 August 2024

Strategic report (continued)

Achievements and performance (continued)

In March and April 2024, the college had an expected serious weaknesses monitoring inspection. Led by four HMIs across the two inspection visits. The final letter acknowledged that leaders had made progress to improve the school, but, as the school knows, there is still more work that is required for it no longer to be judged as in the serious weaknesses category.

The letter from the lead HMI conveyed the following:

Leadership Stability and Focus: They said that senior leadership team is now more stable, with a clear plan for urgent improvements. They highlighted that Leaders and trustees are committed to raising expectations for pupil learning and behaviour.

Inconsistencies in Implementation: Whilst they acknowledge that improvements are underway, more work is needed to ensure all staff, particularly in the secondary phase, consistently implement new strategies.
Curriculum Development: They said that the school offers a broad curriculum. Primary pupils receive focused teaching in reading, while specialist teachers are being recruited for secondary subjects to strengthen expertise across all key stages.

Behavioural Improvements: They noted that Key stages 3 and 4 have seen efforts to improve behaviour and attitudes. They conveyed that changes to the pastoral system are helping pupils feel safer and supported, though challenges with a minority of pupils persist.

Bullying and Prejudicial Language: While they noted that bullying incidents had decreased, they also saw that some secondary pupils lack confidence in the school's response to such issues. They said that to continue to improve this area, staff need to consistently challenge prejudicial language and educate pupils on its impact.
Behavioural Variability Across Lessons: The inspection visit found that pupils report mixed experiences with behaviour management in lessons, leading to disparities in their learning environment. Consistency in applying behaviour policies has to remain a focus.

Reducing Suspensions: They noted that the school is working to reduce suspensions by providing tailored support for pupils. Despite some progress, they said that a significant minority still failed to meet behaviour expectations in April 2024.

Improving Attendance: They said that efforts to address secondary-phase absenteeism were beginning to show impact, with targeted support for key groups. They saw that leaders recognised the need to embed this work further.

External Support: They noted that the school is receiving guidance from the executive headteacher of MARK Education Trust and a local authority adviser, which leaders value for advancing their development plan.

Engagement with the Community: They observed that leaders are prioritising building trust with parents and the local community while considering actions for joining the MARK Education Trust. Trustees support these ongoing improvements.

After the inspection visits, action plans were updated to reflect the observations and areas for ongoing development. Self-evaluation remained regular. Internal judgements were never complacent, and these were routinely scrutinised and substantiated by the school's external advisor, supported by the local authority, who is also an Ofsted HMI.

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Trustees' report (continued)
For the year ended 31 August 2024

Strategic report (continued)

Achievements and performance (continued)

Key Performance Indicators

2023-24 Primary Data

Early Years

- The cohort achieved 80% which is 12.3% above the end of year national average, which was 67.7%.

Year 1

- Phonics Screening data is 84.7% this is 4.5% above the end of year national average, which was 80.2%.
- Writing is 10.1% below the 2023 national average which was 60.1%.
- The Maths data is currently 17.7% above last year's KS1 end of year national average, which for 2023 was 70.4%.

Year 2

- Reading data is 8.47% above last year's KS1 National average of 68.3%.
- Reading Exceeding ARE data is 14.5% above last Year's National average of 18.8%.
- The ARE writing data is 1.8% below last year's National average of 60.1%.
- ARE Maths data is 6.3% above last year's National average of 70.4%.
- The Maths Exceeding ARE data, 18.3%, is above last Year's National Average of 16.3%.

Year 3

- Reading data is 2.7% above the KS2 National average, which was 74%.
- Maths data is 2% above the KS2 national average, which was 73%.
- Writing data is 5.3% below last year's KS2 national average, which was 72%.

Year 4

- Reading is 8.5% below national average which was 74%
- Writing is 37.5% below national average which was 72%
- Maths is 9.2% below last year's KS2 national average which was 73%

2023 - 2024 KS4 results

	FFT20	Assessment Point B	Results
Overall P8	0.43	-0.74	-0.83
Overall A8	47.1	34.9	34.1
En/Ma 9 -5%	42	20	25
EN/MA 9 - 4%	80	46	46
Female P8	0.59	-0.64	-0.67
Male P8	0.27	-0.84	-1.01
Open Subjects P8	0.51	-0.83	-0.97
Disadvantaged P8	0.47	-1.13	-1.23
SEN P8	SEN K: 0.63 SEN E: -0.1	SEN K: -1.2 SEN E: -1.52	SEN K: -1.32 SEN E: -1.91
EBACC Subjects P8	0.56	-0.42	-0.95
PA Middle P8	0.35	-0.76	-0.87
PA Low P8	0.69	-0.46	-0.61
PA High P8	0.35	-0.91	-0.91

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Trustees' report (continued)
For the year ended 31 August 2024

Strategic report (continued)

Achievements and performance (continued)

2023-2024 KS5 results

Overall VA Score: Our unvalidated 4Matrix Value Added score for academic qualifications is -1.09 and for vocational subjects it was -0.46. This represents a decline in outcomes for A Level subjects and an almost equivalent score for Applied General qualifications compared to 2022/23.

Average Point Score: Our Average Point Score of 24.15 (academic) and 23.92 (vocational) represents an average grade of a D+ and Merit respectively for 2023/24.

Going concern

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

Financial review

The Trust has been operating with an in-year deficit for the last financial year. The in-year deficit has been supported by the Academy Reserves. The trust is robust in its management of finance, and undertook several measures to ensure financial sustainability including:

- Reviewing the curriculum to make it more efficient; this has been happening for several years and integrated curriculum and financial planning continues to play important part in our strategic planning.
- Challenging vacancies when they arise as to whether replacement is necessary.
- Effective procurement practices to ensure best value for money for all goods and services.
- An SRMA visit during the year.
- Evaluating the impact of expenditure to ensure best value.

The in-year movement in funds was £142,716.
The reserves balance is now £20,105,687.

There will be financial challenges due to predicted low pupil numbers in the next few years.

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Trustees' report (continued)
For the year ended 31 August 2024

a. Reserves policy

The Trustee's aim is to use allocated funding for the benefit of our current students.

However, the Academy Trust aims to carry forward a prudent level of resources to cover medium and long-term needs for renewal and replacement; for major unforeseen circumstances such as urgent maintenance and contribute towards issues raised in the property condition survey.

Purpose of the policy

- Assists in strategic planning by considering how new projects or activities will be funded.
- Informs the budget process by considering whether reserves need to be used during the financial year or built up for future projects.
- Informs the budget and risk management process by identifying any uncertainty in future income streams. During the financial year the Trustees identify:
- When reserves are drawn on, so that they understand the reasons for this and can consider what corrective action, if any needs to be taken.
- When reserve levels rise significantly above target so that they understand the reasons and can consider the corrective action, if any that needs to be taken.
- Where the reserves level is below target consideration is needed as to whether this is due to short term circumstance or longer-term reasons which might trigger a broader review of finances and reserves. When considering an appropriate level of reserves, the Trustees consider:
- The risk of unforeseen emergency or other unexpected need for funds.
- Covering unforeseen day to day operational costs, for example employing temporary staff to cover a long term sick absence.
- A fall in a source of income, such as pupil numbers.
- Planned commitments, or designations, that cannot be met by future income alone, for example plans for a major capital project.
- The need to fund potential deficits in a cash budget, for example money may need to be spent before a funding grant is received.
- The financial risks identified determine the amount of reserves the academy targets to hold

When deciding on the reserves amount, Trustees of Hailsham Community College will consider the following:

- one month's salary bill (currently approximately £800,000)
- The school's annual budget (currently approximately £10.2 million; a 1% contingency amounts to £102; 5% to £510k and 10% to £1.02m).
- The need for any large project spend such as facilities development or building condition needs.
- Any uncertainty, turbulence or expected reduction in funding arrangements.
- Anticipated funding over the next three years.

Planned reserves will be kept to around 5% of the budget to enable the College to meet unexpected expenditure. The 5-year premises improvement and maintenance plan will inform the use of the remainder of the reserves. Population growth in Hailsham will also have an impact on the use of the reserves, and the need to expand the college.

The value of free reserves (total funds less fixed assets and other restricted funds) held at 31st August 2024 is £2,471,507.

Hailsham Community College Academy Trust
(A company limited by guarantee)

Trustees' report (continued)
For the year ended 31 August 2024

Investment policy

This policy governs the investment strategy of the Hailsham Community College Academy Trust (AT) and all establishments that constitute the AT. The management of charitable funds and investments will comply with the requirements of the:

- Charities Act 2011.
- Trustee Act 2000
- Financial Services and Markets Act (FSMA) 2000; and the
- Charity Commission

The charitable funds of the Academy Trust are derived from direct government and local authority grants and these funds are defined as restricted. Additional charitable funds are generated through the operational nature of the charity's work, such as providing education, training and development; these funds are defined as unrestricted.

Aims and Objectives

The investment objectives are to:

- Achieve a long-term real rate of return, net of inflation, to provide a source of capital to meet beneficiary and operational needs without subjecting the fund to large disinvestment that could impact the ability of the fund to meet future long-term financial commitments.
- Provide an income to the AT to help maintain its operational effectiveness in the short term.

However, a total return approach will take precedent, allowing the Academy Trust to focus on investments providing optimal performance in terms of overall return rather than investments which would provide the right balance of capital and income return. The protection of present and future beneficiaries will be a key responsibility of the Academy Trust.

Investment & Counterparty Risk

The Academy Trust acknowledges that, in order to achieve an optimal rate of return, investments will be subject to a level of risk (Risk Return Relationship). The Academy Trust will seek to adopt a prudent appetite towards risk by:

- Investing in markets where financial services are closely regulated, and compensation schemes are in place.
- Adopting a suitably diversified portfolio and utilising hedged products to limit the impact of systematic and unsystematic risk.
- Avoiding speculative forms of investment.
- Investing in common investment and/or unitised funds.

Professional investment advice will be sought about the most suitable investments for the AT and investments will be placed with suitably qualified investment managing agents.

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Trustees' report (continued)
For the year ended 31 August 2024

Ethical Investment

The Academy Trust is mindful of its underlying principle to further the purpose of the Academy Trust (provision of education); that purpose will ordinarily be best served by seeking the maximum return consistent with commercial prudence. Therefore, the Academy Trust will seek to use a combination of positive and negative criteria to influence the investment decision making process.

Positive Criteria

- Responsible employment practices.
- Best corporate Governance practice.
- Conscientiousness with regard to human rights; Sustainable environmental practice.
- Sensitivity towards the communities in which the business operates

The AT has given due consideration to the guidance issued by the Charities Commission and has recommended against any direct investment in the following types of organisation:

- Any organisation that is directly involved in indiscriminate weaponry.
- Any organisation that produces pornography
- Any organisation where their principal business activity or focus is tobacco, alcoholic drink, gambling, or weekly collected home credit

Monitoring and Reporting Investments

The Academy Trust will review the performance of the Investment Funds biannually by comparing their performance against that of competitors, average performance indicators, and the Head of Business Services' adherence to the Investment Policy.

During this year £100,000 was invested in a fixed term saving account. The amount of interest earned from all accounted was £3,369.

Principal risks and uncertainties

The management of risks to the Academy is undertaken in accordance with the Funding Agreement and the Academy Trust Handbook.

The Board of Trustees is responsible for risk management and for maintaining a sound system of internal controls that supports the achievement of its objectives, whilst safeguarding public funds, other funds and assets for which it is responsible. The Board of Trustees is advised in this role by the Resources Committee, and both are advised and informed by the Senior Leadership Team.

The Board of Trustees fulfils its Risk Management role by:

- Establishing the system of internal control.
- Approving and reviewing policies that underpin the internal control process.
- Agreeing objectives, plans and resources by means of the annual budget and College Improvement Plan.
- Approving the risk management policy and risk register and reviewing according to the specified dates to identify risks, near misses and opportunities.
- Carefully considering the advice from the Responsible officer, Auditor and Audit Committee on internal financial controls.

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Trustees' report (continued)
For the year ended 31 August 2024

The Senior Leadership Team fulfils its risk management role by:

- Implementing governor's policies on risk management and internal control.
- Advising the Resources Committee of the fundamental risks faced by the Academy and helping to evaluate them.
- Providing timely and sufficient information to Trustees and the Resources Committee on the status of risk and controls.
- Assisting the Resources Committee to draw up, review and revise the Risk Register.
- Working to embed risk management and risk-based internal control in all aspects of management.
- The Risk Register shall be a standing item on the Resources Committee agenda to review and revise risks in line with specific review dates.

The Risk Register will be considered annually by the Board of Trustees who should consider:

- The appropriate level of exposure to risk for the Academy as a whole.
- Whether risk review procedures cover strategic and reputational, operational, compliance, financial and other risks to achieving the academy objectives.
- Whether risk assessment and risk based internal control are embedded in ongoing operations and form part of its culture.
- Changes in the nature and extent of risks and the academy's ability to respond to changes in its internal and external environment since the last assessment; the scope and quality of management's ongoing process of monitoring the system of internal control including such elements as the effectiveness of assurance functions;
- The extent and frequency of reports on internal control to the Board of Trustees and whether this is sufficient for the Board of Trustees to build up a cumulative assessment of the state of control and effectiveness of risk management.
- The incidence of any control failings or weaknesses identified at any point in the year and the impact that they have had or could have on financial results.
- The effectiveness of the overall approach and policy to risk management and whether changes or improvements to processes and procedures are necessary

Fundraising

The Trust does not use any external fundraisers.

Plans for future periods

Key Priorities:

- To improve the quality of education, standards and progress
- To improve attendance, behaviour and attitudes
- To improve the quality of leadership and management.

Funds held as custodian on behalf of others

The Academy does not hold any funds on behalf of others.

Disclosure of information to auditors

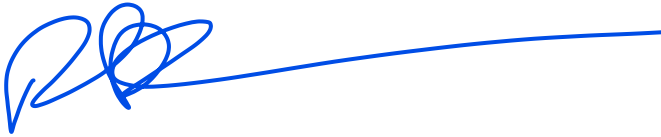
Insofar as the Trustees are aware:

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

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Trustees' report (continued)
For the year ended 31 August 2024

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 13 December 2024 and signed on its behalf by:

A handwritten signature in blue ink, consisting of several loops and a long horizontal stroke extending to the right.

R Farmer
Chair of Trustees

Hailsham Community College Academy Trust
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Governance Statement

Scope of responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that Hailsham Community College 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.

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

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

Governance

The information on governance included here supplements that described in the Trustees' report and in the Statement of trustees' responsibilities. The Board of Trustees has formally met 5 times during the year. Oversight of operations of the College was performed by the Resources and Learning and Development Committees that each met 5 times during the year.

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

Trustee	Meetings attended	Out of a possible
R Farmer	5	5
S Weiner	3	4
A Robinson, Appointed Director, Executive Headteacher	5	5
J Greenwood, Appointed Director	5	5
S Divall, Appointed Director	2	5
D Williamson	4	5

Due to the pending changes within the College, the Trustees decided to work on an interim model with a small number of trustees to enable efficient oversight of the college function and to facilitate a possible transition into a multi-academy trust.

The trustees met five times throughout the year with each meeting focussing on the key committee activities of teaching and learning, and resources, encompassing finance, premises, human resources and health and safety.

Audit and risk was addressed as part of the resources committee.

All but one of the trustees that were in post during the 23/24 academic year ended their tenure on 31st August. An Interim Trust Board has now been appointed for the 24/25 academic year.

Conflicts of Interests

The trust maintains a register of business interests for the Trustees which is updated annually. Trustees are also asked to declare any interests on agenda items as a standing item at each meeting

Hailsham Community College Academy Trust
(A company limited by guarantee)

Governance Statement (continued)

Review of value for money

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

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

- Improving Educational Outcomes by:
 - Raising standards whilst reducing the in-college variations across all subjects
 - Improving the quality and rigour of student assessment and tracking processes across all year groups
 - Revision classes for all subjects during the holidays and after school.
 - Sharpening the focus on closing the gap for vulnerable students
 - Implementing a rigorous appraisal policy which rewards strengths and identifies areas for professional development
 - Ensuring that all lessons were at least 'good', and providing support plans where lessons were judged as 'requires improvement'
 - Creating and professional development programme which develops the capacity of all staff across the college
 - Improving the levels of literacy across the college
 - Improving the levels of attendance and reducing persistent absence
 - Ensure the college behaviour policy rewards success
 - Working in collaboration with local primary schools as part of the Hailsham Partnership Alliance and as part of the South Downs Alliance.
- Ensuring Good Financial Governance and Oversight by:
 - Implementing the recommendations from the Auditors Management Report
 - Regular Management Account reporting to Trustees.
 - Financial Scheme of Delegation reviewed and updated annually
 - Reviewing reports from the Academy Responsible Officer and implementing recommendations
 - Regular dialogue with the Senior Leadership Team, Budget Holders and Trustees to ensure that information is timely and accurate
- Ensuring Better Purchasing by:
 - Benchmarking against local academies and schools on key spend areas
 - Collaborating with other schools and academies for procuring major contracts. i.e. grounds contract that was renewed during the year
 - Rigorous monitoring of budgets and purchasing by the finance team to ensure that best prices are obtained, and set procedures are followed
 - Training for budget holders in achieving 'best value' for all purchases
- Areas for Development
 - Comprehensive plan developed for the management of facilities maintenance and improvement.
 - Stronger challenge from the Trustees within the financial context
 - Continue to ensure that the financial management system is 'fit for purpose'
 - Continuing training for Leadership, Staff and Trustees to ensure that high quality financial oversight and challenge is maintained

Hailsham Community College Academy Trust
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Governance Statement (continued)

Review of value for money (continued)

- Continuing the improvement of monitoring and challenge in the classroom to ensure that high quality teaching is maintained
- To ensure that reserves are maintained to a level to enable physical and educational improvement across the college
- To further raise aspiration across the college and wider community
- To support the curriculum review and ensure that we are getting value for money

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Hailsham Community College Academy Trust for the year 1 September 2023 to 31 August 2024 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

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

The risk and control framework

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

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

The Board of Trustees has decided to employ School Business Services as the internal auditor.

The internal auditor's role includes giving advice on financial matters and performing a range of checks on the trust's financial systems. In particular the checks carried out in the current period included reporting on the effectiveness of procurement processes.

School Business Services carried out three 'virtual' visits across the year:

- Visit 1 – Governance and Risk Management
- Visit 2 – Procurement management
- Visit 3 – Income Management and Payroll Management

Hailsham Community College Academy Trust
(A company limited by guarantee)

Governance Statement (continued)

The risk and control framework (continued)

The summary by grading is as follows:

Assurance	Count
Good	3
Satisfactory	7
Limited Effectiveness	4
Weak	0
Unacceptable	0

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

On an annual basis, the external auditor Kreston Reeves reports to the Board on the operation of the systems of control and on the discharge of the trustees financial responsibilities.

Review of effectiveness

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

- the work of the internal auditor
- the work of the external auditor;
- the financial management and governance self-assessment process;
- the work of the executive managers within the Academy who have responsibility for the development and maintenance of the internal control framework.
- correspondence from ESFA e.g. FNtl/Ntl and 'minded to' letters.

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

Based on the advice of the audit and risk committee and the accounting officer, the board of trustees is of the opinion that the academy trust has an adequate and effective framework for governance, risk management and control.

Approved by order of the members of the Board of Trustees on 13 December 2024 and signed on their behalf by:



R Farmer
Chair of Trustees



A Robinson
Accounting Officer

Hailsham Community College Academy Trust
(A company limited by guarantee)

Statement of Regularity, Propriety and Compliance

As accounting officer of Hailsham Community College Academy Trust, I have considered my responsibility to notify the Academy Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding, including for estates safety and management, under the funding agreement between the Academy and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2023, including responsibilities for estates safety and management.

I confirm that I and the Academy Board of Trustees are able to identify any material irregular or improper use of all funds by the Academy, or material non-compliance with the terms and conditions of funding under the Academy's funding agreement and the Academy Trust Handbook 2023.

I confirm that the following instances of material irregularity, impropriety or funding non-compliance discovered to date have been notified to the Board of Trustees and ESFA. If any instances are identified after the date of this statement, these will be notified to the Board of Trustees and ESFA:

During the year, in contravention of section 2.24 - 2.26 of the Academy Trust Handbook, the Trust did not adhere to its internal procurement policies in respect of internal delegation levels and the number of comparable quotes to be obtained.

During the year, in contravention of section 1.3 of the Academy Trust Handbook; the Trust did not have at least 3 Members.



A Robison

Accounting Officer

Date: 13 December 2024

Hailsham Community College Academy Trust
(A company limited by guarantee)

Statement of Trustees' responsibilities
For the year ended 31 August 2024

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

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

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

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

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

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

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



R Farmer

Chair of Trustees

Date: 13 December 2024

Hailsham Community College Academy Trust
(A company limited by guarantee)

Independent auditors' Report on the financial statements to the Members of Hailsham Community College Academy Trust

Opinion

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

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Hailsham Community College Academy Trust
(A company limited by guarantee)

Independent auditors' Report on the financial statements to the Members of Hailsham Community College Academy Trust (continued)

Other information

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

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

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

Hailsham Community College Academy Trust
(A company limited by guarantee)

Independent auditors' Report on the financial statements to the Members of Hailsham Community College Academy Trust (continued)

Auditors' responsibilities for the audit of the financial statements

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

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

- Discussions with management and assessment of known or suspected instances of non-compliance with laws and regulations (including health and safety) and fraud, and review of the reports made by management and internal audit; and
- Assessment of identified fraud risk factors; and
- Consideration of income streams, completeness of income and compliance with the obligations of funders including the ESFA
- Review of cash and credit card expenditure to confirm no evidence of personal benefit; and
- Challenging assumptions and judgements made by management in its significant accounting estimates; and
- Performing analytical procedures to identify any unusual or unexpected relationships, including related party transactions, that may indicate risks of material misstatement due to fraud; and
- Confirmation of related parties with management, and review of transactions throughout the period to identify any previously undisclosed transactions with related parties outside the normal course of business; and
- Performing analytical procedures with automated data analytics tools to identify any unusual or unexpected relationships, including related party transactions, that may indicate risks of material misstatement due to fraud; and
- Reading minutes of meetings of those charged with governance, reviewing internal audit reports and reviewing correspondence with relevant tax and regulatory authorities; and
- Review of significant and unusual transactions and evaluation of the underlying financial rationale supporting the transactions; and
- Identifying and testing journal entries, in particular any manual entries made at the year end for financial statement preparation.

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

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

Hailsham Community College Academy Trust
(A company limited by guarantee)

Independent auditors' Report on the financial statements to the Members of Hailsham Community College Academy Trust (continued)

Use of our report

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



Kelly Goodwin BA (Hons), ACA (Senior statutory auditor)

for and on behalf of

Kreston Reeves LLP

Chartered Accountants

Chichester

Date: 16th December 2024

Hailsham Community College Academy Trust
(A company limited by guarantee)

Independent Reporting Accountant's Assurance Report on Regularity to Hailsham Community College Academy Trust and the Education and Skills Funding Agency

In accordance with the terms of our engagement letter dated 20 August 2024 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2023 to 2024, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Hailsham Community College Academy Trust during the year 1 September 2023 to 31 August 2024 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Hailsham Community College Academy Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Hailsham Community College Academy Trust's funding agreement with the Secretary of State for Education dated 23 July 2012 and the Academy Trust Handbook, extant from 1 September 2023, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Hailsham Community College Academy Trust
(A company limited by guarantee)

Independent Reporting Accountant's Assurance Report on Regularity to Hailsham Community College Academy Trust and the Education & Skills Funding Agency (continued)

Approach

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

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

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

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

The work undertaken to draw our conclusion included:

- Reviewed expenditure against specific terms of grant funding within the funding agreement
- Ensured that grants have been applied for the purposes intended
- Confirmed internal control procedures exist relating to expenditure incurred of cash
- Confirmed items claimed on cash are not for personal benefit
- Reviewed expenditure and considered whether any supply from related parties
- Reviewed minutes for declarations of interest
- Considered whether other income activities are permitted within the Academy Trust's charitable objects.
- Considered if borrowing agreements, including leases, have been made in accordance with the Academy Trust Handbook
- Confirmed that procurement and tendering procedures exist relating to expenditure and have been complied with.

Hailsham Community College Academy Trust
(A company limited by guarantee)

Independent Reporting Accountant's Assurance Report on Regularity to Hailsham Community College Academy Trust and the Education & Skills Funding Agency (continued)

Conclusion

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

During the year, in contravention of section 2.24 - 2.26 of the Academy Trust Handbook, the Trust did not adhere to its internal procurement policies in respect of internal delegation levels and the number of comparable quotes to be obtained.

During the year, in contravention of section 1.3 of the Academy Trust Handbook; the Trust did not have at least 3 Members.



Reporting Accountant
Kreston Reeves LLP
Chartered Accountants

Date: 16th December 2024

Hailsham Community College Academy Trust
(A company limited by guarantee)

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

	Note	Unrestricted funds 2024 £	Restricted funds 2024 £	Restricted fixed asset funds 2024 £	Total funds 2024 £	As restated Total funds 2023 £
Income from:						
Donations and capital grants	3	5,141	-	271,137	276,278	847,930
Other trading activities	5	318,780	36,689	-	355,469	577,989
Investments	6	4,172	50,000	-	54,172	44,370
Charitable activities	4	-	11,649,926	-	11,649,926	10,160,226
Total income		328,093	11,736,615	271,137	12,335,845	11,630,515
Expenditure on:						
Raising funds		146,396	-	-	146,396	425,580
Charitable activities		-	11,601,542	396,191	11,997,733	11,288,392
Total expenditure		146,396	11,601,542	396,191	12,144,129	11,713,972
Net income/(expenditure)		181,697	135,073	(125,054)	191,716	(83,457)
Transfers between funds	18	-	171,173	(171,173)	-	-
Net movement in funds before other recognised gains/(losses)		181,697	306,246	(296,227)	191,716	(83,457)
Other recognised gains/(losses):						
Actuarial losses on defined benefit pension schemes	24	-	(49,000)	-	(49,000)	(732,000)
Net movement in funds		181,697	257,246	(296,227)	142,716	(815,457)
Reconciliation of funds:						
Total funds brought forward		2,289,810	(174,064)	17,847,225	19,962,971	20,778,428
Net movement in funds		181,697	257,246	(296,227)	142,716	(815,457)
Total funds carried forward		2,471,507	83,182	17,550,998	20,105,687	19,962,971

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

The notes on pages 32 to 58 form part of these financial statements.

Hailsham Community College Academy Trust
(A company limited by guarantee)
Registered number: 08127108

Balance sheet
As at 31 August 2024

	Note	2024 £	As restated 2023 £
Fixed assets			
Tangible assets	13	17,550,998	17,847,225
		<u>17,550,998</u>	<u>17,847,225</u>
Current assets			
Stocks	14	2,914	2,914
Debtors	15	258,860	196,476
Cash at bank and in hand		3,151,212	2,401,832
		<u>3,412,986</u>	<u>2,601,222</u>
Creditors: amounts falling due within one year	16	(858,297)	(485,476)
Net current assets		<u>2,554,689</u>	<u>2,115,746</u>
Total assets less current liabilities		<u>20,105,687</u>	<u>19,962,971</u>
Total net assets		<u>20,105,687</u>	<u>19,962,971</u>
Funds of the Academy			
Restricted funds:			
Fixed asset funds	18	17,550,998	17,847,225
Restricted income funds	18	83,182	(174,064)
Total restricted funds	18	<u>17,634,180</u>	<u>17,673,161</u>
Unrestricted income funds	18	<u>2,471,507</u>	<u>2,289,810</u>
Total funds		<u>20,105,687</u>	<u>19,962,971</u>

The financial statements on pages 29 to 58 were approved and authorised for issue by the Trustees and are signed on their behalf, by:

R Farmer
 (Chair of Trustees)
 Date: 13 December 2024

The notes on pages 32 to 58 form part of these financial statements.

Hailsham Community College Academy Trust
(A company limited by guarantee)

Statement of cash flows
For the year ended 31 August 2024

	Note	2024 £	2023 £
Cash flows from operating activities			
Net cash provided by operating activities	20	627,886	43,371
Cash flows from investing activities			
	21	(95,791)	(200,305)
Change in cash and cash equivalents in the year		532,095	(156,934)
Cash and cash equivalents at the beginning of the year		2,401,832	2,558,766
Cash and cash equivalents at the end of the year	22, 23	<u>2,933,927</u>	<u>2,401,832</u>

The notes on pages 32 to 58 form part of these financial statements

Hailsham Community College Academy Trust
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 August 2024

1. Accounting policies

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

1.1 Basis of preparation of financial statements

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

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

1.2 Going concern

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

Notes to the financial statements
For the year ended 31 August 2024

1. Accounting policies (continued)

1.3 Income

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

• **Grants**

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

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

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

• **Donations**

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

• **Other income**

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

• **Donated fixed assets (excluding transfers on conversion or into the Academy)**

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

1.4 Expenditure

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

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Notes to the financial statements
For the year ended 31 August 2024

1. Accounting policies (continued)

1.4 Expenditure (continued)

• **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the Statement of Financial Activities over the expected useful lives of the assets concerned. Other grants are credited to the Statement of Financial Activities as the related expenditure is incurred.

1.6 Interest receivable

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

1.7 Taxation

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

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

1.8 Tangible fixed assets

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

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

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

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Notes to the financial statements
For the year ended 31 August 2024

1. Accounting policies (continued)

1.8 Tangible fixed assets (continued)

Depreciation is provided on the following bases:

Freehold property	- 50 years straight line
Long-term leasehold property	- over the life of the lease
Furniture and equipment	- 10% straight line
Computer equipment	- 33% straight line
Motor vehicles	- 15% straight line

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

1.9 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.10 Debtors

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

1.11 Cash at bank and in hand

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

1.12 Liabilities

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

1.13 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 15. Prepayments are not financial instruments.

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

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

Notes to the financial statements
For the year ended 31 August 2024

1. Accounting policies (continued)

1.14 Operating leases

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

1.15 Pensions

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

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

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

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

1.16 Fund accounting

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

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

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

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

Hailsham Community College Academy Trust
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Notes to the financial statements
For the year ended 31 August 2024

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

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

The plan surplus as at 31 August 2024 was £899,000 (2023: £780,000). A pension plan asset is recognised to the extent that the company is able to recover the surplus either through reduced contributions in the future or through refunds from the plan. In the opinion of the trustees, the academy trust will not recover the surplus through reduced contributions and they do not anticipate receiving any refunds from the plan and therefore the net surplus recognised within the financial statements has been restricted to £NIL.

Critical areas of judgment:

Depreciation

The assets are depreciated down to their residual values over their estimated useful economic lives or evenly over the term of the lease (if applicable).

3. Income from donations and capital grants

	Unrestricted funds 2024 £	Restricted fixed asset funds 2024 £	Total funds 2024 £	Total funds 2023 £
Donations	5,141	-	5,141	4,546
Capital grants	-	271,137	271,137	843,384
	<u>5,141</u>	<u>271,137</u>	<u>276,278</u>	<u>847,930</u>
Total 2023	<u>4,546</u>	<u>843,384</u>	<u>847,930</u>	

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Notes to the financial statements
For the year ended 31 August 2024

4. Funding for the Academy's charitable activities

	Restricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Academy trust educational operations			
DfE/ESFA grants			
General Annual Grant (GAG)	8,714,246	8,714,246	8,630,216
Other DfE/ESFA grants			
Pupil Premium	645,943	645,943	422,990
UFSM	64,895	64,895	65,082
PE & Sports Grant	17,740	17,740	17,070
Teachers Pay Grant	154,504	154,504	658
Teachers Pension Grant	125,641	125,641	37,823
Mainstream Supplementary Grant	300,714	300,714	370,000
16-19 funding	919,268	919,268	-
Others	117,442	117,442	82,014
	<hr/>	<hr/>	<hr/>
	11,060,393	11,060,393	9,625,853
Other Government grants			
SEN	273,729	273,729	243,310
Early years	133,273	133,273	85,644
Other	155,312	155,312	193,071
	<hr/>	<hr/>	<hr/>
	562,314	562,314	522,025
Other income from the academy trust's educational operations			
	27,219	27,219	12,348
	<hr/>	<hr/>	<hr/>
	11,649,926	11,649,926	10,160,226
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Total 2023	10,160,226	10,160,226	

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Notes to the financial statements
For the year ended 31 August 2024

5. Income from other trading activities

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Income from other schools and outside bodies	-	36,689	36,689	14,127
Letting income	50,682	-	50,682	51,748
Other income	145,317	-	145,317	113,782
School fund income	122,781	-	122,781	398,332
	<u>318,780</u>	<u>36,689</u>	<u>355,469</u>	<u>577,989</u>
Total 2023	<u>563,862</u>	<u>14,127</u>	<u>577,989</u>	

6. Investment income

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Bank interest received	4,172	-	4,172	3,370
Pension income	-	50,000	50,000	41,000
	<u>4,172</u>	<u>50,000</u>	<u>54,172</u>	<u>44,370</u>
Total 2023	<u>3,370</u>	<u>41,000</u>	<u>44,370</u>	

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Notes to the financial statements
For the year ended 31 August 2024

7. Expenditure

	Staff Costs 2024 £	Premises 2024 £	Other 2024 £	Total 2024 £	Total 2023 £
Expenditure on fundraising trading activities:					
Direct costs	-	-	146,396	146,396	425,580
Academy trust educational operations:					
Direct costs	6,397,834	41,073	1,553,651	7,992,558	6,894,553
Allocated support costs	2,762,599	842,559	400,017	4,005,175	4,393,839
	<u>9,160,433</u>	<u>883,632</u>	<u>2,100,064</u>	<u>12,144,129</u>	<u>11,713,972</u>
Total 2023	<u>8,356,011</u>	<u>1,557,274</u>	<u>1,800,687</u>	<u>11,713,972</u>	

8. Analysis of expenditure by activities

	Activities undertaken directly 2024 £	Support costs 2024 £	Total funds 2024 £	Total funds 2023 £
Academy trust educational operations	<u>7,992,558</u>	<u>4,005,175</u>	<u>11,997,733</u>	<u>11,288,392</u>
Total 2023	<u>6,894,553</u>	<u>4,393,839</u>	<u>11,288,392</u>	

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Notes to the financial statements
For the year ended 31 August 2024

8. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Academy trust educational operations 2024 £	Total funds 2024 £	Total funds 2023 £
Staff costs	6,397,834	6,397,834	5,804,737
Depreciation	396,191	396,191	433,568
Technology costs	132,570	132,570	88,543
Educational supplies	639,937	639,937	276,386
Examination fees	147,663	147,663	140,026
Staff development	20,337	20,337	14,045
Educational consultancy	155,317	155,317	100,009
Other direct costs	22,778	22,778	4,190
Recruitment and support	38,858	38,858	21,874
Operating lease costs	41,073	41,073	11,175
	<u>7,992,558</u>	<u>7,992,558</u>	<u>6,894,553</u>
	<u>6,894,553</u>	<u>6,894,553</u>	
Total 2023			

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Notes to the financial statements
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8. Analysis of expenditure by activities (continued)

Analysis of support costs

	Academy trust educational operations 2024 £	Total funds 2024 £	Total funds 2023 £
Staff costs	2,762,599	2,762,599	2,551,274
Maintenance of premises and equipment	406,285	406,285	1,151,911
Cleaning	109,672	109,672	62,391
Rent and rates	39,941	39,941	33,697
Energy costs	267,054	267,054	277,861
Insurance	49,546	49,546	43,502
Security and transport	10,002	10,002	5,025
Catering	207,328	207,328	138,889
Other support costs	126,999	126,999	83,915
Audit fees	23,950	23,950	17,216
Legal and professional	1,799	1,799	28,158
	<u>4,005,175</u>	<u>4,005,175</u>	<u>4,393,839</u>
Total 2023	<u>4,393,839</u>	<u>4,393,839</u>	

Governance costs in the year included £23,950 of audit and accountancy fees (2023: £17,216) and £1,799 of legal and professional fees (2023: £28,158).

9. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2024 £	2023 £
Depreciation of tangible fixed assets	396,191	433,568
Fees paid to auditors for:		
- audit	18,000	13,350
- other services	5,950	3,856
	<u>396,191</u>	<u>433,568</u>

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Notes to the financial statements
For the year ended 31 August 2024

10. Staff

a. Staff costs and employee benefits

Staff costs during the year were as follows:

	2024	2023
	£	£
Wages and salaries	6,849,257	6,167,321
Social security costs	649,002	585,439
Pension costs	1,480,524	1,403,458
	8,978,783	8,156,218
Agency staff costs	167,950	156,393
Staff restructuring costs	13,700	43,400
	9,160,433	8,356,011

Staff restructuring costs comprise:

	2024	2023
	£	£
Redundancy payments	13,700	43,400
	13,700	43,400

b. Severance payments

The Academy paid 1 severance payments in the year (2023 - 2), disclosed in the following bands:

	2024	2023
	No.	No.
£0 - £25,000	1	1
£25,001 - £50,000	-	1

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Notes to the financial statements
For the year ended 31 August 2024

10. Staff (continued)

c. Staff numbers

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

	2024	2023
	No.	No.
Teachers	99	105
Administration & support	105	107
Management	11	21
	<u>215</u>	<u>233</u>

d. Higher paid staff

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

	2024	2023
	No.	No.
In the band £60,001 - £70,000	4	4
In the band £70,001 - £80,000	2	3
In the band £80,001 - £90,000	2	1
In the band £90,001 - £100,000	1	1
	<u>1</u>	<u>1</u>

e. Key management personnel

The key management personnel of the Academy comprise the Trustees, the Key management personnel as listed on page 1 and the senior management team. The total amount of key management personnel benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy was £878,321 (2023 - £904,295).

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Notes to the financial statements
For the year ended 31 August 2024

11. Trustees' remuneration and expenses

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

		2024	2023
		£	£
P Matthews (resigned December 2022)	Remuneration		90,000 - 95,000
	Pension contributions paid		5,000 - 10,000
D Cottingham (resigned December 2022)	Remuneration		5,000 - 10,000
	Pension contributions paid		0 - 5,000
L Marshall (resigned January 2023)	Remuneration		10,000 - 15,000
	Pension contributions paid		0 - 5,000

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

12. Trustees' and Officers' insurance

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

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Notes to the financial statements
For the year ended 31 August 2024

13. Tangible fixed assets

	Freehold property £	Long-term leasehold property £	Furniture and equipment £	Computer equipment £	Motor vehicles £	Total £
Cost or valuation						
At 1 September 2023	8,319,369	10,400,000	1,045,789	983,607	23,995	20,772,760
Additions	28,548	-	-	79,134	-	107,682
Disposals	-	-	(7,719)	-	-	(7,719)
At 31 August 2024	<u>8,347,917</u>	<u>10,400,000</u>	<u>1,038,070</u>	<u>1,062,741</u>	<u>23,995</u>	<u>20,872,723</u>
Depreciation						
At 1 September 2023	1,262,053	255,996	634,375	752,116	20,995	2,925,535
Charge for the year	132,872	63,996	81,020	115,302	3,000	396,190
At 31 August 2024	<u>1,394,925</u>	<u>319,992</u>	<u>715,395</u>	<u>867,418</u>	<u>23,995</u>	<u>3,321,725</u>
Net book value						
At 31 August 2024	<u><u>6,952,992</u></u>	<u><u>10,080,008</u></u>	<u><u>322,675</u></u>	<u><u>195,323</u></u>	<u><u>-</u></u>	<u><u>17,550,998</u></u>
At 31 August 2023	<u><u>7,057,316</u></u>	<u><u>10,144,004</u></u>	<u><u>411,414</u></u>	<u><u>231,491</u></u>	<u><u>3,000</u></u>	<u><u>17,847,225</u></u>

14. Stocks

	2024 £	2023 £
Finished goods and goods for resale	<u>2,914</u>	<u>2,914</u>

15. Debtors

	2024 £	2023 £
Due within one year		
Other debtors	137,883	111,699
Prepayments and accrued income	120,977	84,777
	<u>258,860</u>	<u>196,476</u>

16. Creditors: Amounts falling due within one year

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Notes to the financial statements
For the year ended 31 August 2024

	2024	2023
	£	£
Other taxation and social security	149,153	135,939
Other creditors	433,083	158,216
Accruals and deferred income	276,061	191,321
	<u>858,297</u>	<u>485,476</u>
	<u>858,297</u>	<u>485,476</u>
	2024	2023
	£	£
Deferred income at 1 September 2023	148,019	236,714
Resources deferred during the year	31,127	148,019
Amounts released from previous periods	(148,019)	(236,714)
	<u>31,127</u>	<u>148,019</u>
	<u>31,127</u>	<u>148,019</u>

At the balance sheet date the Academy held funds received in respect of schools trip income, primary growth funding and SGO funding which relates to future periods.

17. Prior year adjustments

Following the trustees judgement explained in note 2 regarding the restriction of the LGPS asset to nil, the comparative LGPS asset has also been restricted to nil. The reduction in the LGPS asset in the comparative figures is £780k.

The impact on the Statement of Financial Activities in the comparative period is an increase in actuarial losses on the defined benefit pension scheme of £780k. the impact on the Statement of Financial Position is a reduction in the defined benefit pension scheme asset of £780k.

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Notes to the financial statements
For the year ended 31 August 2024

18. Statement of funds

	As restated Balance at 1 September 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2024 £
Unrestricted funds						
General Funds - all funds	2,289,810	328,093	(146,396)	-	-	2,471,507
Restricted general funds						
General Annual Grant (GAG) and other government grants	(249,346)	11,060,393	(10,899,038)	171,173	-	83,182
Local Authority grants	75,282	562,314	(637,596)	-	-	-
Other income for educational purposes	-	27,219	(27,219)	-	-	-
Restricted other trading activities	-	36,689	(36,689)	-	-	-
Pension reserve	-	50,000	(1,000)	-	(49,000)	-
	(174,064)	11,736,615	(11,601,542)	171,173	(49,000)	83,182
Restricted fixed asset funds						
Restricted Fixed Asset Fund	17,847,225	271,137	(396,191)	(171,173)	-	17,550,998
Total Restricted funds	17,673,161	12,007,752	(11,997,733)	-	(49,000)	17,634,180
Total funds	19,962,971	12,335,845	(12,144,129)	-	(49,000)	20,105,687

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

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

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

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Notes to the financial statements
For the year ended 31 August 2024

18. Statement of funds (continued)

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

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Notes to the financial statements
For the year ended 31 August 2024

18. Statement of funds (continued)

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

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	As restated Gains/ (Losses) £	As restated Balance at 31 August 2023 £
Unrestricted funds						
General Funds - all funds	2,143,612	571,778	(425,580)	-	-	2,289,810
Restricted general funds						
General Annual Grant (GAG) and other government grants	(399,298)	10,215,353	(10,705,110)	639,709	-	(249,346)
Local Authority grants	135,996	-	(60,714)	-	-	75,282
Other income for educational purposes	821,000	-	(89,000)	-	(732,000)	-
	557,698	10,215,353	(10,854,824)	639,709	(732,000)	(174,064)
Restricted fixed asset funds						
Restricted Fixed Asset Fund	17,882,758	843,384	(433,568)	(608,416)	-	17,684,158
ESCC Funding	194,360	-	-	(31,293)	-	163,067
	18,077,118	843,384	(433,568)	(639,709)	-	17,847,225
Total Restricted funds	18,634,816	11,058,737	(11,288,392)	-	(732,000)	17,673,161
Total funds	20,778,428	11,630,515	(11,713,972)	-	(732,000)	19,962,971

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For the year ended 31 August 2024

19. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2024 £	Restricted funds 2024 £	Restricted fixed asset funds 2024 £	Total funds 2024 £
Tangible fixed assets	-	-	17,550,998	17,550,998
Current assets	2,471,507	941,479	-	3,412,986
Creditors due within one year	-	(858,297)	-	(858,297)
Total	2,471,507	83,182	17,550,998	20,105,687

Analysis of net assets between funds - prior period

	Unrestricted funds 2023 £	As restated Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £
Tangible fixed assets	-	-	17,847,225	17,847,225
Current assets	2,289,810	311,412	-	2,601,222
Creditors due within one year	-	(485,476)	-	(485,476)
Total	2,289,810	(174,064)	17,847,225	19,962,971

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

	2024 £	2023 £
Net income/(expenditure) for the period (as per Statement of financial activities)	191,716	(83,457)
Adjustments for:		
Depreciation	396,190	433,568
Interest receivable	(4,172)	(3,370)
Defined benefit pension scheme cost less contributions payable	(221,285)	130,000
Defined benefit pension scheme finance cost	(45,000)	(41,000)
Decrease/(increase) in stocks	-	(656)
Increase in debtors	(62,384)	(33,040)
Increase/(decrease) in creditors	372,821	(358,674)
Net cash provided by operating activities	627,886	43,371

21. Cash flows from investing activities

	2024 £	2023 £
Dividends, interest and rents from investments	4,172	3,370
Purchase of tangible fixed assets	(107,682)	(203,675)
Proceeds from the sale of tangible fixed assets	7,719	-
Net cash used in investing activities	(95,791)	(200,305)

22. Analysis of cash and cash equivalents

	2024 £	2023 £
Cash in hand and at bank	2,933,927	2,401,832
Total cash and cash equivalents	2,933,927	2,401,832

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23. Analysis of changes in net debt

	At 1 September 2023 £	Cash flows £	At 31 August 2024 £
Cash at bank and in hand	2,401,832	749,380	3,151,212
	<u>2,401,832</u>	<u>749,380</u>	<u>3,151,212</u>

24. Pension commitments

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

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

Contributions amounting to £178,845 were payable to the schemes at 31 August 2024 (2023 - £146,709) and are included within creditors.

Teachers' Pension Scheme

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

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

Notes to the financial statements
For the year ended 31 August 2024

24. Pension commitments (continued)

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to ensure scheme costs are recognised and managed appropriately and the review specifies the level of future contributions.

Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2020. The valuation report was published by the Department for Education on 27 October 2023, with the SCAPE rate, set by HMT, applying a notional investment return based on 1.7% above the rate of CPI. The key elements of the valuation outcome are:

- Employer contribution rates set at 28.68% of pensionable pay (including a 0.08% administration levy). This is an increase of 5% in employer contributions and the cost control result is such that no change in member benefits is needed.
- Total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £262,000 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £222,200 million, giving a notional past service deficit of £39,800 million.

The result of this valuation will be implemented from 1 April 2024. The next valuation result is due to be implemented from 1 April 2028.

The employer's pension costs paid to TPS in the year amounted to £1,106,837 (2023 - £948,055).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website [https://www.teacherspensions.co.uk/-/media/documents/member/documents/factors/valuation/tps-ew-2020-valuation-results-report---26_10_23-\(002\).ashx?rev=aba4c7a4288a480487ee087589a8eda6&hash=732241CC7](https://www.teacherspensions.co.uk/-/media/documents/member/documents/factors/valuation/tps-ew-2020-valuation-results-report---26_10_23-(002).ashx?rev=aba4c7a4288a480487ee087589a8eda6&hash=732241CC7).

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The Academy is unable to identify its share of the underlying assets and liabilities of the plan. Accordingly, the Academy has taken advantage of the exemption in FRS 102 and has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Academy has set out above, the information available on the scheme.

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24. Pension commitments (continued)

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2024 was £457,000 (2023 - £411,000), of which employer's contributions totalled £346,000 (2023 - £312,000) and employees' contributions totalled £111,000 (2023 - £99,000). The agreed contribution rates for future years are 20.4 per cent for employers and 6.1 per cent for employees.

As described in note the LGPS obligation relates to the employees of the Academy, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Academy at the balance sheet date.

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

Principal actuarial assumptions

	2024	2023
	%	%
Rate of increase in salaries	3.8	3.85
Rate of increase for pensions in payment/inflation	2.8	2.85
Discount rate for scheme liabilities	5.1	5.3

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

	2024	2023
	Years	Years
Retiring today		
Males	20.8	20.9
Females	23.8	23.8
Retiring in 20 years		
Males	21.8	21.9
Females	25.4	25.3

Sensitivity analysis

	2024	2023
	£000	£000
Discount rate -0.1%	127	314
Salary increase rate + 0.1%	8	304

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24. Pension commitments (continued)

Share of scheme assets

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

	At 31 August 2024	At 31 August 2023
	£	£
Equities	4,414,000	4,300,000
Corporate bonds	978,000	786,000
Property	951,000	397,000
Cash and other liquid assets	109,000	81,000
Total market value of assets	6,452,000	5,564,000

The actual return on scheme assets was £532,000 (2023 - £-406,000).

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

	2024	2023
	£	£
Current service cost	(342,000)	(438,000)
Interest cost	50,000	41,000
Administrative expenses	(5,000)	(4,000)
Total amount recognised in the Statement of financial activities	(297,000)	(401,000)

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

	2024	2023
	£	£
At 1 September	4,784,000	4,801,000
Current service cost	342,000	438,000
Interest cost	254,000	202,000
Employee contributions	111,000	99,000
Actuarial losses/(gains)	158,000	(697,000)
Benefits paid	(96,000)	(59,000)
At 31 August	5,553,000	4,784,000

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24. Pension commitments (continued)

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

	2024	As restated
	£	2023
		£
At 1 September	4,784,000	5,622,000
Interest income	304,000	243,000
Actuarial gains/(losses)	109,000	(1,429,000)
Employer contributions	346,000	312,000
Employee contributions	111,000	99,000
Benefits paid	(96,000)	(59,000)
Administration expenses	(5,000)	(4,000)
	<hr/>	<hr/>
At 31 August	5,553,000	4,784,000
	<hr/> <hr/>	<hr/> <hr/>

As set out in note 2, the plan surplus as at 31 August 2024 was £899,000 (2023: 780,000). The trustees, are not expecting to recover the surplus through reduced contributions and they do not anticipate receiving any refunds from the plan and therefore the net surplus recognised within the financial statements has been restricted to £NIL.

25. Operating lease commitments

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

	2024	2023
	£	£
Not later than 1 year	6,607	12,215
Later than 1 year and not later than 5 years	-	6,607
	<hr/>	<hr/>
	6,607	18,822
	<hr/> <hr/>	<hr/> <hr/>

26. 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 £1 for the debts and liabilities contracted before he/she ceases to be a member.

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27. Related party transactions

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

Mark Education Trust - an academy trust which J Prower (a HCCAT trustee) is also trustee of:

During the year, Mark Education Trust provided management services to the Trust. Fees of £76,683 (2023: £Nil) were charged by Mark Education Trust to the Trust for these services. £16,041 (2023: £Nil) was owed to Mark Education Trust at the year end.

28. Post balance sheet events

Hailsham Community College is due to be transferred out of Hailsham Community College Academy Trust and into another Multi Academy Trust post year-end.