

Company Registration No. 07485584 (England and Wales)

**SOUTHEND HIGH SCHOOL FOR BOYS ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNORS' REPORT AND AUDITED ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2023**

SOUTHEND HIGH SCHOOL FOR BOYS ACADEMY TRUST

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SOUTHEND HIGH SCHOOL FOR BOYS ACADEMY TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Members

Mr P Richards
Mr A Barrett
Mr R Maddison
Mr A McFarlane (Appointed 24/02/2023)
Mr D Colderwood (Appointed 01/09/2022)
Mrs S O'Ryan
Mr A Gardner
Mr J Dhesi (Appointed 19/06/2023)
Mrs S Currington (Appointed 01/09/2022)

Governors

Dr M Aggarwal (Resigned 10 November 2022)
Dr P Husselbee (Vice Chair)
Mrs S O'Ryan (Chair)
Dr R Bevan (Headteacher and Accounting Officer)
Mr P Crow (Staff Governor)
Mr A Watts
Ms T Whittington
Mr SAA Moinuddin
Mrs J Baldwin
Mr C Briggs
Mr P Hadden (Resigned 21 June 2023)
Mr A Cass (Staff Governor)
Mrs K Lammert
Mr JM Van Deventer
Mrs V Cavalier (Staff Governor)
Mr J Mashakade
Mr B Filev
Mr J Mitchell
Mr T Scroxtton
Mr T DeRuiter (Appointed 27 September 2023)
Mr K Spenceley (Appointed 29 September 2023)

Senior leadership team

| | |
|-------------------------|--------------|
| - Headteacher | Dr R Bevan |
| - Deputy Headteacher | Mrs R Worth |
| - Assistant Headteacher | Mrs C Bates |
| - Director of Resources | Mr S Oxenham |

Company registration number

07485584 (England and Wales)

Registered office

Prittlewell Chase
Southend-on-Sea
Essex
SS0 ORG

Independent auditor

Rickard Luckin Limited
Phoenix House, Suite 8
Christopher Martin Road
Basildon
Essex
SS14 3EZ

SOUTHEND HIGH SCHOOL FOR BOYS ACADEMY TRUST

GOVERNORS' REPORT

FOR THE YEAR ENDED 31 AUGUST 2023

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

The academy trust operates an academy for pupils aged 11 to 18 serving a catchment area in South East Essex. It had a roll of 1,316 in the school census on 1 October 2022.

Structure, governance and management

Constitution

The Academy Trust is a Company limited by guarantee, without share capital, and an exempt charity which was established on 1 February 2011. The Charitable Company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust. In accordance with the requirements of the Articles of Association, it is the duty of the Members of the Charitable Company to appoint Governors to be responsible for the affairs and management of the Academy Trust. The Charitable Company is known as Southend High School for Boys Academy Trust.

In accordance with the Articles of Association, the Charitable Company has identified the requirements for the admission of pupils to the Academy Trust, approved by the Secretary of State for Education.

Details of the Governors who served during the year 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 £10, for the debts and liabilities contracted before they ceased to be a Member.

The Members delegate the running of the Academy Trust to the Governors and have established the form of governance to be adopted through the scheme of delegation.

Governors' indemnities

The Academy Trust has opted into the Department for Education's Risk Protection Arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business, and provides cover up to £10,000,000.

SOUTHEND HIGH SCHOOL FOR BOYS ACADEMY TRUST

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Method of recruitment and appointment or election of Governors

The Members of the Academy Trust may directly appoint up to 12 Governors.

The Members may appoint Staff Governors through such process as they may determine, provided that the total number of Governors (including the Principal/Headteacher), who are employees of the Academy Trust, does not exceed one third of the total number of Governors. Staff Governors are elected by employees of the Academy Trust. Any election of Staff Governors which is contested is held by secret ballot.

Parent Governors are elected by parents of registered pupils at the Academy Trust. A Parent Governor must be a parent of a pupil at the Academy Trust at the time when he or she is elected. Any election of Parent Governors which is contested is held by secret ballot. Arrangements are made for postal votes. Where a vacancy for a Parent Governor is required to be filled by election, the Governing Body takes such steps as are reasonably practical to secure that every person who is known to them to be parent of a registered pupil at the Academy Trust is informed of the vacancy and that it is required to be filled by election, informed that he or she is entitled to stand as a candidate, and vote at the election, and given an opportunity to do so. The number of Parent Governors required is made up by Parent Governors appointed by the Governing Body if the number of parents standing for election is less than the number of vacancies.

Where it is not reasonably practical to appoint a person who is the parent of a registered pupil at the Academy Trust, a person who is the parent of a child of compulsory school age can be appointed.

Members may appoint up to 3 Co-opted Governors. A 'Co-opted Governor' means a person who is appointed to be a Governor by being Co-opted by Governors who have not themselves been so appointed.

The Governors may not co-opt an employee of the Academy Trust as a Co-opted Governor if thereby the number of Governors who are employees of the Academy Trust would exceed one third of the total number of Governors (including the Principal/Headteacher).

Policies and procedures adopted for the induction and training of Governors

All new Governors are recruited and elected on their ability to play an active part in the governance of the Academy. They are provided with all necessary documents that they will need to undertake their role as Governors. They are also referred to the Academy Trust Handbook, Southend High School for Boys Academy Trust's Funding Agreement and various relevant documents. Governors receive training sessions at their meetings on various relevant topics.

SOUTHEND HIGH SCHOOL FOR BOYS ACADEMY TRUST

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Organisational structure

Southend High School for Boys Academy Trust is governed by a Board of Governors (the Governing Body) constituted under a Memorandum of Association and Articles of Association. The Governing Body is responsible for ensuring that high standards of corporate governance are maintained. It exercises its powers and functions with a view to fulfilling a largely strategic leadership role in the running of the Academy Trust, addressing such matters as:

- policy development and strategic development;
- ensuring sound management and administration of the Academy Trust;
- ensuring compliance with legal requirements;
- establishing and maintaining effective internal controls;
- the management of all resources;
- the monitoring of performance;
- helping the Academy Trust to be responsive to the needs of parents, carers and the community; and
- assessing and managing risk.

Governors are responsible for setting general policy, adopting an annual plan and budget, monitoring the Academy Trust by the use of the budgets and strategic development plans and making major decisions about the direction of the Academy Trust, capital expenditure and senior staff appointments.

The Headteacher is directly responsible for the day to day running of the Academy Trust, and is assisted by a Senior Leadership Team consisting of a Deputy Headteacher, an Assistant Headteacher and a Director of Resources. Together the Senior Leadership Team controls the Academy at an executive level, implementing the policies laid down by the Governors, reporting back to them and providing evidence, reports and data analysis to the Governing Body meetings, enabling Governors to monitor effectively.

The Academy Trust has appointed an internal audit service who provide independent oversight of the operation of financial management arrangements. The internal audit service undertake checks to help ensure that the financial responsibilities of the Governing Body are properly discharged.

Arrangements for setting pay and remuneration of key management personnel

The Academy Trust has a Pay Committee who approve all whole school pay awards. The pay policy is approved each November, based upon Essex County Council HR guidelines. The Academy Trust follows national pay and conditions and this includes all key management personnel posts. The Headteacher has the right to set or amend the pay for individual posts but any such events are reported to the next available Pay Committee for ratification.

All staff are subject to an annual performance management process. The Headteacher's Pay Committee sets the pay for the post and carries out the performance review function annually.

SOUTHEND HIGH SCHOOL FOR BOYS ACADEMY TRUST

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Trade union facility time

Relevant union officials

| | |
|--|---|
| Number of employees who were relevant union officials during the relevant period | 2 |
| Full-time equivalent employee number | - |

Percentage of time spent on facility time

| Percentage of time | Number of employees |
|--------------------|---------------------|
| 0% | 2 |
| 1%-50% | - |
| 51%-99% | - |
| 100% | - |

Percentage of pay bill spent on facility time

| | |
|---|---|
| Total cost of facility time | - |
| Total pay bill | - |
| Percentage of the 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 | - |
|---|---|

Related parties and other connected charities and organisations

The Academy Trust is a member of Consortium for Selective Schools in Essex (CSSE) who work to promote the selective schools, share best practice and develop a common approach to policy and selection procedures.

There are transactions between the Academy Trust and CSSE in relation to membership fees and payment for work undertaken on behalf of CSSE.

The Headteacher was a National Education Union (NEU) Executive Committee member but there continue to be transactions between the NEU and the school for work undertaken on behalf of NEU.

The Director of Resources is a member of the Institute of School Business Leadership (ISBL) and delivers training to the Academy sector on behalf of ISBL and the Education Skills Funding Agency. As such there are transactions in relation to membership fees and payment for work undertaken on behalf of ISBL.

Objectives and activities

Objects and aims

The Academy Trust's object is to advance, for the public benefit, education in the United Kingdom by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum ("the Academy").

SOUTHEND HIGH SCHOOL FOR BOYS ACADEMY TRUST

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Objectives, strategies and activities

The principal activity of the Charitable Company is the operation of Southend High School for Boys Academy Trust to provide education for pupils, selected by ability between the ages of 11 and 18 with an emphasis on academic progression.

The 'Scheme of Governance' approved by the Secretary of State specifies, amongst other things, the basis for admitting students to the Academy, the provision for pupils with SEND and that the curriculum should be broad and balanced.

The main objectives of the Academy Trust are summarised below:

- To raise the standards of educational achievement of all pupils;
- To ensure that every student enjoys the same high quality education in terms of resourcing, tuition and care;
- To improve the effectiveness of the Academy Trust by keeping the curriculum and organisational structure under continual review;
- To comply with all appropriate statutory and curriculum requirements;
- To conduct business in accordance with the highest standards of integrity, probity and openness.

Public benefit

The Governors confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Academy Trust's objectives and aims and in planning future activities for the year. The Governors consider that the Academy Trust's aims are demonstrably to the public benefit.

Strategic report

Achievements and performance

At Southend High School for Boys, talent is nurtured and learning is valued. Challenge is welcomed, participation is expected and achievement is prized. This ethos is carried through all that the Academy Trust seeks to achieve and helps maintain a balance between academic performance and other aspects of school life.

The 2022/23 academic and financial year saw school provision – classrooms, extra-curricular, field trips, performances, and holiday activities – fully resume, after the hiatus and challenges that accompanied the pandemic. It remains important to acknowledge that students in school now had two years of functional disruption to school attendance and on-site provision. In this context, the results – reported below – of our GCSE, AS and A-level cohorts are quite exceptional as they will have only been able to secure such strong outcomes as a consequence of the outstanding and sustained remote provision that the school provided during the Covid closures.

Throughout 2020/21 the school committed itself to two 'recovery' priorities for the year, and these were reflected in individual Performance Management objectives for staff and the Departmental Improvement Plans:

- **work towards resuming normal provision** – delivering components of 2020 Vision through subject topics/approaches and pastoral work; providing targeted personalised support for PP and SEND pupils;
- **shaping our curriculum** – developing passion, creativity and pupil experience in every subject: strengthening of pedagogic repertoire & engagement in/with research.

The strength of that development and implementation activity, allowed the school community to embrace a broader range of improvement priorities for 2022/23. Incorporating the strands of the revised school vision document (2020 Vision - "*seeing clearly into the future*" - a positive trajectory with a narrative of hope), governors endorsed a detailed improvement plan with the following summary emphases:

SOUTHEND HIGH SCHOOL FOR BOYS ACADEMY TRUST

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Key headline strands for the classroom:

- emergent (future relevant) cultural capital
- applied transformative agency: reasoning, meta-cognition, analytical scepticism and 'independence' of mind
- dimensions of trust: collaborative learning, classrooms as communities of enquiry
- active participation: engagement/immersion in collective endeavours
- growth in 'ethical optimism': narratives of hope, justice, agency and transformation

Key headline strands for the pastoral leadership:

- growth in 'self-regard': openness, kindness, trust, 'skilled' with empathy
- growth in 'self-regulation': immersive participatory activity, 'interdependence', servant leadership

The year was consequently characterised by sustained attention to assemblies, house activities, extra-curricular trips and competitions, as staff placed a renewed emphasis on aspects of curriculum design (coherence, structure and sequencing) alongside further work on effective classroom provision for 'able boys' (including those with SEND) through contemporary understanding of cognitive science and the application of new technologies.

A particular emphasis on opportunities for student leadership has led to greater student involvement in assembly planning and delivery, increased activity within the School Council, further development of the student-led Equalities agenda; all taking place within a further wave of development around staff-pupil interactions (behaviour policy and ethos) and pupil-pupil interactions (empathy and inclusion), that are demonstrated in an exceptional calm, collaborative and conducive learning and working environment. Student and staff survey data continue to demonstrate the progress made in this arena, as well as the challenges associated with a profoundly uncertain economic climate and global insecurity.

Results days in the Summer brought very significant success, confirming the school as the leading provider of A-levels in the local area with one of our largest ever entry for A-level. Over 600 A-levels completed with more than 250 A/A* grades in total. 94 A* grades, which require exceptional performance, were awarded to our Year 13 students – one out of every six of the grades obtained.

A similar story at GCSE was reflected in both the grades awarded but also in the national validated analysis of value-added from Key Stage 2 to GCSE with a Progress 8 score of 0.7.

Resources and staffing

The successes of the school should not be under-estimated across the most challenging of years: the contribution of an exceptionally skilled, professional and stable staff warrant particular note. It is also worth highlighting that the school continues to deliver exceptional value for money: with exceptional levels of pupil progress, pupil participation, and pupil outcomes on a minimal per-pupil budget provision. Indeed, the school's reputation on issues related to SEND, pedagogy, research, financial management, staff retention and provision for the 'most able' have all been highlighted in national media, specialist press or national conferences in the last year.

These achievements would not have been possible without exceptional stability in our staffing team and the capacity – with our local reputation as an outstanding employer – to recruit specialist subject teachers in areas of very significant national shortage. There are very few, perhaps no, other schools in the country where every GCSE and A-level lesson is taught by a trained subject specialist; and where the same is true in Years 7-9 for all but a very few individual timetabled slots.

SOUTHEND HIGH SCHOOL FOR BOYS ACADEMY TRUST

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Resources and provision

The budget challenges, which we had thought might have been set aside by increases in revenue, were sadly magnified, again, as inflation failed to abate and unfunded pay proposals were advanced by the Government. Additional in-year grants – variously attributed by the Government for building costs, utility bills, staff salary increases – fell well short of actual costs.

Premises development has continued with the completed construction of a new food servery kiosk to extend the catering offer for pupils; and the adaptation of the East End of the building to incorporate a new Autism Resource Base. The school had been delighted to secure confirmation from the Department for Education, with full support of the Local Authority, and resounding encouragement from a public consultation, for the opening of a dedicated on-site facility for autistic pupils (diagnosed and in receipt of an EHCP) to access our mainstream curriculum with dedicated and focussed support. The ARB was operationally ready during the 2022/23 school year, and staff worked with focused dedication to identify and then admit, through transition, the first pupils for a September 2023 start.

Key performance indicators

The Management Accounts contain a page on the Financial Health of the Academy Trust and it also lists four key ratios:

| Ratios | 2023 | 2022 |
|--|----------|----------|
| Adjusted Current Ratio | 1.56 | 1.71 |
| Adjusted operating position as a % of income | -3.47% | 3.01% |
| Staff Costs as a % of Operating Income | 84.97% | 85.97% |
| Staff Costs as a % of Total Income | 74.81% | 71.43% |
| Reserves 1 to 2 months expenditure (£0.7 to £1.4m) | £300,676 | £402,833 |

Going concern

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

Financial review

A high percentage of the Academy Trust's income is obtained from the Education Skills Funding Agency (ESFA) an agency of the Department for Education (DfE), in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the year ended 31 August 2023 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

During the year ended 31 August 2023, total expenditure of £9,043,779 was fully covered by grant funding from the ESFA and other incoming resources. Excluding movements on the restricted fixed asset fund, before transfers between funds and the pension scheme actuarial gain, the Academy Trust recorded an operating loss of £366,672.

At 31 August 2023 the net book value of fixed assets was £14,256,264 and movements in tangible fixed assets are shown in Note 11 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy Trust.

The Academy Trust held total funds of £13,804,908. Of this balance £13,486,142 was attributable to fixed assets and grants held for capital purposes and is therefore not freely available to spend on educational activities. Likewise a balance of (£55,000) represents the liability of the Local Government Pension Scheme, which again distorts the true level of reserves freely available. Restricted Funds of £73,685 are also held where income has been received for specific purposes such as the Jack Petchey Award Scheme. After taking these into account the school had free reserves of £300,676. The Trustees believe that a reserve level of 30 to 60 days running costs is appropriate for a school of our size and the 3 year forecast is continually updated and shared with the ESFA to ensure that the reserves are maintained at this level having worked hard to restore them.

SOUTHEND HIGH SCHOOL FOR BOYS ACADEMY TRUST

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

The Governors have reviewed the reserves of the Academy Trust. This review encompassed the nature of income and expenditure streams, the need to match them with commitments and the nature of reserves. The level of reserves will be kept under review by the Governors and the aim is to increase reserves over a period of time.

Reserves policy

Free reserves available for use exclude restricted funds.

The Governors review yearly the value of Academy Trust reserves required to be held, that are not restricted to any particular purpose. We also consider our exposure to the risk of any significant loss of income or unforeseen cost. A significant drop in income is unlikely given the current government commitment to education funding, although other income dropping and unforeseen costs are risks that could crystallise. The levels of reserves held are to mitigate against these risks.

During the year, in light of our strategy and the prevailing economic circumstances, the Governors reviewed the reserves policy and confirmed as acceptable a free reserve range of between one and two months aggregated expenditure (£0.7m to £1.4m) for future periods.

Investment policy

The Academy Trust has the power to make investment decisions as it holds cash balances as part of its reserves. Surplus funds are held on deposit and with the relatively low level of cash reserves the Governors have taken the view that having funds locked away for periods of time could prove detrimental.

Principal risks and uncertainties

The Academy Trust has undertaken further work during the year to develop and embed the system of internal control, including financial, operational and risk management which is designed to protect the Academy Trust's assets and reputation. This included the use of an external provider to deliver the internal scrutiny requirements.

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

The risk register is maintained at the Academy Trust level which is reviewed at least annually by the Finance & Audit Committee and more frequently where necessary. The risk register identifies the key risks, the likelihood of those risks occurring, their potential impact on the Academy Trust and the actions being taken to reduce and mitigate the risks. Risks are prioritised using a consistent scoring system.

Outlined below is a description of the principal risk factors that may affect the Academy Trust. Not all the factors are within the school's control. Other factors besides those listed below may also adversely affect the Academy Trust.

SOUTHEND HIGH SCHOOL FOR BOYS ACADEMY TRUST

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

1. Government revenue funding

The Academy Trust has considerable reliance on continued government funding through the education sector funding bodies. There can be no assurance that government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.

The Academy Trust is aware of several issues which may impact on future funding:

- The current UK economic situation heading into recession with rising inflation
- The DfE continued drive towards resource management and benchmarking
- The ESFA making it an obligation of governors to ensure the trust remains a going concern

This risk is mitigated in a number of ways:

- The Academy Trust seeks to maintain close external relationships with relevant bodies
- The Academy Trust updates its predicted outturn and 3 year forecast as information arises
- The Headteacher and Director of Resources have frequent contact with ministers and senior officials

2. Government capital funding

Capital funding is required for maintenance of the Academy Trusts assets, such as overhauling key infrastructure components for example roof spaces and heating systems. It is also required for improvements relating to safeguarding, and security with much of the school's cast iron boundary fencing in poor condition.

Capital funding is a bidding process that each Academy Trust with fewer than 5 schools is eligible for, and it should be noted that as the number of academies increases the amount of the funding pot does not automatically increase and the bidding is becoming increasingly competitive.

The risk is that funding bids are not successful or the school does not meet the affordability criteria and that key infrastructure components fail before remedial works can be carried out or that there is a serious safeguarding issue.

The risk is mitigated in a number of ways:

- The Academy Trust has retained a specialist firm to assist with bid preparation and project management
- The Academy Trust maintains a list of all facilities projects that are prioritised
- The Academy Trust has a compliance checklist so that it ensures it carries out all the required inspections and tests of the facilities and equipment and any projects are then added to project list

3. Cyber security

There have been a number of high profile cases in the press of schools being targeted by ransomware, with all their data being taken and communication channels blocked. We have also noticed a rise in the number of phishing emails and their complexity. In response the DfE have formed a specialist team to support schools and have included cyber security in the latest version of the handbook.

The risk is mitigated in a number of ways:

- The Academy Trust has a commercial firewall
- The Academy Trust has a sandbox application for email attachments
- An email appliance has been put in place that sits outside the school network
- The internal auditors reviewed cyber security during 2021/22

SOUTHEND HIGH SCHOOL FOR BOYS ACADEMY TRUST

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

4. Health & Safety and estate management

The compliance overhead has grown in recent years and key areas of concern are ensuring a school site is safe, well maintained and complies with relevant regulations. The risks stem from prosecution or personal injury claims and the number of claims that schools are seeing is on the rise. The burden of proof lies with the trust being able to prove and provide evidence that buildings and equipment are safe, well maintained, staff are provided with appropriate information and training, plus that checks are carried out routinely.

The risk is mitigated in a number of ways:

- The Academy Trust has an asset management plan for the site that is maintained by external property consultants
- The Academy Trust has a Health & Safety Committee that provides scrutiny of the compliance checklist and monitors any incidents
- The Academy Trust has external support for health and safety who carry out two audits a year
- The Academy Trust has a web based portal to keep a track of risk assessments and training records

Fundraising

The schools approach to fundraising is balanced and appropriate for a state funded school. The opportunity for parental donations are highlighted when pupils join the school, along with a few events that the Parents Association facilitate during the course of the year.

The school has not engaged with any commercial or professional fundraisers during the year.

The school has a published complaints procedure and any matters related to fundraising are dealt with following this procedure.

Fundraising for the school is carried out by the Parents Association and the Old Southendians Association. Their fundraising activities are monitored by having governors and representatives from the school on the committees of both groups.

The school follows the Department for Education's Charging for School Activities published guidance, which includes parental donations. All communications relating to fundraising matters are monitored and approved by the Headteacher in order to protect the public from unreasonable intrusive or persistent fundraising approaches.

Streamlined energy and carbon reporting

As the trust has not consumed more than 40,000 kWh of energy in this reporting period, it qualifies as a low energy user under these regulations and is not required to report on its emission, energy consumption or energy efficiency activities.

Plans for future periods

The detailed plans for the next three years were contained in the School Improvement Plan which was reviewed and updated during the summer term.

SOUTHEND HIGH SCHOOL FOR BOYS ACADEMY TRUST

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Auditor

In so far as the Governors are aware:

- there is no relevant audit information of which the Charitable Company's auditor is unaware; and
- the Governors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

A resolution proposing that Rickard Luckin Limited be reappointed as auditor of the charitable company will be put to the members.

The Governors' report, incorporating a strategic report, was approved by order of the board of Governors, as the company directors, on 07/12/2023 and signed on its behalf by:



Mrs S O'Ryan
Chair

SOUTHEND HIGH SCHOOL FOR BOYS ACADEMY TRUST

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2023

Scope of responsibility

As Governors, we acknowledge we have overall responsibility for ensuring that Southend High School For Boys 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 Governors has delegated the day-to-day responsibility to the headteacher, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Southend High School For Boys Academy Trust and the Secretary of State for Education. The Accounting Officer is also responsible for reporting to the board of Governors any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Governors' Report and in the Statement of Governors' Responsibilities. The Governing Body has formally met 6 times during the year. Attendance during the year at meetings of the governor's was as follows:

| Governors | Meetings attended | Out of possible |
|---|-------------------|-----------------|
| Dr M Aggarwal (Resigned 10 November 2022) | 0 | 1 |
| Dr P Husselbee (Vice Chair) | 5 | 6 |
| Mrs S O'Ryan (Chair) | 6 | 6 |
| Dr R Bevan (Headteacher and Accounting Officer) | 6 | 6 |
| Mr P Crow (Staff Governor) | 5 | 6 |
| Mr A Watts | 0 | 6 |
| Ms T Whittington | 4 | 6 |
| Mr SAA Moinuddin | 4 | 6 |
| Mrs J Baldwin | 6 | 6 |
| Mr C Briggs | 4 | 6 |
| Mr P Hadden (Resigned 21 June 2023) | 4 | 5 |
| Mr A Cass (Staff Governor) | 4 | 6 |
| Mrs K Lammert | 6 | 6 |
| Mr JM Van Deventer | 4 | 6 |
| Mrs V Cavalier (Staff Governor) | 2 | 6 |
| Mr J Mashakade | 4 | 6 |
| Mr B Filev | 4 | 6 |
| Mr J Mitchell | 6 | 6 |
| Mr T Scroxtton | 5 | 6 |
| Mr T DeRuiter (Appointed 27 September 2023) | 0 | 0 |
| Mr K Spenceley (Appointed 29 September 2023) | 0 | 0 |

Conflicts of interest

To manage conflicts of interest, the academy maintains an up-to-date and complete register of interests.

SOUTHEND HIGH SCHOOL FOR BOYS ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Governance reviews

The finance and audit committee is a sub-committee of the main board of Governors. Its purpose is to advise the Governing Body on financial strategy and policy in relation to financial matters. The committee receives and scrutinises the annual budget and then recommends it for consideration and adoption to the Governing Body.

The Finance and Audit Committee has met 3 times during the year.
Attendance at meetings in the year was as follows:

| Governors | Meetings attended | Out of possible |
|---|-------------------|-----------------|
| Dr M Aggarwal (Resigned 10 November 2022) | 0 | 0 |
| Dr P Husselbee (Vice Chair) | 2 | 3 |
| Mrs S O'Ryan (Chair) | 3 | 3 |
| Dr R Bevan (Headteacher and Accounting Officer) | 3 | 3 |
| Mr P Crow (Staff Governor) | 2 | 3 |
| Mr A Watts | 0 | 3 |
| Ms T Whittington | 2 | 3 |
| Mr SAA Moinuddin | 2 | 3 |
| Mrs J Baldwin | 3 | 3 |
| Mr C Briggs | 1 | 3 |
| Mr P Hadden (Resigned 21 June 2023) | 2 | 2 |
| Mrs K Lammert | 3 | 3 |
| Mr JM Van Deventer | 2 | 3 |
| Mrs V Cavalier (Staff Governor) | 0 | 3 |
| Mr J Mashakade | 2 | 3 |
| Mr B Filev | 2 | 3 |
| Mr J Mitchell | 3 | 3 |
| Mr T Scroxtton | 2 | 3 |
| Mr T DeRuiter (Appointed 27 September 2023) | 0 | 0 |
| Mr K Spenceley (Appointed 29 September 2023) | 0 | 0 |

Review of value for money

As Accounting Officer, the headteacher has responsibility for ensuring that the academy trust delivers good value in the use of public resources. The Accounting Officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

The Accounting Officer considers how the Trust's use of its resources has provided good value for money during each academic year, and reports to the board of Governors where value for money can be improved, including the use of benchmarking data where available. The Accounting Officer for the Academy Trust has delivered improved value for money during the year by continuing to use our own premises staff to carry out maintenance and alterations across the school sites as opposed to using more expensive contractors. This responsiveness to issues with the buildings help us maintain a very high room utilisation rate.

The ESFA offered the opportunity of a visit from a School Resource Management Advisor (SRMA) during 2021/22 which was accepted. A lot of detailed analysis was carried out over a number of days with their report unable to find any significant deliverable savings that would not adversely impact the schools provision and pupils experience it did also confirm that the school is an outlier in terms of funding. A number of recommendations were implemented.

Matching the needs of the timetable to contracted teaching hours is a challenge for all secondary school settings. During the year we were able to make recruitment decisions and appointments alongside intelligent deployments so that we are both fully staffed with subject specialists and the match to the timetable need for September was the tightest it has ever been in ten years that we have used it as an efficiency indicator.

SOUTHEND HIGH SCHOOL FOR BOYS ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

The purpose of the system of internal control

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

Capacity to handle risk

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

The risk and control framework

The Academy Trust'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 Governing Body;
- regular reviews by the Governing Body of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties;
- identification and management of risks.

The Governing Body has considered the need for a specific internal audit function and has decided to appoint an internal auditor from outside of the organisation.

The internal auditors role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. In particular the checks carried out in the current period included testing of HR processes and procurement.

The school has an external health and safety advisory service and we received their annual report in the year.

On a termly basis, the internal auditor reports to the Governing Body on the operation of the systems of control and on the discharge of the Governing Body's financial responsibilities.

During the period there were no material control issues arising as a result of the internal auditors work and all work was carried out in accordance with the ESFA's requirements.

Review of effectiveness

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

- The work of the internal auditor;
- The work of the external auditor; and
- The work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

SOUTHEND HIGH SCHOOL FOR BOYS ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

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

Approved by order of the board of Governors on 07/12/2023 and signed on its behalf by:



Mrs S O'Ryan
Chair



Dr R Bevan
Headteacher and Accounting Officer

SOUTHEND HIGH SCHOOL FOR BOYS ACADEMY TRUST

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

FOR THE YEAR ENDED 31 AUGUST 2023

As accounting officer of Southend High School for Boys Academy Trust, I have considered my responsibility to notify the academy trust board of Governors 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 as far as funding permits, under the funding agreement between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2022, including responsibilities for estates safety and management.

I confirm that I and the academy trust's board of Governors are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academy Trust Handbook 2022.

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



Dr R Bevan
Accounting Officer

07/12/2023

SOUTHEND HIGH SCHOOL FOR BOYS ACADEMY TRUST

STATEMENT OF GOVERNORS' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2023

The Governors (who act as trustees for Southend High School for Boys Academy Trust and are also the directors of Southend High School for Boys Academy Trust for the purposes of company law) are responsible for preparing the Governors' report and the financial statements in accordance with the Academies Accounts Direction 2022 to 2023 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 Governors to prepare financial statements for each financial year. Under company law, the Governors 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 Governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023;
- make judgements 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Governors 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 Governors 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 that grants received from ESFA/DfE have been applied for the purposes intended.

The Governors 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 Governors on 07/12/2023 and signed on its behalf by:



Mrs S O'Ryan
Chair

SOUTHEND HIGH SCHOOL FOR BOYS ACADEMY TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SOUTHEND HIGH SCHOOL FOR BOYS ACADEMY TRUST

FOR THE YEAR ENDED 31 AUGUST 2023

Opinion

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

In our opinion the financial statements:

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

Basis for opinion

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

Material uncertainty relating to going concern

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

In forming our opinion on the financial statements, we have considered the adequacy of the disclosures made in note 1.2 to the financial statements concerning the Academy's ability to continue as a going concern.

The forecasts prepared by the Academy show deficits for three of the next five academic years with free reserve position at the end of 2023/24 showing an expected deficit of £923,619. However, extensive discussion and negotiation with the Education and Skills Funding Agency has resulted in the agreement in principle of a support and recovery plan.

While the governors are confident that the details of the recovery plan will be agreed in the near future the full details are not yet finalised. Without this plan having been fully approved by both parties it creates a material uncertainty regarding the going concern status of the Academy.

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

SOUTHEND HIGH SCHOOL FOR BOYS ACADEMY TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SOUTHEND HIGH SCHOOL FOR BOYS ACADEMY TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Governors' report including the incorporated strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Governors' report including the incorporated strategic report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Governors' report, including the incorporated 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 Governors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Governors

As explained more fully in the statement of Governors' responsibilities, the Governors 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 Governors 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 Governors are responsible for assessing the academy trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Governors either intend to liquidate the academy trust, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the accounts

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

SOUTHEND HIGH SCHOOL FOR BOYS ACADEMY TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SOUTHEND HIGH SCHOOL FOR BOYS ACADEMY TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

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.

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our: general commercial and sector experience; through verbal and written communications with those charged with governance and other management; and via inspection of the Academy Trust's regulatory and legal correspondence.

We discussed with those charged with governance and other management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations to our team and remained alert to any indicators of non-compliance throughout the audit, we also specifically considered where and how fraud may occur within the Academy Trust.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Academy Trust is subject to laws and regulations that directly affect the financial statements, including: the Academy Trust's constitution; relevant financial reporting standards; company law; the Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with FRS 102 (effective from 1 January 2019); the Academies Accounts Direction 2022-23; and we assess the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly the Academy Trust is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on the amounts or disclosures in the financial statements, for instance through the imposition of fines and penalties, or through losses arising from litigations. We identified the following areas as those most likely to have such an affect: legislation directly applicable to charities sector such as the Charities Act 2011, the Academy Trust's funding agreement; the requirements of the Academy Trust Handbook 2022; employment legislation; health and safety legislation; safeguarding legislation; the regulatory requirements of the Education and Skills Funding Agency; data protection legislations; anti-bribery and corruption legislation.

International Auditing Standards (UK) limit the required procedures to identify non-compliance with these laws and regulations to the procedures, and no procedures over and above those already noted are required. These limited procedures did not identify any actual or suspected non-compliance which laws and regulations that could have a material impact on the financial statements.

In relation to fraud, we performed the following specific procedures in addition to those already noted:

- Challenging assumptions made by management in its significant accounting estimates in particular: income recognition, depreciation of tangible fixed assets; and valuation of local government pension scheme deficit;
- Identifying and testing journal entries during the period and in the post balance sheet period, in particular any entries posted with unusual nominal ledger account combinations, journal entries posted by senior management;
- Performing analytical procedures to identify unexpected movements in account balances which may be indicative of fraud;
- Ensuring that testing undertaken on both the Statement of Financial Activity (SoFA) and the Balance Sheet includes a number of items selected on a random basis;
- Reviewing the minutes of the meetings of the Governing Body and key sub committees;
- Evaluating internal control and review procedures, and reviewing findings of internal audit reviews;
- Evaluating and documenting internal controls and testing their application by walkthrough testing;
- Reviewing the work carried out for the Regularity Assurance Report.

These procedures did not identify any actual or suspected fraudulent irregularity that could have a material impact on the financial statements.

SOUTHEND HIGH SCHOOL FOR BOYS ACADEMY TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SOUTHEND HIGH SCHOOL FOR BOYS ACADEMY TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Use of our report

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



Kate Bell (Senior Statutory Auditor)
for and on behalf of Rickard Luckin Limited

30th May 2024

Chartered Accountants
Statutory Auditor

Phoenix House, Suite 8
Christopher Martin Road
Basildon
Essex
SS14 3EZ

SOUTHEND HIGH SCHOOL FOR BOYS ACADEMY TRUST

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO SOUTHEND HIGH SCHOOL FOR BOYS ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY

FOR THE YEAR ENDED 31 AUGUST 2023

In accordance with the terms of our engagement letter dated 23 October 2023 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2022 to 2023, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Southend High School for Boys Academy Trust during the period 1 September 2022 to 31 August 2023 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Southend High School for Boys Academy Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Southend High School for Boys 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 Southend High School for Boys Academy Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Southend High School for Boys Academy Trust's accounting officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of Southend High School for Boys Academy Trust's funding agreement with the Secretary of State for Education dated 1 September 2011 and the Academy Trust Handbook, extant from 1 September 2022, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

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

The work undertaken to draw to our conclusion includes:

- reviewing the minutes of the meetings of the Governing Body and key sub committees;
- evaluating internal control and review procedures, and reviewing findings of internal audit reviews;
- reviewing action taken as a result of recommendations from internal audit procedures, external audit, and ESFA updates;
- evaluating and documenting internal controls and testing their application by walkthrough;
- testing a sample of payments to ensure that they have been authorised in accordance with the Academy's financial procedures and the Academies Trust Handbook.

SOUTHEND HIGH SCHOOL FOR BOYS ACADEMY TRUST

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO SOUTHEND HIGH SCHOOL FOR BOYS ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Conclusion

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


Reporting Accountant

Rickard Luckin Limited
Phoenix House, Suite 8
Christopher Martin Road
Basildon
Essex
SS14 3EZ

Dated: *30th May 2024*

SOUTHEND HIGH SCHOOL FOR BOYS ACADEMY TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2023

| | Notes | Unrestricted funds £ | Restricted funds: General £ | Fixed asset £ | Total 2023 £ | Total 2022 £ |
|--|-------|-------------------------|-----------------------------------|-------------------|--------------------|--------------------|
| Income and endowments from: | | | | | | |
| Donations and capital grants | 3 | 46,447 | - | 82,970 | 129,417 | 830,714 |
| Charitable activities: | | | | | | |
| - Funding for educational operations | 4 | 543,645 | 7,639,920 | - | 8,183,565 | 7,397,207 |
| Other trading activities | 5 | 363,693 | 114 | - | 363,807 | 327,674 |
| Investments | 6 | 318 | - | - | 318 | 147 |
| Total | | <u>954,103</u> | <u>7,640,034</u> | <u>82,970</u> | <u>8,677,107</u> | <u>8,555,742</u> |
| Expenditure on: | | | | | | |
| Charitable activities: | | | | | | |
| - Educational operations | 8 | 992,662 | 7,735,634 | 315,483 | 9,043,779 | 8,682,050 |
| Total | 7 | <u>992,662</u> | <u>7,735,634</u> | <u>315,483</u> | <u>9,043,779</u> | <u>8,682,050</u> |
| Net expenditure | | (38,559) | (95,600) | (232,513) | (366,672) | (126,308) |
| Transfers between funds | 17 | (63,598) | - | 63,598 | - | - |
| Other recognised gains/(losses) | | | | | | |
| Actuarial gains on defined benefit pension schemes | 19 | - | 789,000 | - | 789,000 | 3,031,000 |
| Net movement in funds | | <u>(102,157)</u> | <u>693,400</u> | <u>(168,915)</u> | <u>422,328</u> | <u>2,904,692</u> |
| Reconciliation of funds | | | | | | |
| Total funds brought forward | | 402,833 | (674,715) | 13,654,462 | 13,382,580 | 10,477,888 |
| Total funds carried forward | | <u>300,676</u> | <u>18,685</u> | <u>13,485,547</u> | <u>13,804,908</u> | <u>13,382,580</u> |

SOUTHEND HIGH SCHOOL FOR BOYS ACADEMY TRUST

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2023

| Comparative year information Year ended 31 August 2022 | Notes | Unrestricted funds £ | Restricted funds: General £ | Fixed asset £ | Total 2022 £ |
|---|-------|----------------------------|-----------------------------------|-------------------|--------------------|
| Income and endowments from: | | | | | |
| Donations and capital grants | 3 | 39,268 | - | 791,446 | 830,714 |
| Charitable activities: | | | | | |
| - Funding for educational operations | 4 | 289,188 | 7,108,019 | - | 7,397,207 |
| Other trading activities | 5 | 327,674 | - | - | 327,674 |
| Investments | 6 | 147 | - | - | 147 |
| Total | | <u>656,277</u> | <u>7,108,019</u> | <u>791,446</u> | <u>8,555,742</u> |
| Expenditure on: | | | | | |
| Charitable activities: | | | | | |
| - Educational operations | 8 | 798,912 | 7,559,732 | 323,406 | 8,682,050 |
| Total | 7 | <u>798,912</u> | <u>7,559,732</u> | <u>323,406</u> | <u>8,682,050</u> |
| Net income/(expenditure) | | (142,635) | (451,713) | 468,040 | (126,308) |
| Other recognised gains/(losses) | | | | | |
| Actuarial gains on defined benefit pension schemes | 19 | - | 3,031,000 | - | 3,031,000 |
| Net movement in funds | | (142,635) | 2,579,287 | 468,040 | 2,904,692 |
| Reconciliation of funds | | | | | |
| Total funds brought forward | | 545,468 | (3,254,002) | 13,186,422 | 10,477,888 |
| Total funds carried forward | | <u>402,833</u> | <u>(674,715)</u> | <u>13,654,462</u> | <u>13,382,580</u> |

SOUTHEND HIGH SCHOOL FOR BOYS ACADEMY TRUST

BALANCE SHEET

AS AT 31 AUGUST 2023

| | Notes | 2023 | | 2022 | |
|---|-------|------------------|-------------------|------------------|-------------------|
| | | £ | £ | £ | £ |
| Fixed assets | | | | | |
| Tangible assets | 12 | | 14,256,264 | | 14,072,717 |
| Current assets | | | | | |
| Debtors | 13 | 303,428 | | 1,243,625 | |
| Cash at bank and in hand | | 743,306 | | 813,289 | |
| | | <u>1,046,734</u> | | <u>2,056,914</u> | |
| Current liabilities | | | | | |
| Creditors: amounts falling due within one year | 14 | (672,372) | | (1,203,333) | |
| Net current assets | | | 374,362 | | 853,581 |
| Total assets less current liabilities | | | 14,630,626 | | 14,926,298 |
| Creditors: amounts falling due after more than one year | 15 | | (770,718) | | (770,718) |
| Net assets before defined benefit pension scheme liability | | | 13,859,908 | | 14,155,580 |
| Defined benefit pension scheme liability | 19 | | (55,000) | | (773,000) |
| Total net assets | | | <u>13,804,908</u> | | <u>13,382,580</u> |
| Funds of the academy trust: | | | | | |
| Restricted funds | 17 | | | | |
| - Fixed asset funds | | | 13,485,547 | | 13,654,462 |
| - Restricted income funds | | | 73,685 | | 98,285 |
| - Pension reserve | | | (55,000) | | (773,000) |
| Total restricted funds | | | <u>13,504,232</u> | | <u>12,979,747</u> |
| Unrestricted income funds | 17 | | 300,676 | | 402,833 |
| Total funds | | | <u>13,804,908</u> | | <u>13,382,580</u> |

The accounts on pages 25 to 49 were approved by the Governors and authorised for issue on 07/12/2023 and are signed on their behalf by:



Mrs S O'Ryan
Chair

Company registration number 07485584

SOUTHEND HIGH SCHOOL FOR BOYS ACADEMY TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2023

| | Notes | 2023 £ | £ | 2022 £ | £ |
|--|-------|-----------|-----------|-----------|-----------|
| Cash flows from operating activities | | | | | |
| Net cash provided by/(used in) operating activities | 20 | | 347,665 | | (452,397) |
| Cash flows from investing activities | | | | | |
| Dividends, interest and rents from investments | | 318 | | 147 | |
| Capital grants from DfE Group | | 82,970 | | 791,446 | |
| Purchase of tangible fixed assets | | (498,436) | | (624,474) | |
| | | | | | |
| Net cash (used in)/provided by investing activities | | | (415,148) | | 167,119 |
| Cash flows from financing activities | | | | | |
| Repayment of other loan | | (2,500) | | (5,000) | |
| | | | | | |
| Net cash used in financing activities | | | (2,500) | | (5,000) |
| | | | | | |
| Net decrease in cash and cash equivalents in the reporting period | | | (69,983) | | (290,278) |
| | | | | | |
| Cash and cash equivalents at beginning of the year | | | 813,289 | | 1,103,567 |
| | | | | | |
| Cash and cash equivalents at end of the year | | | 743,306 | | 813,289 |

SOUTHEND HIGH SCHOOL FOR BOYS ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

Southend High School for Boys Academy Trust is a charitable company. The address of its principal place of business is given on page 1 and the nature of its operations are set out in the Governors' report.

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

1.1 Basis of preparation

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2022 to 2023 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Southend High School for Boys Academy Trust meets the definition of a public benefit entity under FRS 102.

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

1.2 Going concern

The governors assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cause doubt on the ability of the charitable company to continue as going concern. The governors make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements. The financial position has been difficult, with deficit forecasts for three of the next five years and the free reserve position at the end of 2023/24 showing an expected deficit of £923,619. Extensive discussions and negotiations have been undertaken with the Education and Skills Funding Agency and a support and recovery plan is in the process of agreement which will ensure the future of the academy trust until at least the financial year 2025/26.

Although the governors are confident that the financial plan will be agreed in the near future, until the agreement is signed, there is a material uncertainty regarding the academy trust's ability to continue as a going concern.

1.3 Income

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

Grants

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

General Annual Grant is recognised in full in the statement of financial activities in the period for which it is receivable, and any abatement in respect of the period is deducted from income and recognised as a liability.

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

SOUTHEND HIGH SCHOOL FOR BOYS ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

(Continued)

Sponsorship income

Sponsorship income provided to the academy trust which amounts to a donation is recognised in the statement of financial activities in the period in which it is receivable (where there are no performance-related conditions), where the receipt is probable and it can be measured reliably.

Donations

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

Other income

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

Donated goods, facilities and services

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

Donated fixed assets

Donated fixed assets are measured at fair value unless it is impractical to measure this reliably, in which case the cost of the item to the donor is used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the academy trust's accounting policies.

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Charitable activities

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

SOUTHEND HIGH SCHOOL FOR BOYS ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

(Continued)

1.5 Tangible fixed assets and depreciation

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 that require 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, at rates calculated to write off the cost of each asset on either a straight line or reducing balance basis over its expected useful life, as follows:

| | |
|-----------------------------|--|
| Freehold land and buildings | 2%/2.5%/5% straight line basis (on buildings with an estimated useful remaining economic life of less than 50 years) |
| Solar panels | 5% straight line basis |
| Computer equipment | 20% straight line basis |
| Furniture and equipment | 10% straight line basis |
| Motor vehicles | 25% straight line basis |

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

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

1.6 Liabilities

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

1.7 Leased assets

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

1.8 Financial instruments

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

Financial assets

Trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

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

SOUTHEND HIGH SCHOOL FOR BOYS ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

(Continued)

Financial liabilities

Trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. Taxation and social security are not included in the financial instruments disclosure definition.

Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.9 Taxation

The academy trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the academy trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by chapter 3 part 11 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.

1.10 Pensions benefits

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

The TPS is an unfunded scheme and contributions are calculated to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary based on quadrennial valuations using a prospective unit credit method. The 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 are recognised in the period to which they relate.

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high-quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to net income or expenditure 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.

1.11 Fund accounting

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the Education Funding Agency (or other applicable funders) where the asset acquired or created is held for a specific purpose.

Restricted general funds comprise all other restricted funds received and include grants from the Education Funding Agency and Department for Education.

SOUTHEND HIGH SCHOOL FOR BOYS ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

(Continued)

1.12 Agency arrangements

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

2 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets.

LGPS

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

Critical areas of judgement

There are no critical areas of judgment.

3 Donations and capital grants

| | Unrestricted funds £ | Restricted funds £ | Total 2023 £ | Total 2022 £ |
|-----------------|----------------------------|--------------------------|--------------------|--------------------|
| Capital grants | - | 82,970 | 82,970 | 791,446 |
| Other donations | 46,447 | - | 46,447 | 39,268 |
| | <u>46,447</u> | <u>82,970</u> | <u>129,417</u> | <u>830,714</u> |

SOUTHEND HIGH SCHOOL FOR BOYS ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

4 Funding for the academy trust's charitable activities

| | Unrestricted funds £ | Restricted funds £ | Total 2023 £ | Total 2022 £ |
|------------------------------------|----------------------------|--------------------------|--------------------|--------------------|
| DfE/ESFA grants | | | | |
| General annual grant (GAG) | - | 7,375,085 | 7,375,085 | 6,974,223 |
| Other DfE/ESFA grants: | | | | |
| - Pupil premium | - | 64,890 | 64,890 | 62,735 |
| - Others | - | 172,309 | 172,309 | 53,297 |
| | - | 7,612,284 | 7,612,284 | 7,090,255 |
| COVID-19 additional funding | | | | |
| DfE/ESFA | | | | |
| Other DfE/ESFA COVID-19 funding | - | 27,636 | 27,636 | 17,764 |
| Other incoming resources | 543,645 | - | 543,645 | 289,188 |
| Total funding | 543,645 | 7,639,920 | 8,183,565 | 7,397,207 |

5 Other trading activities

| | Unrestricted funds £ | Restricted funds £ | Total 2023 £ | Total 2022 £ |
|--------------------|----------------------------|--------------------------|--------------------|--------------------|
| Hire of facilities | 9,241 | - | 9,241 | 5,996 |
| Catering income | 349,078 | - | 349,078 | 316,419 |
| Event income | 5,374 | - | 5,374 | 5,259 |
| Other income | - | 114 | 114 | - |
| | 363,693 | 114 | 363,807 | 327,674 |

6 Investment income

| | Unrestricted funds £ | Restricted funds £ | Total 2023 £ | Total 2022 £ |
|---------------------|----------------------------|--------------------------|--------------------|--------------------|
| Short term deposits | 318 | - | 318 | 147 |

SOUTHEND HIGH SCHOOL FOR BOYS ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

7 Expenditure

| | Staff costs £ | Non-pay expenditure | | Total 2023 £ | Total 2022 £ |
|--|------------------|---------------------|------------------|--------------------|--------------------|
| | | Premises £ | Other £ | | |
| Academy's educational operations | | | | | |
| - Direct costs | 5,144,188 | - | 1,053,684 | 6,197,872 | 5,685,174 |
| - Allocated support costs | 1,391,216 | 842,260 | 612,431 | 2,845,907 | 2,996,876 |
| | <u>6,535,404</u> | <u>842,260</u> | <u>1,666,115</u> | <u>9,043,779</u> | <u>8,682,050</u> |
| Net income/(expenditure) for the year includes: | | | | 2023 £ | 2022 £ |
| Fees payable to auditor for audit services | | | | 14,840 | 13,875 |
| Operating lease rentals | | | | 29,758 | 11,654 |
| Depreciation of tangible fixed assets | | | | 314,888 | 322,811 |
| Loss on disposal of fixed assets | | | | 595 | 595 |
| Net interest on defined benefit pension liability | | | | 27,000 | 54,000 |
| | | | | <u>27,000</u> | <u>54,000</u> |

SOUTHEND HIGH SCHOOL FOR BOYS ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

8 Charitable activities

| | Unrestricted funds £ | Restricted funds £ | Total 2023 £ | Total 2022 £ |
|--|----------------------------|--------------------------|--------------------|--------------------|
| Direct costs | | | | |
| Educational operations | 595,817 | 5,602,055 | 6,197,872 | 5,685,174 |
| Support costs | | | | |
| Educational operations | 396,845 | 2,449,062 | 2,845,907 | 2,996,876 |
| | <u>992,662</u> | <u>8,051,117</u> | <u>9,043,779</u> | <u>8,682,050</u> |
| Analysis of costs | | | 2023 £ | 2022 £ |
| Direct costs | | | | |
| Teaching and educational support staff costs | | | 5,144,188 | 4,895,649 |
| Staff development | | | 54,911 | 33,856 |
| Educational supplies and services | | | 296,946 | 338,908 |
| Examination fees | | | 221,164 | 194,935 |
| Other direct costs | | | 480,663 | 221,826 |
| | | | <u>6,197,872</u> | <u>5,685,174</u> |
| Support costs | | | | |
| Support staff costs | | | 1,391,216 | 1,544,426 |
| Depreciation | | | 315,483 | 323,406 |
| Technology costs | | | 157,257 | 179,235 |
| Maintenance of premises and equipment | | | 179,135 | 272,470 |
| Cleaning | | | 16,309 | 12,716 |
| Energy costs | | | 29,949 | 30,638 |
| Rent, rates and other occupancy costs | | | 260,673 | 151,072 |
| Insurance | | | 27,657 | 25,080 |
| Security and transport | | | 13,054 | 9,487 |
| Catering | | | 338,136 | 297,194 |
| Finance costs | | | 27,000 | 54,000 |
| Other support costs | | | 16,829 | 34,293 |
| Governance costs | | | 73,209 | 62,859 |
| | | | <u>2,845,907</u> | <u>2,996,876</u> |

SOUTHEND HIGH SCHOOL FOR BOYS ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

9 Staff

Staff costs

Staff costs during the year were:

| | 2023 £ | 2022 £ |
|---|-----------|-----------|
| Wages and salaries | 4,868,938 | 4,599,475 |
| Social security costs | 485,761 | 474,223 |
| Pension costs | 1,128,705 | 1,354,642 |
| Staff costs - employees | 6,483,404 | 6,428,340 |
| Agency staff costs | 52,000 | 11,735 |
| | 6,535,404 | 6,440,075 |
| Staff development and other staff costs | 54,911 | 33,856 |
| Total staff expenditure | 6,590,315 | 6,473,931 |

Three of the employees remunerated over £60,000 participated in the Teachers' Pension Scheme. During the year employer's pension contributions for these staff amounted to £66,409 (2022 - £50,570). The other employee participated in the Local Government Pension Scheme and employer's pension contributions amounted to £20,864 (2022 - £19,135).

Staff numbers

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

| | 2023 Number | 2022 Number |
|----------------------------|----------------|----------------|
| Teachers | 78 | 78 |
| Administration and support | 69 | 66 |
| Management | 4 | 4 |
| | 151 | 148 |

Higher paid staff

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

| | 2023 Number | 2022 Number |
|---------------------|----------------|----------------|
| £60,001 - £70,000 | 1 | - |
| £70,001 - £80,000 | 1 | 1 |
| £80,001 - £90,000 | 1 | 1 |
| £130,001 - £140,000 | - | 1 |
| £140,001 - £150,000 | 1 | - |

SOUTHEND HIGH SCHOOL FOR BOYS ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

9 Staff

(Continued)

Key management personnel

The key management personnel of the academy trust comprise the Governors and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £690,191 (2022 - £665,521).

10 Governors' remuneration and expenses

One or more of the Governors has been paid remuneration or has received other benefits from an employment with the academy trust. The headteacher and other staff Governors only receive remuneration in respect of services they provide undertaking the roles of headteacher and staff members under their contracts of employment, and not in respect of their services as Governors.

The value of Governors' remuneration and other benefits was as follows:

| | |
|---|---|
| R Bevan (Headteacher and Accounting Officer): | £140,000 - £145,000 (2022: £135,000 - £140,000) |
| P Crow (Staff Governor): | £55,000 - £60,000 (2022: £50,000 - £55,000) |
| A Cass (Staff Governor): | £40,000 - £45,000 (2022: £40,000 - £45,000) |
| V Cavalier (Staff Governor): | £45,000 - £50,000 (2022: £45,000 - £50,000) |

Those accruing retirement benefits under the Teachers' Pension Scheme and contributions in the year were as follows:

| | |
|---|---|
| R Bevan (Headteacher and Accounting Officer): | £30,000 - £35,000 (2022: £30,000 - £35,000) |
| P Crow (Staff Governor): | £10,000 - £15,000 (2022: £10,000 - £15,000) |
| A Cass (Staff Governor): | £10,000 - £15,000 (2022: £10,000 - £15,000) |
| V Cavalier (Staff Governor): | £10,000 - £15,000 (2022: £10,000 - £15,000) |

During the period ended 31 August 2023, travel and subsistence expenses totalling £192 were reimbursed to 1 trustee (2022: £Nil).

11 Governors' and officers' insurance

The academy has opted into the Department for Education's Risk Protection Arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business. The insurance 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.

SOUTHEND HIGH SCHOOL FOR BOYS ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

12 Tangible fixed assets

| | Freehold land and buildings £ | Solar panels £ | Computer equipment £ | Furniture and equipment £ | Motor vehicles £ | Total £ |
|-----------------------|--|-------------------|----------------------------|------------------------------------|------------------------|------------|
| Cost | | | | | | |
| At 1 September 2022 | 15,415,745 | 252,404 | 579,019 | 733,106 | 40,500 | 17,020,774 |
| Additions | 352,456 | - | 43,506 | 63,064 | 39,410 | 498,436 |
| At 31 August 2023 | 15,768,201 | 252,404 | 622,525 | 796,170 | 79,910 | 17,519,210 |
| Depreciation | | | | | | |
| At 1 September 2022 | 1,798,170 | 120,941 | 469,296 | 519,150 | 40,500 | 2,948,057 |
| Charge for the year | 218,556 | 12,620 | 38,014 | 39,787 | 5,912 | 314,889 |
| At 31 August 2023 | 2,016,726 | 133,561 | 507,310 | 558,937 | 46,412 | 3,262,946 |
| Net book value | | | | | | |
| At 31 August 2023 | 13,751,475 | 118,843 | 115,215 | 237,233 | 33,498 | 14,256,264 |
| At 31 August 2022 | 13,617,575 | 131,463 | 109,723 | 213,956 | - | 14,072,717 |

13 Debtors

| | 2023 £ | 2022 £ |
|--------------------------------|-----------|-----------|
| Trade debtors | 6,098 | 2,985 |
| Other debtors | 103,901 | 263,588 |
| Prepayments and accrued income | 193,429 | 977,052 |
| | 303,428 | 1,243,625 |

14 Creditors: amounts falling due within one year

| | 2023 £ | 2022 £ |
|------------------------------------|-----------|-----------|
| Other loans | - | 2,500 |
| Trade creditors | 105,254 | 640,908 |
| Other taxation and social security | 123,903 | 127,188 |
| Other creditors | 118,875 | 123,144 |
| Accruals and deferred income | 324,340 | 309,593 |
| | 672,372 | 1,203,333 |

£Nil (2022 - £2,500) relates to a Salix loan.

SOUTHEND HIGH SCHOOL FOR BOYS ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

15 Creditors: amounts falling due after more than one year

| | 2023 | 2022 |
|---------------------------------------|----------------|----------------|
| | £ | £ |
| Other loans | 770,718 | 770,718 |
| | <u>770,718</u> | <u>770,718</u> |
| | 2023 | 2022 |
| | £ | £ |
| Analysis of loans | | |
| Wholly repayable within five years | 770,718 | 773,218 |
| Less: included in current liabilities | - | (2,500) |
| | <u>770,718</u> | <u>770,718</u> |
| Amounts included above | 770,718 | 770,718 |
| | <u>770,718</u> | <u>770,718</u> |
| Loan maturity | | |
| Debt due in one year or less | - | 2,500 |
| Due in more than five years | 770,718 | 770,718 |
| | <u>770,718</u> | <u>770,718</u> |
| | <u>770,718</u> | <u>773,218</u> |

In 2017 an amount of £1,541,953 was awarded from the Capital Improvement Fund. 50% of this amount was received as a loan. Repayment of the loan will not commence until completion of the project and the Academy meets the ESFA affordability criteria (assessed annually). On this basis the entirety of the loan balance of £770,718 is disclosed as payable in more than 5 years.

16 Deferred income

| | 2023 | 2022 |
|--|----------------|----------------|
| | £ | £ |
| Deferred income is included within: | | |
| Creditors due within one year | 227,723 | 218,833 |
| | <u>227,723</u> | <u>218,833</u> |
| Deferred income at 1 September 2022 | 218,833 | 58,223 |
| Released from previous years | (218,833) | (58,223) |
| Resources deferred in the year | 227,723 | 218,833 |
| | <u>227,723</u> | <u>218,833</u> |
| Deferred income at 31 August 2023 | <u>227,723</u> | <u>218,833</u> |

At the balance sheet date the academy was holding funds received in advance for devolved formula capital and rates which would be occurring in the next financial year.

SOUTHEND HIGH SCHOOL FOR BOYS ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

17 Funds

| | Balance at 1 September 2022 £ | Income £ | Expenditure £ | Gains, losses and transfers £ | Balance at 31 August 2023 £ |
|-------------------------------------|--|------------------|--------------------|--|--------------------------------------|
| Restricted general funds | | | | | |
| General Annual Grant (GAG) | - | 7,375,085 | (7,375,085) | - | - |
| Pupil premium | 14,398 | 64,890 | (79,288) | - | - |
| Other DfE/ESFA COVID-19 funding | 15,655 | 27,636 | (33,688) | - | 9,603 |
| Other DfE/ESFA grants | 15,399 | 172,309 | (176,573) | - | 11,135 |
| Other restricted funds | 52,833 | 114 | - | - | 52,947 |
| Pension reserve | (773,000) | - | (71,000) | 789,000 | (55,000) |
| | <u>(674,715)</u> | <u>7,640,034</u> | <u>(7,735,634)</u> | <u>789,000</u> | <u>18,685</u> |
| Restricted fixed asset funds | | | | | |
| DfE group capital grants | <u>13,654,462</u> | <u>82,970</u> | <u>(315,483)</u> | <u>63,598</u> | <u>13,485,547</u> |
| Total restricted funds | <u>12,979,747</u> | <u>7,723,004</u> | <u>(8,051,117)</u> | <u>852,598</u> | <u>13,504,232</u> |
| Unrestricted funds | | | | | |
| General funds | <u>402,833</u> | <u>954,103</u> | <u>(992,662)</u> | <u>(63,598)</u> | <u>300,676</u> |
| Total funds | <u>13,382,580</u> | <u>8,677,107</u> | <u>(9,043,779)</u> | <u>789,000</u> | <u>13,804,908</u> |

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

Restricted general funds and other restricted funds

These relate to the Academy Trust's development and operational activities. Under the Funding Agreement with the Secretary of State, the Academy Trust was not subject to GAG carry forward limits.

Restricted fixed asset fund

This relates to the fixed assets held by the Academy Trust adjusted for associated grants and loans.

Pension reserve

The pension reserve relates to the Academy Trust's share of the deficit of the Pension Scheme.

The academy is carrying a net surplus of £300,081 on unrestricted funds plus a net surplus of £73,685 restricted general funds (excluding pension reserve). The academy is also carrying £nil of unspent capital grants relating to works being carried out in the next financial year.

SOUTHEND HIGH SCHOOL FOR BOYS ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

17 Funds

(Continued)

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

| | Balance at 1 September 2021 £ | Income £ | Expenditure £ | Gains, losses and transfers £ | Balance at 31 August 2022 £ |
|-------------------------------------|--|------------------|--------------------|--|--------------------------------------|
| Restricted general funds | | | | | |
| General Annual Grant (GAG) | - | 6,974,223 | (6,974,223) | - | - |
| Pupil premium | 43,395 | 62,735 | (91,732) | - | 14,398 |
| Other DfE/ESFA COVID-19 funding | - | 17,764 | - | - | 17,764 |
| Other DfE/ESFA grants | 17,915 | 53,297 | (55,813) | - | 15,399 |
| Other government grants | 55,040 | - | (54,964) | - | 76 |
| Other restricted funds | 50,648 | - | - | - | 50,648 |
| Pension reserve | (3,421,000) | - | (383,000) | 3,031,000 | (773,000) |
| | <u>(3,254,002)</u> | <u>7,108,019</u> | <u>(7,559,732)</u> | <u>3,031,000</u> | <u>(674,715)</u> |
| Restricted fixed asset funds | | | | | |
| DfE group capital grants | 13,186,422 | 791,446 | (323,406) | - | 13,654,462 |
| | <u>13,186,422</u> | <u>791,446</u> | <u>(323,406)</u> | <u>-</u> | <u>13,654,462</u> |
| Total restricted funds | <u>9,932,420</u> | <u>7,899,465</u> | <u>(7,883,138)</u> | <u>3,031,000</u> | <u>12,979,747</u> |
| Unrestricted funds | | | | | |
| General funds | 545,468 | 656,277 | (798,912) | - | 402,833 |
| | <u>545,468</u> | <u>656,277</u> | <u>(798,912)</u> | <u>-</u> | <u>402,833</u> |
| Total funds | <u>10,477,888</u> | <u>8,555,742</u> | <u>(8,682,050)</u> | <u>3,031,000</u> | <u>13,382,580</u> |

18 Analysis of net assets between funds

| | Unrestricted Funds £ | Restricted funds: General £ | Fixed asset £ | Total Funds £ |
|--|----------------------------|-----------------------------------|-------------------|---------------------|
| Fund balances at 31 August 2023 are represented by: | | | | |
| Tangible fixed assets | - | - | 14,256,264 | 14,256,264 |
| Current assets | 395,049 | 651,684 | 1 | 1,046,734 |
| Current liabilities | (94,373) | (577,999) | - | (672,372) |
| Non-current liabilities | - | - | (770,718) | (770,718) |
| Pension scheme liability | - | (55,000) | - | (55,000) |
| | <u>300,676</u> | <u>18,685</u> | <u>13,485,547</u> | <u>13,804,908</u> |
| Total net assets | <u>300,676</u> | <u>18,685</u> | <u>13,485,547</u> | <u>13,804,908</u> |

SOUTHEND HIGH SCHOOL FOR BOYS ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

18 Analysis of net assets between funds

(Continued)

| | Unrestricted Funds £ | Restricted funds: General £ | Fixed asset £ | Total Funds £ |
|--|----------------------------|-----------------------------------|-------------------|---------------------|
| Fund balances at 31 August 2022 are represented by: | | | | |
| Tangible fixed assets | - | - | 14,072,717 | 14,072,717 |
| Current assets | 503,958 | 1,200,493 | 352,463 | 2,056,914 |
| Current liabilities | (101,125) | (1,102,208) | - | (1,203,333) |
| Non-current liabilities | - | - | (770,718) | (770,718) |
| Pension scheme liability | - | (773,000) | - | (773,000) |
| Total net assets | 402,833 | (674,715) | 13,654,462 | 13,382,580 |

19 Pension and similar obligations

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

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

At the year end £95,373 (2022: £93,211) was owed to the TPS.

Teachers' Pension Scheme

Introduction

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

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

SOUTHEND HIGH SCHOOL FOR BOYS ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

19 Pension and similar obligations

(Continued)

Valuation of the Teachers' Pension Scheme

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

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

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

The pension costs paid to the TPS in the period amounted to £1,121,719 (2022 - £1,087,972).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

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

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 23% for employers and 5.5 to 12.5% for employees.

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

| Total contributions made | 2023 £ | 2022 £ |
|--------------------------|-----------|-----------|
| Employer's contributions | 297,000 | 247,000 |
| Employees' contributions | 75,000 | 64,000 |
| Total contributions | 372,000 | 311,000 |

SOUTHEND HIGH SCHOOL FOR BOYS ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

19 Pension and similar obligations

(Continued)

| Principal actuarial assumptions | 2023 % | 2022 % |
|--|-----------|-----------|
| Rate of increase in salaries | 3.9 | 4.0 |
| Rate of increase for pensions in payment/inflation | 2.9 | 3.0 |
| Discount rate for scheme liabilities | 5.4 | 4.3 |
| Inflation assumption (CPI) | 2.9 | 3.0 |

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

| | 2023 Years | 2022 Years |
|----------------------|---------------|---------------|
| Retiring today | | |
| - Males | 20.7 | 21.0 |
| - Females | 23.2 | 23.5 |
| Retiring in 20 years | | |
| - Males | 22.0 | 22.3 |
| - Females | 24.6 | 24.9 |

Scheme liabilities would have been affected by changes in assumptions as follows:

| | +0.1% | 0.0% | -0.1% |
|------------------------------------|-------------|-------------|-------------|
| Adjustment to discount rate | £000 | £000 | £000 |
| Present value of total obligation | 4,364 | 4,437 | 4,512 |
| Projected service cost | 269 | 276 | 284 |

| | +0.1% | 0.0% | -0.1% |
|--|-------------|-------------|-------------|
| Adjustment to long term salary increase | £000 | £000 | £000 |
| Present value of total obligation | 4,442 | 4,437 | 4,432 |
| Projected service cost | 276 | 276 | 276 |

| | +0.1% | 0.0% | -0.1% |
|---|-------------|-------------|-------------|
| Adjustment to pension increases and deferred revaluation | £000 | £000 | £000 |
| Present value of total obligation | 4,509 | 4,437 | 4,367 |
| Projected service cost | 284 | 276 | 269 |

| | +1 Year | None | -1 Year |
|--|-------------|-------------|-------------|
| Adjustment to life expectancy assumptions | £000 | £000 | £000 |
| Present value of total obligation | 4,565 | 4,437 | 4,313 |
| Projected service cost | 286 | 276 | 267 |

SOUTHEND HIGH SCHOOL FOR BOYS ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

19 Pension and similar obligations (Continued)

| The academy trust's share of the assets in the scheme | 2023 Fair value £ | 2022 Fair value £ |
|---|-------------------------|-------------------------|
| Equities | 2,550,000 | 2,150,000 |
| Other bonds | - | 169,000 |
| Gilts | 56,000 | 74,000 |
| Cash | 128,000 | 114,000 |
| Property | 343,000 | 361,000 |
| Other assets | 1,305,000 | 952,000 |
| | <u>4,382,000</u> | <u>3,820,000</u> |

The actual return on scheme assets was £282,000 (2022: £10,000).

| Amount recognised in the statement of financial activities | 2023 £ | 2022 £ |
|--|----------------|----------------|
| Current service cost | 339,000 | 574,000 |
| Interest income | 27,000 | 54,000 |
| | <u>366,000</u> | <u>628,000</u> |

| Changes in the present value of defined benefit obligations | 2023 £ |
|---|------------------|
| At 1 September 2022 | 4,593,000 |
| Current service cost | 339,000 |
| Interest cost | 195,000 |
| Employee contributions | 75,000 |
| Actuarial gain | (675,000) |
| Benefits paid | (90,000) |
| | <u>4,437,000</u> |
| At 31 August 2023 | <u>4,437,000</u> |

SOUTHEND HIGH SCHOOL FOR BOYS ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

| | | | |
|-----------|---|--------------------|-------------------|
| 19 | Pension and similar obligations | (Continued) | |
| | Changes in the fair value of the academy trust's share of scheme assets | | 2023 |
| | | | £ |
| | At 1 September 2022 | | 3,820,000 |
| | Assets acquired on conversion | | (2,000) |
| | Interest income | | 168,000 |
| | Actuarial (gain)/loss | | 114,000 |
| | Employer contributions | | 297,000 |
| | Employee contributions | | 75,000 |
| | Benefits paid | | (90,000) |
| | | | <hr/> |
| | At 31 August 2023 | | 4,382,000 |
| | | | <hr/> <hr/> |
| 20 | Reconciliation of net expenditure to net cash flow from operating activities | | |
| | | 2023 | 2022 |
| | | £ | £ |
| | Net expenditure for the reporting period (as per the statement of financial activities) | (366,672) | (126,308) |
| | Adjusted for: | | |
| | Capital grants from DfE and other capital income | (82,970) | (791,446) |
| | Investment income receivable | 6 (318) | (147) |
| | Defined benefit pension costs less contributions payable | 19 44,000 | 329,000 |
| | Defined benefit pension scheme finance cost | 19 27,000 | 54,000 |
| | Depreciation of tangible fixed assets | 314,888 | 322,811 |
| | Loss on disposal of fixed assets | - | 595 |
| | Decrease/(increase) in debtors | 940,198 | (864,223) |
| | (Decrease)/increase in creditors | (528,461) | 623,321 |
| | | <hr/> | <hr/> |
| | Net cash provided by/(used in) operating activities | 347,665 | (452,397) |
| | | <hr/> <hr/> | <hr/> <hr/> |
| 21 | Analysis of changes in net funds/(debt) | | |
| | | 1 September | Cash flows |
| | | 2022 | 31 August |
| | | £ | 2023 |
| | | | £ |
| | Cash | 813,289 | (69,983) |
| | Loans falling due within one year | (2,500) | 2,500 |
| | Loans falling due after more than one year | (770,718) | - |
| | | <hr/> | <hr/> |
| | | 40,071 | (67,483) |
| | | <hr/> <hr/> | <hr/> <hr/> |

SOUTHEND HIGH SCHOOL FOR BOYS ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

22 Long-term commitments

Operating leases

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

| | 2023 | 2022 |
|-----------------------------------|----------------|----------------|
| | £ | £ |
| Amounts due within one year | 29,758 | 29,758 |
| Amounts due in two and five years | 81,833 | 81,833 |
| Amounts due after five years | 37,197 | 66,955 |
| | <u>148,788</u> | <u>178,546</u> |

23 Related party transactions

Expenditure related party transactions

Owing to the nature of the academy trust's operations and the composition of the board of Governors being drawn from local public and private sector organisations, transactions may take place with organisations in which the academy trust has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the academy trust's financial regulations and normal procurement procedures. The following related party transaction took place in the period of account:

The Academy Trust is a member of Consortium for Selective Schools in Essex (CSSE) which works to promote the selective schools, share best practice and develop a common approach to policy and selection procedures. There are transactions between the Academy Trust and CSSE in relation to membership fees and payment for work undertaken on behalf of CSSE. During the year the Academy Trust paid £29,219 (2022: £28,865) for services provided by the CSSE and received £1,790 (2022: £1,335) for services provided by the Headteacher in relation to setting papers for the 11+ and standardisation. CSSE does not meet the definition of a related party and therefore are not required to apply the reporting and approval requirements.

The Headteacher was an Executive Committee member of the National Education Union (NEU). There are transactions between NEU and the Academy Trust for work undertaken on behalf of NEU. During the year the Academy Trust received £390 (2022: £23,450) for services provided by the Headteacher in relation to NEU National Executive duties.

Other close relationships between governors and the senior management team and employees of the academy are as follows:

- Mrs R Worth (Deputy Headteacher) is the spouse of Mr P Worth (Head of Music)
- Dr R Bevan (Headteacher) is the spouse of Mrs C Higgs (Officer Manager & Clerk to the governors)
- Mrs V Cavalier (Leader of German) is the domestic partner of Mr J Bristow (Assistant Leader of English)

The above interests are disclosed at Governors meetings. There is no participation by any relevant individual in decisions relating to these people. No benefits were received from any of these arrangements.

In entering into these transactions, the academy trust has complied with the requirements of the Academy Trust Handbook 2022.

SOUTHEND HIGH SCHOOL FOR BOYS ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

24 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 or she is a member, or within one year after he or she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he or she ceases to be a member.

25 Agency arrangements

The academy trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ending 31 August 2023 the trust received £27,036 (2022 - £25,104) and disbursed £27,385 (2022 - £35,745) from the fund. An amount of £12,901 (2022 - £13,250) is included in other creditors relating to undistributed funds that is repayable to ESFA.

Also included in other creditors is an amount of £Nil (2022 - £442) relating to funds collected for charity by pupils and £387 (2022: £4,638) relating to Parent Association funds.