

**REACH SOUTH ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

**REACH SOUTH ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

CONTENTS

	Page
Reference and Administrative Details	1 - 2
Trustees' Report	3
Statement of Trustees' Responsibilities	23
Independent Auditors' Report on the Financial Statements	24 - 28
Independent Reporting Accountant's Report on Regularity	29 - 30
Statement of Financial Activities Incorporating Income and Expenditure Account	31 - 32
Balance Sheet	33 - 34
Statement of Cash Flows	35
Notes to the Financial Statements	36 - 76

**REACH SOUTH ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

REFERENCE AND ADMINISTRATIVE DETAILS

Members

Mr J Ellison
Ms A Stevens
Sir S Lancashire
Ms S Inghish (appointed 28 April 2024)

Trustees

Mr M Agius CBE, Chair of Trustees¹
Ms S Inghish, Vice Chair of Trustees (resigned 27 April 2024)²
Mr D Ashton, Chief Executive Officer^{1,3,4}
Mr A Gunn^{1,3}
Mr B Story (appointed 26 June 2024)²
Mr M Papworth^{2,6}
Dr C Gentle^{1,3,6}
Ms P Marland
Mr J Thakkar^{3,5,6}
Mr A Newton^{3,4}
Ms G Beaver²
Ms H Tomlinson^{1,4}
Mr A Crossman⁴
Professor F Cachelin (appointed 12 June 2024)⁴

¹ Finance

² Risk & Audit

³ HR

⁴ Educational Standards & Performance Committee

⁵ Trustee Nominations Committee

⁶ Remunerations Committee

**Company registered
number**

10151730

Company name

Reach South Academy Trust

**Principal and registered
office**

C/O UTC Plymouth
Park Avenue
Devonport
Plymouth
Devon
PL1 4RL

Chief executive officer

Mr D Ashton

**Senior Management
Team**

Mr D Ashton, Chief Executive Officer
Mr C Toye, Deputy Chief Executive Officer
Mr T Kirk, Director of Finance (until 01/10/2023)
Ms O Frings, Director of HR
Mr M Elms, Director of Education
Mr I Carnwell, Director of Operations
Mr C Jones, Director of Finance (Interim)
Mr K Wilson, Director of Finance (from 02/10/2023)

**REACH SOUTH ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024**

Independent auditors Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
Salt Quay House
4 North East Quay
Sutton Harbour
Plymouth
PL4 0BN

Solicitors Veale Wasborough Vizards LLP
Narrow Quay House
Narrow Quay
Bristol
BS1 4QA

REACH SOUTH ACADEMY TRUST (A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2024

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

The Academy Trust operates an academy for pupils aged 3 to 16 serving a catchment area in the South West of England. It has a pupil capacity of 6,122 and had a roll of 5,293 in the school census in October 2024.

The Trust operates eight primary academies, one all-through 3-16 academy and one University Technical College in Plymouth: two primary academies and one all-through 4-16 academy in Bournemouth, Christchurch and Poole, two special academies in Wiltshire, a special academy in Gloucestershire and an all through 4-16 academy in Devon.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust. The Trustees of Reach South Academy Trust are also the Directors of the charitable company for the purposes of company law. The charitable company operates as Reach South Academy Trust.

Details of the Trustees who served during the year, and to the date these accounts are approved are included in the Reference and Administrative Details.

Members' liability

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

Trustees' indemnities

The Trust requires all academies within the Trust to opt into the academies Risk Protection Arrangement (RPA) The risk protection arrangement (RPA) for schools - GOV.UK (www.gov.uk)

RPA cover applies to the central infrastructure of the MAT as well as the individual academies. The RPA provides indemnity for Trustees/Governors to a maximum aggregated value of £10 million during any one membership year.

Method of recruitment and appointment or election of Trustees

The Academy Trust shall have the following Trustees as set out in its Articles of Association and Funding Agreement:

- The number of Trustees shall be not less than three and there is no maximum number
- Up to eight Trustees who are appointed by Members
- Co-opted Trustees appointed by the Board
- The CEO appointed by Members, providing the CEO agrees to act which was the case for the accounting period

Parental representation in the governance structure is through election to the relevant Local Governing Body.

Trustees are appointed for a four-year period, except that this time limit does not apply to the Chief Executive or those wishing to serve a shorter term. Subject to remaining eligible to be a particular type of Trustee, any Trustee can be re-appointed or re-elected.

The Board has established a Nominations Committee to consider the candidature of potential new Trustees prior to recommendation for full Board consideration. When appointing new Trustees, the Board will consider the skills and experience mix of existing Trustees to ensure that the Board has the necessary skills to contribute fully to the Academy's development. The Nominations Committee makes use of an independent recruitment organisation to nationally advertise and pre-select a shortlist of potential candidates for the Committee's consideration. The Committee meets and interviews the shortlisted candidates. In the case of co-opted Trustees, the full Board will determine whether a candidate is appointed as a Trustee, after consideration of the recommendation of the Nominations Committee. In all other cases, the Board will make a recommendation to the Members who will determine the appointment.

Policies and procedures adopted for the induction and training of Trustees

The training and induction provided for new Trustees will depend upon their existing experience. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees.

Trustees have received briefings and training on:

- Prevent Duty
- Management Accounts
- Safeguarding
- Admissions

**REACH SOUTH ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024**

- Effective Board Practice
- Mental Health and Wellbeing (pupils and staff)
- Cyber Security and Data Protection
- SEND
- Behaviour Management & Exclusions
- Digital and Technology Standards
- Health and Safety
- Estates Management

Organisational structure

Following a comprehensive review of our governance during 2022, the Trust has adopted a Scheme of Delegation of Governance set out here: Reach South Academy Trust - Governance

The Board of Trustees meets at least six times each year. The Board establishes an overall framework for the governance of the Multi Academy Trust and determines membership, terms of reference and procedures of Committees and other groups. It receives performance updates and risk assessments including policy recommendations from its Committee Chairman reports. It monitors the activities of the Committees through the minutes of their meetings and their Chair's reports to the full Board. The Board may from time to time establish Working Groups to perform specific tasks over a limited timescale.

There are six Committees as follows:

- Finance Committee - this meets at least three times a year and is responsible for monitoring, evaluating and reviewing policy and performance in relation to financial management.
- Risk and Audit Committee - this meets at least three times a year and is responsible for monitoring, evaluating and reviewing compliance with reporting and regulatory requirements. The Committee also receives reports from the Responsible Officer/internal audit and the external auditors and provides overview and scrutiny of management response to audit findings.
- Education Performance and Standards Committee - this meets at least three times a year to monitor, evaluate and review Academy policy, practice and performance in relation to education performance, target setting and assessment, examinations and all pastoral issues.
- Human Resources Committee - this meets at least three times a year to monitor, evaluate and review policy and regulatory compliance in relation to all matters relating to staffing.
- Trustee Nominations Committee - this meets as and when required and considers the person specification for recruiting new Trustees and candidate eligibility prior to recommendation to the full Board for consideration.
- Remuneration Committee – this meets as and when required and considers the performance of the CEO; and salary changes for the CEO, Executive Team and Headteachers.

The following decisions are reserved to the Board of Trustees: to consider any proposals for changes to the status or constitution of the Academy and its Committee structure, to appoint or remove the Chairman and/or

Vice Chairman, to appoint the CEO and governance professional as Clerk to the Trustees and to approve the Annual Development Plan and budget.

The Trustees are responsible for setting general policy, adopting an annual plan and budget, approving the statutory accounts, monitoring the Academy by the use of budgets and other data, and making major decisions about the direction of the Academy, capital expenditure and executive appointments.

The Trustees and Board of Trustees have devolved responsibility for day-to-day management of the Trust to the CEO and Executive Team through the 'Terms of Reference for Delegation to the Executive'.

The CEO is the Accounting Officer.

The Executive comprises the CEO, Deputy CEO, Director of Education, Director of Finance, Director of People and Director of Operations. From September 2024 the team will also include a Director of Inclusion. The Executive implement the policies laid down by the Trustees and report back to them on performance.

The Academy has a leadership structure which consists of the Trustees, Executive Team and Academy Leaders. The aim of the leadership structure is to devolve responsibility and encourage involvement in decision making at all levels. Each academy has its own Local Governing Body responsible for the day-to-day overview and scrutiny of the school's effectiveness as defined by the Board of Trustees and set out in the Scheme of Delegation.

**REACH SOUTH ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024**

Arrangements for setting pay and remuneration of key management personnel

The Board of Trustees and the Chief Executive Officer comprises the key management personnel of the Academy in charge of directing and controlling, running and operating the Trust on a day-to-day basis. All Trustees give their time freely and no Trustee received remuneration in the year. The Chief Executive is remunerated as an employee of the Trust.

Details of Trustees' expenses and related party transactions are disclosed in the notes to the accounts.

The Trustees have established a Remuneration Committee for reviewing executive pay and Headteacher pay; and the performance management of the CEO. The pay of key management personnel is reviewed annually and normally increased in accordance with relevant national pay awards. When reviewing executive pay, the Remuneration Committee takes account of national and local salary benchmarks, relevant labour market pressures on recruitment and retention, performance of the Chief Executive against agreed targets and value for money.

The Remuneration Committee conducts the performance review of the Chief Executive Officer annually.

Trade union facility time

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

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

The total cost of facility time	0
The total pay bill	£34,386,204.80
Percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time / total pay bill) x 100	0.00%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as: (total hours spent on paid trade union activities by relevant union officials during the relevant period / total paid facility time hours) x 100	0
--	----------

Related parties and other connected charities and organisations

There are no related parties that either control or significantly influence the decisions and operations of Reach South Academy Trust.

Engagement with employees (including disabled persons)

Reach South Academy Trust is firmly committed to the principles of equality, diversity and inclusion in both employment and the accessibility and delivery of services.

This means:

- Promoting equality and making services and employment accessible to all;
- Treating people fairly, regardless of their race (colour; ethnic or national origin), religion or belief, gender or gender identity, sex or sexuality, marital or civil partner status, pregnancy or maternity, disability, age or because of their association with someone who has that characteristic. These are known as "protected characteristics".

**REACH SOUTH ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024**

- Employees who exercise their right to belong to a trade union and to participate legitimately in trade union activities must also be treated fairly and in accordance with relevant legislation.

Reach South Academy Trust aims to have a workforce that is representative of the communities that it serves.

The principles of equality and diversity apply to the ways in which staff treat colleagues, pupils, students, parents, carers, key stakeholders such as Governors/Trustees and partners.

All employees, workers or self-employed contractors whether part time, full time or temporary, will be treated fairly and with respect. Selection for employment, promotion, training, or any other benefit will be based on aptitude and ability. All employees will be helped and encouraged to develop their full potential, and the talents and resources of the workforce will be fully utilised to maximise the efficiency of the Trust.

Equality of opportunity, valuing diversity and compliance with the law is to the benefit of all individuals in our Trust as it seeks to develop the skills and abilities of its people. While specific responsibility for eliminating discrimination and providing equality of opportunity lies with managers and supervisors, individuals at all levels have a responsibility to treat others with dignity and respect. The personal commitment of every employee to this policy and application of its principles are essential to eliminate discrimination and provide equality throughout the Trust.

The Trust is opposed to all forms of unlawful and unfair discrimination and harassment of any kind, and will work to eliminate it, to create a working environment where everyone is treated with dignity and respect. All staff are expected to be accountable and to challenge discrimination.

As an employer, the Trust will also challenge social exclusion and discrimination, promote equality and celebrate diversity to achieve excellence.

The Trust is also committed to meeting the Public Sector Equality Duty which requires it to give due regard to:

- Eliminating unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act.
- Advancing equality of opportunity between people who share a protected characteristic and those who do not.
- Fostering good relations between people who share a protected characteristic and those who do not.

The Trust has an established Equality, Diversity and Inclusion Policy which underpins all People Policies within the Trust. In addition, the Trust has recently established its Diversity, Inclusion and Belonging Steering Group which will be chaired by a Trustee.

The Trust has a Wellbeing and Engagement Framework with a Network Group being established in 2023/24 with representation from across the Trust at all levels.

The Trust has established a Mental Health Strategies Working Group which is chaired by a Trustee and has representation from across the Trust.

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

The Academy Trust works closely with suppliers and aims to process and pay all invoices within the agreed payment terms. The Academy Trust is now required to publish its payment practices every 6 months on the gov.uk website. For the period 1 March 2024 to 31 August 2024 the average time taken to pay invoices was 16 days. The Academy Trust paid 96% of invoices within 30 days, 2% in 31 to 60 days and 2% in 61 days or more.

OBJECTIVES AND ACTIVITIES

Objects and aims

The principal object and activity of the Multi Academy Trust is to advance for the public benefit, education in the United Kingdom. It seeks to achieve this by establishing, maintaining, carrying on, managing and developing mainstream academies offering a broad range of curriculum for pupils of different abilities; as well as special academies organised to make special educational provision for pupils with special educational needs; and 16-19 academies offering a curriculum appropriate to the needs of their students.

The Trust aims to establish academies principally in the South West region of England. At Reach South Academy Trust, we aim to achieve the best for, and from, each child. We intend to enable each child to realise his or her full academic, creative and physical potential and to develop positive social and moral values. Our Academies are communities in which children, staff and parents should be part of a happy and caring environment. The Board set out its mission as 15 value statements, when it formed in 2016, to guide the Trust in its development and in its achievement of its charitable objects. In November 2022, the Board reviewed those 15 value statements and decided that they remain fit-for-purpose for the Trust.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024**

The organisation's mission is to secure the positive development of every child and young person attending our academies. When we talk about the positive development of every child, we mean the development of the whole child. We mean their intellectual, physical, social, emotional, cultural, spiritual, creative and entrepreneurial development. We mean that we will equip them with the knowledge, skills and attitudes to find personal fulfilment and positively contribute to their local and global community. We want them to have the skills and attitudes to be curious self-directed learners, to be confident in who they are and to respect and celebrate those that are different. We want them to be the architects and builders of tomorrow's world. This is our collective purpose.

Our 15 value statements are expressed as a set of core values, curriculum principles and organisational behaviours:

Core Values

- **Inclusivity.** Reach South is for all children. We recognise that some children will face greater barriers to their learning and development than others. This may be due to any number of challenges, including cultural, social, domestic, physical or cognitive. We are committed to helping all children, particularly the most vulnerable, to overcome these so that they can grow and thrive to be well rounded, healthy, educated citizens.
- **Promoting social mobility.** This is a fundamental driver for Reach South. Although we recognise that each school's context and history inform our approach, this is never an excuse for accepting mediocrity or poor performance. An inclusive approach requires an explicit commitment to improving social mobility for all children. To do this, we insist on:
 - high standards of educational achievement.
 - high standards of social skills and interpersonal skills.
 - high standards of communication skills.
 - high standards of critical thinking, problem solving and creativity; and
 - understanding of society, economy, environment and an appreciation of contribution and participation.
- **Serving our local communities.** Children's education cannot be isolated from their social context and, in particular, their family and peer environment. To raise a child's aspirations beyond their expectations, we must also raise the aspiration of their families and the wider community. Community engagement is not an additional activity that successful schools do; it is fundamental to how they work. Beyond that though, we embrace the fact that the school exists to serve its community; it belongs to the community. Each of our academies will ensure that the curriculum reflects the needs and uniqueness of its community.
- **Believing in the potential of our young people.** Aspiration is a precursor to self-improvement; it is not sufficient in itself but limited aspiration will limit achievement. It is our duty to believe in the potential of all of our children and to make that belief infectious. We need the community to believe in their children, and we need the children to believe in themselves. Aspiration itself becomes a driver and a motivator for educational achievement and personal success.
- **Preparing tomorrow's adults to contribute to social, economic, environmental and cultural sustainable development.** We educate children to improve their own life chances and opportunities, but we also educate them as trusted members of a community and a global society. Through education, we want to make a contribution to securing a society capable of developing, evolving, improving and being sustainable.

Curriculum Principles

- **High standards of educational achievement.** Education is about much more than formal test and examination grades. Assessment and examination are, however, a measure of each individual's mastery of skill, knowledge, attitudes and readiness to progress to the next stage of learning, work and life. Formal educational achievement provides young people with opportunities and choices. We have a duty to make sure that our young people are as well placed as they can be to access those opportunities and choices.
- **Broad, rich and experiential curriculum.** Our aim is not to provide a narrow education that simply provides examination grades. We want to equip young people to grow as healthy rounded individuals and citizens, who make a full contribution to community and society. Our curriculum is rich and experiential. It promotes autonomous and critical thinking skills, promoting creativity and entrepreneurship as well as social skills and communication skills.
- **Relevant learning pathways.** As our pupils move from primary to secondary school and on to further or higher education, we will ensure that they can access learning pathways that are relevant to their aspirations and developing talents. These pathways need to be relevant to both the individual and the needs of the wider community. Our secondary schools will engage closely with employers and Higher Education institutions to ensure that learning is truly relevant and best prepares young people for the world of work and social engagement.
- **Research based curriculum.** There is now significant international body of research evidence about what is effective in learning and how children's brains develop. Our views about curriculum and learning will always be rooted in verifiable and independent research evidence.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024**

- **Teaching young people to be effective learners.** So they can engage fully with our curriculum, we are committed to teaching our children and young people how to be active learners; and how to embrace feedback and mistakes as the springboard for further learning and development.

Organisational Behaviours

- **Encouraging professional freedom.** We expect our school Leaders and staff to develop a curriculum that is relevant to local context and is consistent with the values, principles and behaviours of Reach South. We require consistency but not conformity. We encourage professional freedom within boundaries.
- **Championing young people, not institutions.** We will always champion our young people, even if this conflicts with being the champion of our institutions. For example, where the most appropriate learning pathway for a young person is found in another institution, this would mean a loss of funding to the Trust. Under all circumstances, we are absolutely clear that we will always put the interests of the young person first.
- **Collaboration not competition.** As a charitable education Trust, we will collaborate and work with other organisations to deliver positive outcomes for children. We seek to collaborate with other organisations, Local Authorities and Government agencies where it brings benefits to our young people. We seek to develop collaborations within the organisation to accelerate positive outcomes for our pupils.
- **Integrity and Trust.** We behave with the highest integrity at all levels of the organisation. These behaviours are critical to our organisational growth and sustainability.
- **Developing our people.** Integrity without competence would do little to build confidence in our ability to deliver what we promise. We will build and maintain a reputation for expert organisational competence through the development of skills and capacity in our people and our organisation.

Objectives, strategies and activities

The Trustees set a 3-year Strategic Plan in 2023 that set out a clear vision for the Trust that by August 2026 Reach South Academy Trust will be an organisation in which every child and young person, regardless of their circumstances and regardless of their needs will grow and develop. When we talk about the development of every child, we mean the positive development of the whole child. We mean their intellectual, physical, social, emotional, cultural, spiritual, creative and entrepreneurial development. We mean that we will equip them with the knowledge, skills and attitudes to find personal fulfilment and positively contribute to their local and global community. We want them to have the skills and attitudes to be curious self-directed learners, to be confident in who they are and to respect and celebrate those that are different. We want them to be the architects and builders of tomorrow's world. This is our collective purpose.

To ensure that all of our pupils grow and develop fully, all of our academies need to be effective. Ofsted will grade all of our academies as at least 'Good'. Our good schools will develop outstanding practice. All of our academies will achieve outcomes that demonstrate pupil progress at or above national expectations. Disadvantaged pupils will be as successful as their peers. The safeguarding of our pupils will be a strength throughout the Trust.

To secure the best educational experience for all of our pupils, our workforce will be highly motivated and skilled. Our organisational culture and reputation will ensure that we attract and retain the best people in the sector. Our staff induction and development programmes will equip our people to deliver with collective efficacy for all of our pupils. Our staff engagement and alignment will drive educational consistency of pupil entitlement while also supporting creativity and innovation. We will recognise and reward talent.

The Trust is setting high ambitions in a time of unprecedented social, economic and environmental volatility. Such times make huge demands on the organisation, our people and our pupils. Reach South will be an organisation that prioritises and enhances the mental wellbeing of our staff and pupils. Our staff will have access to comprehensive resources and support systems that address and nurture their wellbeing. Our pupils will be safeguarded through the implementation of a curriculum and support strategies to improve and sustain their mental well-being.

The Trust will have the organisational resilience to sustainably support our pupils' full development through volatile times. The organisation will be configured to manage risk, deliver business continuity, adapt and be resilient.

The Trust will grow and achieve the economies of scale that provide the capacity for: school improvement; staff recruitment, development and retention; support the resilience of our people and pupils; and build the resilience of the organisation. We do this to serve all of our pupils as best as we possibly can.

**REACH SOUTH ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024**

The vision will be realised through a focus on our five strategic priorities:

1. Raising educational standards
 - Safeguarding
 - Attendance
 - Pupil mobility
 - Achievement
 - Inclusivity
2. Recruiting, developing and retaining talent in our people
3. Developing mental health strategies to support our pupils and staff
4. Building organisational resilience
5. Growing the Trust to build effectiveness

Public benefit

The Trustees confirm that they have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the Charity Commissioner's general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Academy's aims and objectives and in planning its future activities.

The Multi Academy Trust aims to advance for the public benefit, education in the South West of England. During the period to 31 August 2024, the focus of The Trust's objective to advance education for the public benefit has been to:

- Operate eight primary academies in Plymouth offering a broad and balanced curriculum.
- Operate two primary academies in Bournemouth offering a broad and balanced curriculum.
- Operate three special academies. Two special academies in Wiltshire providing a curriculum to meet the needs of children with Autistic Spectrum Disorder (ASD) and Social, Emotional and Mental Health needs (SEMH). A third special academy in Dursley, Gloucestershire, meets the needs of pupils with diagnosed SEMH.
- Operate an all-through 3-16 free school in Plymouth, an all-through 5-16 free school in Bournemouth, Christchurch and Poole, and an all-through 5-16 free school in Exeter, Devon offering a broad and balanced curriculum.
- Operate the UTC Plymouth, for 11-19 year olds, offering a specialist Science, Technology, Engineering and Maths (STEM) curriculum with a focus on engineering.
- The Trust's third special academy, Salisbury Academy for Inspirational Learning (SAIL), opened in September 2023, as a free school.

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

**REACH SOUTH ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024**

STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE

Financial KPIs

The Trust has set a suite of financial key performance indicators and benchmarks by which each academy is assessed:

- General Annual Grant (GAG) funding per pupil
- Total income per pupil
- Total expenditure per pupil
- Agency staff costs per pupil
- Total staff costs per pupil
- Total non-staff costs per pupil
- Educational staff costs as % of total expenditure
- Support staff costs as % of total expenditure
- Total staff costs as % of total expenditure

The comparative benchmark data was used to support and challenge each academy's budget setting process.

Mainstream schools are set a surplus target to achieve of 1.5% and special schools 2% with all schools aiming for a total labour cost of no more than 75% of total income.

Ofsted Judgements

The Trust's Ofsted grade risk profile has fundamentally changed from a Trust of vulnerable schools with a few good ones; to a Trust of good schools with recent acquisitions that are on their improvement journey.

Academy	Year of joining Reach South	Ofsted rating July 2024
High Street Primary	2016	Good
Marlborough Primary	2017	Good
Morice Town Primary	2017	Good
Goosewell Primary	2017	Good
Drake Primary	2017	Good
Pilgrim Primary	2017	NYI
Stuart Road Primary	2017	Good
Stoke Damerel Primary	2017	Good
Springfields School (Special)	2017	Good
Hill View Primary	2018	Good
Malmesbury Park Primary	2018	Good
Parkfield 4-16	2018	RI
UTC Plymouth	2018	Good
Millbay 4-16	2020	Good
Peak (Special)	2022	NYI
Thomas Hall 4-16	2023	RI
SAIL (Special)	2023	NYI

NYI = Not yet inspected since joining the Trust

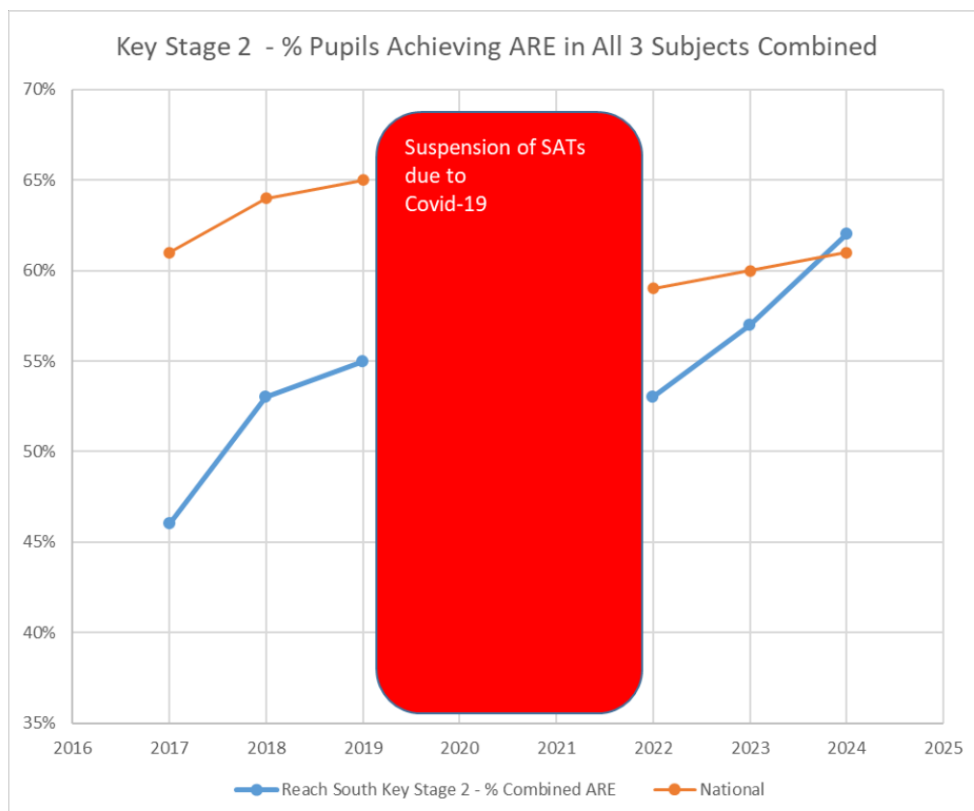
It is notable that prior to joining the Trust, UTC Plymouth, Millbay (formerly known as Plymouth School of Creative Arts), Peak and Thomas Hall were all placed into special measures by Ofsted. Many of our other schools were also vulnerable, in terms of the education performance, at the point of joining the Trust. All of these schools have significantly improved in terms of their Ofsted judgements. All inspection outcomes except for Goosewell, have been made since the end of the Covid-19 pandemic suspension of Ofsted inspections. Goosewell's inspection took place just before 'lockdown' in 2020.

During the 2023-2024 financial year, Hill View Primary Academy was inspected under Section 8 of the Act and judged to continue to be a 'good' school.

Thomas Hall had a graded section-5 inspection on 19th and 20th March. The school was graded as 'Requires Improvement', overall, but 'Good' for personal development and early years' provision. The school only joined the Trust in June 2023 having previously been judged as 'Inadequate' and requiring special measures.

Key Stage 2 Results

The Trust's key stage 2 provisional results, for 2024, confirm that the percentage of our year-6 pupils, across the Trust, achieving the 'Age-Related Expectations' (ARE) in Reading, Writing and Maths combined, is above the national average. 62% of pupils in Reach South achieved the combined ARE compared to 61% nationally. This is our first year of exceeding national achievement. In 2017, the first year that most of our primary schools joined the Trust, only 46% of our Key Stage 2 pupils were achieving the combined ARE, compared to 61% nationally in that year. Since then, our results have improved at a greater rate than the national improvement, year-on-year. After the suspension of Key Stage 2 SATs in 2020 and 2021 due to the pandemic, our results dropped by 2-percentage points compared to the 2019 results, while the national results dropped by 6-percentage points.



Perhaps even more pleasing than the overall results this year, are some of the individual results of the schools serving our most disadvantaged communities:

- High Street Primary Academy 73% ARE (52% free school meals) - improved from 15% ARE in 2017.
- Marlborough Primary Academy 75% ARE (47% free school meals) - improved from 33% ARE in 2017.
- Morice Town Primary Academy 71% ARE (50% free school meals) - improved from 28% ARE in 2017.
- Millbay Academy 63% ARE (56% free school meals) - improved from 31% ARE when it joined us in 2020.

Nationally, around 25% of pupils are currently eligible for free school meals. These results when taking alongside the Ofsted grade profile, gives us confidence of the positive impact of our school improvement strategy.

Going concern

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, 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.

**REACH SOUTH ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024**

FINANCIAL REVIEW

Most of the Academy Trust's income is obtained from the DfE via the ESFA in the form of recurrent grants, the use of which is restricted to purposes. The grants received from the DfE during the year ended 31 August 2024 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

The Academy Trust also receives grants for fixed assets from the DfE, which are shown in the Statement of Financial Activities as restricted income in the Fixed Asset Fund. The Restricted Fixed Asset Fund balance is reduced by annual depreciation charges over the useful life of the assets concerned, as defined in the Academy Trust's accounting policies.

During the year ended 31 August 2024, the Academy Trust received total income of £65,104,694 and incurred total expenditure of £61,753,290 inclusive of the Restricted Fixed Asset Fund but before other recognised gains/(losses), the excess of expenditure over income for the year was £3,351,404. The Trust's revenue reserves grew by £1,465,756, and £1,170,047 of which related to free reserves. Free reserves consist of unrestricted and GAG reserves carried forward.

At 31 August 2024, the net book value of fixed assets was £113,672,460 and movements in tangible fixed assets are shown in Note 15 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 Trust has taken on the responsibility for the Local Government Pension Scheme in respect of its non-teaching staff transferred on conversion. The Trust participates in 3 such schemes in Wiltshire, Devon and Dorset. In respect of the first 2 schemes there is a modest surplus currently which is not recognised in the Trust's financial statements because it does not expect to recover the surplus either through reduced contributions in the future or through refunds from the schemes. The latter scheme (Dorset) has a deficit which is incorporated within the Statement of Financial Activities with details in Note 26 to the financial statements.

Key financial policies adopted or reviewed during the year include the Financial Procedure Policy and the Scheme of Delegation of Financial Powers, which lay out the framework for financial management, including financial responsibilities of the Board, Headteachers, Executives, Executive Business Managers and other staff, as well as delegated authority for spending.

The statement of financial activities for the financial year ended 31 August 2024, indicates that the Trust generated a surplus for the period of £3,984,404. This figure includes a £1,370,648 increase of the fixed asset fund. The overall surplus also includes a deficit decrease of £1,148,000 in the relevant Local Government Pension Schemes (LGPS). These are underwritten by the UK Government. Without the effects of capital depreciation and pension scheme deficits, the Trust made an operating surplus of £17,101,953 for the year ended 31 August 2024.

Reserves policy

The Trustees review the reserve levels of the Academy Trust annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees take into consideration the future plans of the Academy Trust, the uncertainty over future income streams and other key risks identified during the risk review.

The Trustees have determined that the appropriate level of free reserves should be approximately 5% of GAG income. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to support the Trust through the investment of resources. Total reserves of the Academy Trust amount to £121,517,848 (excluding the defined benefit pension liability), although £118,965,593 of this is invested in fixed assets or represents non-GAG restricted funds. The remaining £2,552,255 (representing £1,907,157 unrestricted funds and £645,098 restricted GAG funds) is the balance that the Trustees monitor in accordance with the Board's reserves policy.

The defined benefit pension scheme reserve has a negative balance which relates to the Trust's participation in the Dorset scheme. The Wiltshire and Devon schemes currently have surpluses which as explained above under the Going Concern section, are not recognised in the financial statements. The effect of the deficit position of the pension scheme is that the Trust is paying higher employers' pension contributions over a period of years. The higher employers' pension contributions will be met from the Trust's budgeted annual income. Whilst the deficit will not be immediately eliminated, there should be no actual cash flow deficit on the fund, nor any direct impact on the free reserves of the Trust.

Investment policy

Trustees are committed to ensuring that all funds under their control are managed in such a way as to maximise return whilst minimising risk. Day-to-day management of the surplus funds is delegated to the Finance Director within strict guidelines approved by the Board of Trustees.

**REACH SOUTH ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024**

Principal risks and uncertainties

The Board of Trustees has a Risk and Audit Committee whose responsibility is to scrutinise and consider the Trust's risk profile and the management of those risks. The Trust maintains a risk-register. The Chair of the Risk and Audit Committee provides a report to the full Board at all of their meetings. The Trust also requires each academy LGB to maintain a risk register and scrutinise and challenge management actions to manage those risks. The Trust requires all of its academies to subscribe to the Government's Risk Protection Arrangements (RPA) for academies.

Principal risks identified by Trustees are:

1. Preventable Risks
 - Financial
 - Safeguarding
 - Data Protection
2. Strategic Risks
 - UTC Plymouth Capacity of premises to meet demand
 - Staff recruitment and retention
 - Mental health detrimental impacts on pupils and staff
 - Organisational resilience in a period of turbulence and uncertainty
 - Organisational growth
3. External Risks
 - Energy supply and costs
 - Impact of climate change

FUNDRAISING

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

STREAMLINED ENERGY AND CARBON REPORTING

UK Greenhouse gas emissions and energy use data for the period	1 September 2023 to 31 August 2024	1 September 2022 to 31 August 2023
Energy consumption used to calculate emissions (kWh)	5,924,735	4,479,908
Energy consumption break down (kWh)		
• gas,	3,931,321	2,646,707
• electricity,	1,822,973	1,697,531
• transport fuel	170,441	135,670
<u>Scope 1 emissions in metric tonnes CO₂e</u>		
Gas consumption	755.12	583.65
Owned transport – mini buses	12.97	9.72
Total scope 1	768.09	593.37
<u>Scope 2 emissions in metric tonnes CO₂e</u>		
Purchased electricity	377.45	351.52
<u>Scope 3 emissions in metric tonnes CO₂e</u>		
Business travel in employee-owned vehicles	25.89	21.12
Total gross emissions in metric tonnes CO ₂ e	1,171.43	966
<u>Intensity ratio</u>		
Tonnes CO ₂ e per pupil	0.22	0.18

Quantification and Reporting Methodology

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2022 UK Government's Conversion Factors for Company Reporting. This report summarises the energy usage, associated emissions, energy efficiency actions and energy performance under the government policy Streamlined Energy & Carbon Reporting (SECR), as implemented by the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018.

Intensity measurement

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO₂e per pupil, the recommended ratio for the sector.

Measures taken to improve energy efficiency

A key focus of the Academy Trust since its formation has been on energy efficiency linked to improving the quality of the learning environment. New LED lighting, solar panels and energy efficient boilers have been installed in some school premises and the Academy Trust encourages the use of video conferencing technology for staff meetings, to reduce the need for travel between sites.

PLANS FOR FUTURE PERIODS

- The Regional Director for the South West notified the Trust on 6th March 2024 that the Secretary of State had approved Reach South to run the proposed new special free school in Gloucestershire. The school will provide 200 places for pupils with moderate learning difficulties and is expected to open in September 2026. The new school build and acquisition is fully funded by Gloucestershire County Council.
- The Minister for Children, Families and Wellbeing, wrote to the Trust on 8th March 2024 to advise that the Secretary of State had decided that our application to establish an Alternative Free School for Wiltshire should proceed to the next stage of the process. In other words, we now proceed to prepare to establish and open the school. It is anticipated that the new provision will open in 2026.
- Following a lengthy process with the DfE and Bournemouth, Christchurch and Poole Local Authority, and following a listening period, final Ministerial approval for the phased closure of Parkfield School was granted following the general election in June 2024. Parkfield closed for all pupils except the current year-11s, on 23rd July 2024. 57-pupils in year-11 will complete their GCSE courses during the academic year and the school will close fully in August 2025.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

The Academy Trust and its Trustees do not act as Custodian Trustees of any other Charity.

SECTION 172 STATEMENT

The Trustees are aware they must apply the highest standards of conduct and ensure robust governance to meet effective financial management, regularity and propriety in the use of the Trust's funds, and achieve economy, efficiency and effectiveness for value for money.

Key financial policies adopted or reviewed during the year include the Financial Procedure Policy and the Scheme of Delegation of Financial Powers, which lay out the framework for financial management, including financial responsibilities of the Board, Headteachers, Executives, Executive Business Managers and other staff, as well as delegated authority for spending.

**REACH SOUTH ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024**

AUDITOR

In so far as the Trustees are aware:

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

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 11 December 2024 and signed on the board's behalf by:



Marcus Agius CBE
Chairman of Trustees

**REACH SOUTH ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2024**

GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

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

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

The Board of Trustees has delegated the day-to-day responsibility to the Chief Executive, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the Funding Agreement between Reach South Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

GOVERNANCE

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 9 times during the year with two of those meetings only requiring 3 Trustees. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
Mr M Agius, Chairman of Trustees	9	9
Mr D Ashton, Chief Executive Officer	8	9
Ms S English, Vice Chair of Trustees (retired 27/04/2024)	3	4
Dr C Gentle	8	9
Ms G Beaver	4	7
Mr A Gunn	6	7
Mr M Papworth	4	7
Ms P Marland	6	7
Mr A Newton	6	7
Ms H Tomlinson	6	7
Mr A Crossman	4	7
Mr J Thakkar	6	7
Prof. F Cachelin (appointed 12/06/2024)	1	1
Mr B Story (appointed 26/06/2024)	1	1

The membership of the Board of Trustees has been stable during the 2023-24 financial year. The Board has a Nominations Committee of Trustees that identifies the skills and experience required in recruiting a new Trustee, identifies potential applicants that meet the requirements and recommends an appointment to the full Board of Trustees.

The Trust has the following six Sub-Committees to the Board of Trustees:

- Finance Committee
- Risk & Audit Committee
- People Committee
- Education Performance and Standards Committee

**GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024**

- Remuneration Committee
- Nominations Committee

Each Committee Chair presents a report of key findings and action taken to the Board of Trustees.

The Nominations Committee only meets when required for the consideration of nomination of a new Trustee.

The Remuneration Committee meets when required to consider the performance of the Chief Executive Officer and salary changes for members of the Executive Team and Headteachers.

Governance Statement

Effective governance at Reach South Academy Trust is evident through strong accountability, strategic vision, and consistent oversight. The Trust Board ensures that decision-making is transparent and aligned with the Trust's mission to enhance pupil outcomes across all academies. This governance model promotes collaboration while respecting the unique needs and characteristics of each academy, enabling tailored support where needed. Regular assessments, management of risk and data-driven strategies allow leaders to address challenges proactively, ensuring resources are distributed equitably and sustainably. Through this approach, the Trust is achieving higher standards of education, operational efficiency, and long-term growth.

The Trust Board and its Committees play a crucial role in ensuring effective governance within Reach South Academy Trust. Through clear structures and focused responsibilities, the Board provides strategic oversight that aligns with the Trust's values and objectives. Committees, each with defined areas of finance, people, education standards and risk, allow for specialised attention to key priorities, ensuring that no aspect of governance is overlooked. By setting performance benchmarks, monitoring progress, and holding leadership accountable, the Board and its committees drive improvement across all academies. This collaborative, well-organised approach enables timely, informed decisions and fosters a culture of transparency, accountability, and continuous development.

Local Governing Boards within the Trust play a vital role in ensuring effective governance at the academy level. By closely monitoring school performance, safeguarding, and community engagement, they provide a deep understanding of each academy's unique context and needs. These Boards are instrumental in implementing the Trust's strategic goals locally, adapting initiatives to benefit pupils while upholding the Trust's core values and standards. Additionally, Local Governors serve as valuable links to parents and the community, strengthening stakeholder relationships and ensuring that each academy remains responsive to its local environment. This effective governance structure allows each academy to thrive under tailored oversight, contributing to the overall success of the Multi-Academy Trust.

The three governance professionals within the Trust are essential to maintaining efficient and effective governance across all levels of the organisation. Their expertise supports the Trust Board, Committees, and Local Governing Boards by ensuring compliance, facilitating clear communication, and organising governance processes. These professionals play a critical role in managing agendas, recording accurate minutes, and tracking action points, which enhances accountability and enables informed decision-making. By providing guidance on regulatory and procedural matters, they help maintain a high standard of governance across the trust, enabling boards to focus on strategic priorities. Their consistent support ensures that governance functions smoothly and transparently, fostering a strong foundation for Trust-wide collaboration and sustained educational excellence.

Bi-monthly governor briefings are an invaluable tool for strengthening governance across the Multi-Academy Trust. These sessions provide Governors with regular updates on key developments, policy changes, and strategic priorities, ensuring that all governance members remain informed and aligned. By fostering open communication, these briefings encourage a shared understanding of goals, challenges, and opportunities within the Trust. They also offer a platform for Governors to ask questions, share insights, and discuss best practices, promoting a collaborative approach to governance. This consistent engagement empowers Governors with the knowledge and confidence to make informed decisions, ultimately enhancing the quality and cohesion of governance throughout the Trust. During 2023/24 the meetings covered key content

**GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024**

including; inspection experience, staff wellbeing, provision for pupils with Special Educational Needs and Trust-wide IT strategy. In addition, it provides a forum to connect members of the Trust Board with Local Governors.

The Trusts' annual Governance Conference in March 2024 was a well-attended event that fostered meaningful dialogue among Leaders, Governors, and staff from across the Trust. The Conference provided a valuable opportunity for attendees to come together, share insights, and discuss strategic priorities in a collaborative setting. Sessions included presentations on SEN, finance and the inspection framework. Interactive discussions encouraged engagement from all participants. This format promoted open dialogue, allowing attendees to voice their perspectives and contribute ideas that could drive the Trust's vision forward. The high level of participation and the range of topics covered ensured that the Conference was both useful and inspiring, equipping attendees with fresh perspectives and practical tools to apply within their roles. Feedback from participants indicated that they value the opportunity to meet others involved with governance from across and at different tiers within the Trust.

Finance Committee

The Finance Committee is a Sub-Committee of the main Board of Trustees, and its Chair is Dr C Gentle. Its purpose is to:

- Develop a financial strategy for the Academy Trust and consider policies, procedures or plans required to realise such strategy
- Ensure sound management of finances and resources through the regular and robust review of financial monitoring reports from individual academies
- Consider individual academy budget proposals for authorisation
- Consider requests from academies for exceptional revenue and/or capital expenditure
- Oversee financial management and cash flow of the Trust
- Oversee significant investment and capital financing decisions

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Dr C Gentle, Chair	3	3
Mr D Ashton	3	3
Mr M Agius	2	3
Mr A Gunn	3	3
Ms H Tomlinson	3	3

Risk and Audit Committee

The Risk and Audit Committee is a Sub-Committee of the main Board of Trustees, and its Chair is Ms G Beaver. Its purpose is to:

- Establish and monitor the Trust's internal control framework in order to provide assurance of strong internal financial management and governance
- Develop and keep under review risk management and measurement strategies across the Trust together with the procedures for monitoring the adequacy and effectiveness of those processes
- Make recommendations to the Board of Trustees in relation to the appointment, re-appointment and removal of the external auditor
- Review the external auditor's independence and objectivity as well as approve the external auditor's remuneration and terms of engagement

**REACH SOUTH ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024**

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Ms G Beaver, Chair	3	3
Ms S English	2	2
Mr M Papworth	2	3
Mr B Story (appointed 26/06/2024)	1	1

The Trust's external auditor attends the meetings of the Risk and Audit Committee, whenever the auditor or the Chair of the Committee consider it appropriate. The Trust's Accounting Officer and Chief Financial Officer routinely attend the meetings.

People Committee

The People Committee is a Sub-Committee of the main Board of Trustees, and its Chair is Mr A Gunn. Its main purpose is to:

- Consider, determine and keep under review, and develop strategies and policies for Human Resources and organisational development
- Act as an ultimate panel for dispute resolution
- Promote equality and diversity across the Trust.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr A Gunn, Chair	3	3
Mr D Ashton	2	3
Dr C Gentle	3	3
Mr A Newton	2	3
Mr J Thakkar	2	3

Education Standards and Performance Committee

The Education Standards and Performance Committee is a Sub-Committee of the main Board of Trustees, and its Chair is Ms H Tomlinson. Its main purpose is to:

- Ensure the highest possible standards of education are set and maintained across the Trust
- Monitor pupil outcomes and ensure appropriate remedial action is taken where required
- Review and approve strategic school improvement plans and monitor outcomes against them

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Ms H Tomlinson, Chair	3	3
Mr A Crossman	3	3
Mr D Ashton	2	3
Mr A Newton	2	3
Prof F Cachelin (appointed 12/06/2024)	0	1

**GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024**

REVIEW OF VALUE FOR MONEY

As Accounting Officer, the Chief Executive has responsibility for ensuring that the Academy Trust delivers good value in the use of public resources. The Accounting Officer understands that value for money refers to the educational and wider societal outcomes, as well as estates safety and management, 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 Trustees where value for money can be improved, including the use of benchmarking data where appropriate. The Accounting Officer for the Academy Trust has delivered improved value for money during the year by:

- Robust financial governance and budget management
- Value for money purchasing e.g. tendering for the Millbay capital project
- Reviewing controls and managing risk
- Challenging proposals and examining their effectiveness and efficiency
- Reviewing quality of curriculum provision and quality of teaching
- Reviewing quality of children's learning to enable children to achieve nationally expected progress
- Estates statutory inspections are carried out by independent external professionals and the recommendations from those inspections form the targeted priority for expenditure of our School Condition Allocation funding.

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks 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 Reach South Academy Trust for the period from 1 September 2023 to 31 August 2024 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

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

THE RISK AND CONTROL FRAMEWORK

The Academy 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 Board of Trustees.
- Regular reviews by the Finance Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes.
- Delegation of authority and segregation of duties.
- Identification and management of risks.

**REACH SOUTH ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024**

The Board of Trustees has considered the need for a specific internal audit function and has decided:

- To appoint Kreston Reeves as internal auditor

The internal auditor's 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:

- Bank and Petty Cash
- Credit Card Review
- Expenditure
- Fixed Assets
- Income
- Payroll
- VAT
- Risk Management

Kreston Reeves undertook an assessment of the systems of arrangements and controls of The Academy Trust in relation to the audit areas as approved by the Risk and Audit Committee as part of the Internal Audit programme for 2023-24.

No material control issues were highlighted in the Internal Audit Report to the Risk and Audit Committee for the period ended 31 March 2024.

On a quarterly basis the auditor reports to the Board of Trustees, through the Risk and Audit Committee/Finance Committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

REVIEW OF EFFECTIVENESS

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

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

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

Conclusion

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

Approved by order of the members of the board of trustees on 11 December and signed on its behalf by:



Marcus Agius CBE
Chairman of Trustees



Dean Ashton
Accounting Officer

**REACH SOUTH ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

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

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

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



Mr D Ashton
Accounting Officer
Date: 11 December 2024

**REACH SOUTH ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2024**

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2023 to 2024;
- make 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

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



Mr M Agius CBE
Chair of Trustees

Date: 11 December 2024

**REACH SOUTH ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF REACH SOUTH ACADEMY TRUST

OPINION

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

In our opinion the financial statements:

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

BASIS FOR OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

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

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

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

**REACH SOUTH ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF REACH SOUTH ACADEMY TRUST (CONTINUED)

OTHER INFORMATION

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

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

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

RESPONSIBILITIES OF TRUSTEES

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

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

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF REACH SOUTH ACADEMY TRUST (CONTINUED)

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the Academy sector, control environment and the Academy Trust's performance;
- results of our enquiries of management and the Trustee board, including the committees charged with governance over the Academy Trust's finance and control, about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the Academy Trust's documentation of their policies and procedures relating to: identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance; detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; the internal controls established to mitigate risks of fraud or noncompliance with laws and regulations;
- how the Academy Trust ensured it met its obligations arising from it being financed by the ESFA and other funders, and as such material compliance with these obligations is required to ensure the Academy Trust will continue to receive its public funding and be authorised to operate, including around ensuring there is no material unauthorised use of funds and expenditure;
- how the Academy Trust ensured it met its obligations to its principal regulator, the Secretary of State for Education; and
- these matters were discussed among the audit engagement team who also considered any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud, which included incorrect recognition of revenue, management override of controls using manual journal entries, procurement and payroll. We identified the greatest potential for fraud as incorrect recognition of revenue and management override using manual journal entries. We have also considered the recognition of the new school joining the Trust as a significant risk, in particular the valuation of land and buildings, pension liabilities and balances on conversion.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. We also obtained an understanding of the legal and regulatory frameworks that the Academy Trust operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Academies Accounts Direction, Academy Trust Handbook, UK Companies Act, tax legislation, charity law and charity SORP.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Academy Trust's ability to operate or to avoid a material penalty. These included safeguarding regulations, data protection regulations, occupational health and safety regulations, education and inspections legislation, building legislation and employment legislation.

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF REACH SOUTH ACADEMY TRUST (CONTINUED)

Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- reviewing the financial statement disclosures and testing to supporting documentation to assess the recognition of revenue, including the recognition of balances on conversion;
- enquiring of Trustees and management and those charged with governance concerning actual and potential litigation and claims;
- performing procedures to confirm material compliance with the requirements of its regulators;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance and reviewing internal control reports; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; and assessing whether the judgements made in making accounting estimates are indicative of a potential bias.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from an error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

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

USE OF OUR REPORT

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

**REACH SOUTH ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF REACH
SOUTH ACADEMY TRUST (CONTINUED)**

Bishop Fleming LLP

Nathan Coughlin FCA (Senior Statutory Auditor)

for and on behalf of

Bishop Fleming LLP

Chartered Accountants

Statutory Auditors

Salt Quay House

4 North East Quay

Sutton Harbour

Plymouth

PL4 0BN

Date: 13 December 2024

**REACH SOUTH ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO REACH
SOUTH ACADEMY TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 30 March 2022 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2023 to 2024, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Reach South Academy Trust during the year 1 September 2023 to 31 August 2024 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

**RESPECTIVE RESPONSIBILITIES OF REACH SOUTH ACADEMY TRUST'S ACCOUNTING
OFFICER AND THE REPORTING ACCOUNTANT**

The accounting officer is responsible, under the requirements of Reach South Academy Trust's funding agreement with the Secretary of State for Education dated 31 December 2018 and the Academy Trust Handbook, extant from 1 September 2023, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

**REACH SOUTH ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO REACH
SOUTH ACADEMY TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)**

APPROACH

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

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

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

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

The work undertaken to draw our conclusion includes:

An assessment of the risk of material irregularity and impropriety across all of the Trust's activities;

Further testing and review of the areas identified through the risk assessment including enquiry, identification of controls processes and examination of supporting evidence across all areas identified as well as additional verification work where considered necessary; and

Consideration of evidence obtained through the work detailed above and the work completed as part of our audit of the financial statements in order to support the regularity conclusion.

In line with the Framework and guide for external auditors and reporting accountants of academy trusts issued March 2024, we have not performed any additional procedures regarding the Trust's compliance with safeguarding, health and safety and estates management.

CONCLUSION

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



Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
Salt Quay House
4 North East Quay
Sutton Harbour
Plymouth
PL4 0BN

Date: 13 December 2024

**REACH SOUTH ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2024**

	Note	Unrestricted funds 2024 £	Restricted funds 2024 £	Restricted fixed asset funds 2024 £	Total funds 2024 £	Total funds 2023 £
Income from:						
Donations and capital grants:	3					
Amounts transferred from existing Trusts		-	-	-	-	14,853,518
Other donations and capital grants		43,186	1,286,844	14,991,353	16,321,383	10,368,836
Other trading activities	6	532,802	-	-	532,802	443,040
Investments	7	117,153	-	-	117,153	629
Charitable activities	4	500,122	47,633,234	-	48,133,356	40,136,265
Total income		1,193,263	48,920,078	14,991,353	65,104,694	65,802,288
Expenditure on:						
Charitable activities	8	665,391	46,822,350	14,265,549	61,753,290	43,710,523
Total expenditure		665,391	46,822,350	14,265,549	61,753,290	43,710,523
NET INCOME/ (EXPENDITURE)		527,872	2,097,728	725,804	3,351,404	22,091,765
Transfers between funds	19	-	(644,844)	644,844	-	-
Net movement in funds before other recognised gains/(losses)		527,872	1,452,884	1,370,648	3,351,404	22,091,765
Other recognised gains/(losses):						
Actuarial gains on defined benefit pension schemes	26	-	1,288,000	-	1,288,000	4,739,000
Pension surplus not recognised	26	-	(655,000)	-	(655,000)	(1,370,000)
Net movement in funds		527,872	2,085,884	1,370,648	3,984,404	25,460,765

**REACH SOUTH ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
(CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024**

	Unrestricted funds 2024 £	Restricted funds 2024 £	Restricted fixed asset funds 2024 £	Total funds 2024 £	Total funds 2023 £
Reconciliation of funds:					
Total funds brought forward	1,379,285	(1,312,898)	116,532,057	116,598,444	91,137,679
Net movement in funds	527,872	2,085,884	1,370,648	3,984,404	25,460,765
Total funds carried forward	<u>1,907,157</u>	<u>772,986</u>	<u>117,902,705</u>	<u>120,582,848</u>	<u>116,598,444</u>

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

The notes on pages 36 to 76 form part of these financial statements.

**REACH SOUTH ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:10151730**

**BALANCE SHEET
AS AT 31 AUGUST 2024**

	Note	2024 £	2023 £
Fixed assets	15		
Tangible assets		113,672,460	107,136,238
Current assets			
Debtors	16	5,428,521	10,442,281
Cash at bank and in hand	21	8,227,685	6,826,566
		13,656,206	17,268,847
Creditors: amounts falling due within one year	17	(5,238,938)	(5,211,169)
Net current assets		8,417,268	12,057,678
Total assets less current liabilities		122,089,728	119,193,916
Creditors: amounts falling due after more than one year	18	(571,880)	(512,472)
Net assets excluding pension liability		121,517,848	118,681,444
Defined benefit pension scheme liability	26	(935,000)	(2,083,000)
Total net assets		120,582,848	116,598,444

**REACH SOUTH ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:10151730**

**BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2024**

	Note	2024 £	2023 £
Funds of the Academy Trust			
Restricted funds:			
Fixed asset funds	19	117,902,705	116,532,057
Restricted income funds	19	1,707,986	770,102
		<hr/>	<hr/>
Restricted funds excluding pension reserves	19	119,610,691	117,302,159
Pension reserve	19	(935,000)	(2,083,000)
		<hr/>	<hr/>
Total restricted funds	19	118,675,691	115,219,159
Unrestricted income funds	19	1,907,157	1,379,285
		<hr/>	<hr/>
Total funds		120,582,848	116,598,444
		<hr/> <hr/>	<hr/> <hr/>

The financial statements on pages 31 to 76 were approved and authorised for issue by the Trustees and are signed on their behalf, by:



Mr M Agius CBE
(Chair of Trustees)
Date: 11 December 2024

The notes on pages 36 to 76 form part of these financial statements.

**REACH SOUTH ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2024**

	Note	2024 £	2023 £
Cash flows from operating activities			
Net cash provided by operating activities	21	6,117,738	1,971,906
Cash flows from investing activities	22	(4,716,619)	(28,931)
Change in cash and cash equivalents in the year		1,401,119	1,942,975
Cash and cash equivalents at the beginning of the year		6,826,566	4,883,591
Cash and cash equivalents at the end of the year	23, 24	8,227,685	6,826,566

The notes on pages 36 to 76 form part of these financial statements

1. ACCOUNTING POLICIES

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 OF FINANCIAL STATEMENTS

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

Reach South Academy Trust meets the definition of a public benefit entity under FRS 102.

1.2 GOING CONCERN

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

1. ACCOUNTING POLICIES (continued)

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 year for which it is receivable and any abatement in respect of the year is deducted from income and recognised as a liability.

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

• **Sponsorship income**

Sponsorship income provided to the Academy Trust which amounts to a donation is recognised in the Statement of Financial Activities in the year 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, including donation of assets, are recognised on a receivable basis (where there are no performance-related conditions) where the receipt is probable and the amount can be reliably measured.

• **Other income**

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

• **Transfer of existing academies into the Academy Trust**

Where assets and liabilities are received on the transfer of an existing Academy into the Academy Trust, the transferred assets are measured at fair value and recognised in the Balance Sheet at the point when the risks and rewards of ownership pass to the Academy Trust. An equal amount of income is recognised for the transfer of an existing Academy into the Academy Trust within 'Income from Donations and Capital Grants' to the net assets acquired.

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

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

1. ACCOUNTING POLICIES (continued)

1.4 EXPENDITURE

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

1.5 INTEREST RECEIVABLE

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

1.6 TAXATION

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

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

1.7 TANGIBLE FIXED ASSETS

Assets costing £2,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

1. ACCOUNTING POLICIES (continued)

1.7 TANGIBLE FIXED ASSETS (CONTINUED)

Freehold property	- Land: not depreciated; Buildings: 50 years straight line
Long-term leasehold property	- Land: 125 years/lease term; Buildings: 50 years straight line
Motor vehicles	- 20% straight Line
Computer equipment	- 33% straight Line
Furniture and equipment	- 25% straight line

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.

Where on conversion the Academy Trust was granted a 125 year lease from the Local Authority for the land and buildings previously occupied by the Local Authority school, the long term leasehold property is recognised as a donation from the Local Authority and is valued using the depreciated replacement cost method.

1.8 DEBTORS

Trade and other debtors with no stated interest rate and due within one year are recorded at the amount of the cash or other consideration expected to be received. Prepayments are valued at the amount paid.

1.9 CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account and cash on deposit that has a notice period of less than 30 days.

1.10 LIABILITIES

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

1. ACCOUNTING POLICIES (continued)

1.11 FINANCIAL INSTRUMENTS

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 16. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 17 and 18. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.12 OPERATING LEASES

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

1.13 PENSIONS

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

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

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

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

1. ACCOUNTING POLICIES (continued)

1.14 AGENCY ARRANGEMENTS

The Academy Trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the Statement of Financial Activities as the Academy Trust does not have control over the charitable application of the funds. The Academy Trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the Statement of Financial Activities. The funds received, paid and any balances held at period end are disclosed in Note 28.

1.15 FUND ACCOUNTING

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

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

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

Transfers are made between restricted funds and restricted fixed asset funds where restricted funds are used to purchase fixed assets.

2. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

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

Critical accounting estimates and assumptions:

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

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 26, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2022 has been used by the actuary in valuing the pensions liability at 31 August 2024. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement:

The Academy Trust obtains use of fixed assets as a lessee. The classification of such leases as operating or finance lease requires the Academy Trust to determine, based on an evaluation of the terms and conditions of the arrangements, whether it retains or acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the Balance Sheet.

The donation of fixed assets (excluding transfers on conversion or into the Academy Trust) involved the transfer of identifiable assets for £Nil consideration. The substance of the transfer is that of a gift and it has been accounted for on that basis as set out below.

The assets transferred from the Department for Education in relation to Salisbury Academy for Inspirational Learning (SAIL) to the Academy Trust have been valued at their fair value. The fair value has been derived based on a professional valuation. The amount has been recognised under the appropriate Balance Sheet categories, with a corresponding amount recognised in Income from Donations and Capital Grants in the Statement of Financial Activities and analysed under restricted fixed asset funds.

Due to the forthcoming closure of Parkfield school in August 2025 and the return of the premises to the Department for Education, depreciation has been accelerated to leave a net book value equivalent to one year's useful economic life of the buildings. The Trust consider this to be materially consistent with one year's rental value which represents the asset's service potential for its final year of use.

**REACH SOUTH ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

3. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2024 £	Restricted funds 2024 £	Restricted fixed asset funds 2024 £	Total funds 2024 £
DONATIONS				
Transfers from existing Academy Trusts	-	-	-	-
Donations	43,186	254,912	13,680,000	13,978,098
Capital Grants	-	1,031,932	1,311,353	2,343,285
	<u>43,186</u>	<u>1,286,844</u>	<u>14,991,353</u>	<u>16,321,383</u>

Included within restricted fixed asset funds donations is £13,680,000 in relation to the land and buildings of Salisbury Academy for Inspirational Learning (SAIL), donated by the Department for Education.

	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £
DONATIONS				
Transfers from existing Academy Trusts	-	4,000	14,849,518	14,853,518
Donations	98,762	156,494	-	255,256
Capital Grants	-	1,000,173	9,113,407	10,113,580
	<u>98,762</u>	<u>1,160,667</u>	<u>23,962,925</u>	<u>25,222,354</u>

REACH SOUTH ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

4. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £
Education	500,122	47,633,234	48,133,356

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Education	439,299	39,696,966	40,136,265

**REACH SOUTH ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

5. FUNDING FOR THE ACADEMY TRUST'S CHARITABLE ACTIVITIES

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £
EDUCATION			
DFE/ESFA GRANTS			
General Annual Grant	-	32,279,906	32,279,906
OTHER DFE/ESFA GRANTS			
Pupil Premium	-	2,418,018	2,418,018
Mainstream Schools Additional Grant	-	949,383	949,383
Teachers' Pay and Pension Grant	-	1,291,681	1,291,681
Other Government Grants	-	1,457,143	1,457,143
	-	38,396,131	38,396,131
OTHER GOVERNMENT GRANTS			
High Needs	-	8,193,649	8,193,649
Other Government Grants	-	381,643	381,643
Nursery Funding	337,340	-	337,340
	337,340	8,575,292	8,912,632
Other income from the Academy Trust's education	162,782	105,633	268,415
COVID-19 ADDITIONAL FUNDING (DFE/ESFA)			
Recovery Premium	-	490,263	490,263
National Tutoring Programme	-	65,915	65,915
	-	556,178	556,178
	500,122	47,633,234	48,133,356

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

5. FUNDING FOR THE ACADEMY TRUST'S CHARITABLE ACTIVITIES (CONTINUED)

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
EDUCATION			
DFE/ESFA GRANTS			
General Annual Grant	-	27,897,984	27,897,984
OTHER DFE/ESFA GRANTS			
Pupil Premium	-	2,217,889	2,217,889
Mainstream Schools Additional Grant	-	751,854	751,854
Teachers' Pay and Pension Grant	-	229,149	229,149
Supplementary Grant	-	731,857	731,857
Other Government Grants	-	1,256,387	1,256,387
	-	33,085,120	33,085,120
OTHER GOVERNMENT GRANTS			
High Needs	-	6,004,992	6,004,992
Other Government Grants	-	101,561	101,561
Nursery Funding	295,937	-	295,937
	295,937	6,106,553	6,402,490
Other income from the Academy Trust's education	143,362	799	144,161
COVID-19 ADDITIONAL FUNDING (DFE/ESFA)			
Recovery Premium	-	280,086	280,086
National Tutoring Programme	-	224,408	224,408
	-	504,494	504,494
	439,299	39,696,966	40,136,265

**REACH SOUTH ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

6. INCOME FROM OTHER TRADING ACTIVITIES

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Lettings	46,689	46,689	30,987
Catering	154,941	154,941	97,229
Fees received	331,172	331,172	314,824
	<u>532,802</u>	<u>532,802</u>	<u>443,040</u>

All prior year amounts relate to unrestricted funds.

7. INVESTMENT INCOME

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Bank interest	117,153	117,153	629
	<u>117,153</u>	<u>117,153</u>	<u>629</u>

All prior year amounts relate to unrestricted funds.

8. EXPENDITURE

	Staff Costs 2024 £	Premises 2024 £	Other 2024 £	Total 2024 £
Education:				
Direct costs	23,051,330	9,770,926	3,901,150	36,723,406
Support costs	11,368,268	8,608,569	5,053,047	25,029,884
	<u>34,419,598</u>	<u>18,379,495</u>	<u>8,954,197</u>	<u>61,753,290</u>

**REACH SOUTH ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

8. EXPENDITURE (CONTINUED)

	Staff Costs 2023 £	Premises 2023 £	Other 2023 £	Total 2023 £
Education:				
Direct costs	22,140,490	1,652,861	1,363,846	25,157,197
Support costs	10,351,484	4,257,553	3,944,289	18,553,326
	<u>32,491,974</u>	<u>5,910,414</u>	<u>5,308,135</u>	<u>43,710,523</u>

9. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2024 £	Support costs 2024 £	Total funds 2024 £
Education	<u>36,723,406</u>	<u>25,029,884</u>	<u>61,753,290</u>
	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £
Education	<u>25,157,197</u>	<u>18,553,326</u>	<u>43,710,523</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

9. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

ANALYSIS OF SUPPORT COSTS

	Total funds 2024 £	Total funds 2023 £
Pension finance costs	29,000	115,000
Staff costs	10,818,445	10,277,306
Depreciation	4,507,374	810,739
Staff development	125,088	92,658
Other costs	35,335	33,725
Agency staff	188,182	74,178
Recruitment and support	232,312	198,870
Maintenance of premises and equipment	2,004,711	1,443,111
Cleaning	630,847	553,014
Rent and rates	442,567	467,429
Energy costs	560,112	608,212
Insurance	169,007	137,513
Security and transport	306,702	270,467
Catering	1,291,272	1,073,903
Technology costs	1,053,927	694,449
Office overheads	552,819	477,119
Professional services	1,965,256	1,172,590
Bank interest and charges	9,395	3,602
Legal	46,280	-
Governance costs	61,253	49,441
	25,029,884	18,553,326

10. NET INCOME

Net income for the year includes:

	2024 £	2023 £
Operating lease rentals	334,463	227,217
Depreciation of tangible fixed assets	14,265,548	2,463,597
Fees paid to auditors for:		
- audit	35,950	35,400
- other services	6,350	6,200
	14,307,701	2,504,414

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

11. STAFF

a. STAFF COSTS AND EMPLOYEE BENEFITS

Staff costs during the year were as follows:

	2024 £	2023 £
Wages and salaries	24,367,809	23,330,783
Social security costs	2,506,493	2,196,896
Pension costs	5,532,213	5,346,226
	<u>32,406,515</u>	<u>30,873,905</u>
Agency staff costs	1,895,079	1,486,430
Staff restructuring costs	118,004	131,639
	<u>34,419,598</u>	<u>32,491,974</u>

The decrease in pension costs has arisen as a result of a reduction in LGPS finance and service costs.

Staff restructuring costs comprise:

	2024 £	2023 £
Redundancy payments	40,372	65,863
Severance payments	77,632	65,776
	<u>118,004</u>	<u>131,639</u>

b. SPECIAL STAFF SEVERANCE PAYMENTS

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £77,632 (2023: £38,501). Individually, the payments were £36,000, £23,910, £17,722 (2023: £20,500, £12,500, £5,351, £150).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

11. STAFF (CONTINUED)

c. STAFF NUMBERS

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

	2024	2023
	No.	No.
Teachers	375	343
Educational Support	467	475
Administration and Support	76	69
Management	8	7
	926	894

d. HIGHER PAID STAFF

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

	2024	2023
	No.	No.
In the band £60,001 - £70,000	16	8
In the band £70,001 - £80,000	8	5
In the band £80,001 - £90,000	5	5
In the band £90,001 - £100,000	6	5
In the band £100,001 - £110,000	2	1
In the band £110,001 - £120,000	1	-
In the band £120,001 - £130,000	-	1
In the band £130,001 - £140,000	1	-
In the band £140,001 - £150,000	-	2
In the band £150,001 - £160,000	1	-

e. KEY MANAGEMENT PERSONNEL

The key management personnel of the Academy Trust comprise the Trustees (who do not receive remuneration for their role as Trustees) and the Senior Management Team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £880,915 (2023: £982,461). The average headcount of key management personnel was 8 (2023: 8).

12. CENTRAL SERVICES

The Academy Trust has provided the following central services to its academies during the year:

- Financial management and planning systems
- Human Resources leadership
- ICT Leadership
- Estates strategic management, Health and Safety and capital improvement
- Events management and administration
- Governance support
- Policy development
- School Performance Management
- Risk management
- School leadership development and training
- School leadership performance management
- Liaison with regulators and policy makers (DfE, ESFA, Regional Schools' Commissioner, OFSTED, Charities Commission and Companies House)
- Liaison with trade unions
- Media and publicity management
- Crisis management

The Academy Trust charges for these services on the following basis:

The Academy Trust allocates 6.5% of its total GAG, MSAG, Supplementary grants along with 3% Special School additional grant and LA Top up income for the provision of these central services.

A notional monetary value of these services for each Academy is based on an assumption that their share of the total value reflects the funding formula used by the ESFA to calculate individual Academy GAGs. In practice services are provided to each Academy on a basis of basic need for all with additional support targeted and prioritised to meet the actual needs of each Academy.

**REACH SOUTH ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

12. CENTRAL SERVICES (CONTINUED)

The actual amounts were as follows:

	2024	2023
	£	£
Drake Primary Academy	64,913	64,711
Goosewell Academy	134,789	136,834
High Street Primary Academy	83,966	40,323
Marlborough Primary Academy	48,776	47,751
Morice Town Primary Academy	65,233	62,705
Pilgrim Primary Academy	145,775	124,064
Stoke Damerel Primary Academy	128,775	119,286
Stuart Road Primary Academy	65,442	57,548
Hill View Primary Academy	180,195	178,988
Malmesbury Park Primary Academy	198,523	187,616
The Springfields Academy	239,723	146,195
Parkfield School	203,621	189,472
UTC Plymouth	267,013	243,284
Millbay Academy	223,355	244,619
Peak Academy	77,708	42,682
Thomas Hall School	191,548	35,198
SAIL (Salisbury Academy for Inspirational Learning)	87,714	-
TOTAL	<u>2,407,069</u>	<u>1,921,276</u>

13. TRUSTEES' REMUNERATION AND EXPENSES

The CEO and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of CEO and staff under their contracts of employment, and not in respect of their services as Trustees. Other Trustees did not receive any payments, other than expenses, from the Academy Trust in respect of their role as Trustees. The value of Trustees' remuneration and other benefits was as follows: D Ashton: remuneration £155,000 - £160,000 (2023: £140,000 - £145,000), Employer's pension contributions £Nil (2023: £Nil). Other related party transactions involving the Trustees are set out in note 30.

During the year, no Trustees received any benefits in kind (2023: £NIL)

During the year ended 31 August 2024, expenses totalling £1,455 were reimbursed or paid directly to 2 Trustees (2023: £940 to 4 Trustees).

14. TRUSTEES' AND OFFICERS' INSURANCE

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

REACH SOUTH ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

15. TANGIBLE FIXED ASSETS

	Freehold property £	Long-term leasehold property £	Assets under construction £	Furniture and equipment £	Computer equipment £	Motor vehicles £	Total £
COST							
At 1 September 2023	64,030,342	49,841,770	797,927	2,441,970	1,938,086	40,037	119,090,132
Additions	4,212	13,684,982	6,446,911	206,687	370,988	87,990	20,801,770
At 31 August 2024	<u>64,034,554</u>	<u>63,526,752</u>	<u>7,244,838</u>	<u>2,648,657</u>	<u>2,309,074</u>	<u>128,027</u>	<u>139,891,902</u>
DEPRECIATION							
At 1 September 2023	4,118,764	4,260,642	-	1,879,590	1,655,387	39,511	11,953,894
Charge for the year	12,487,818	1,272,577	-	253,837	241,558	9,758	14,265,548
At 31 August 2024	<u>16,606,582</u>	<u>5,533,219</u>	<u>-</u>	<u>2,133,427</u>	<u>1,896,945</u>	<u>49,269</u>	<u>26,219,442</u>
NET BOOK VALUE							
At 31 August 2024	<u>47,427,972</u>	<u>57,993,533</u>	<u>7,244,838</u>	<u>515,230</u>	<u>412,129</u>	<u>78,758</u>	<u>113,672,460</u>
At 31 August 2023	<u>59,911,578</u>	<u>45,581,128</u>	<u>797,927</u>	<u>562,380</u>	<u>282,699</u>	<u>526</u>	<u>107,136,238</u>

15. TANGIBLE FIXED ASSETS (CONTINUED)

Included in freehold property is land at cost of £9,806,000 (2023: £11,029,000) which is not depreciated.

The acquisition of the Leasehold Buildings at SAIL was donated to the Trust at a value of £11,980,000.

The acquisition of Leasehold Land at SAIL was donated to the Trust at a value of £1,700,000.

Both of the above in year acquisitions are included with long-term leasehold property additions.

The key judgements and estimates regarding the depreciation charge for the year are detailed in note 2.

**REACH SOUTH ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

16. DEBTORS

	2024	2023
	£	£
DUE AFTER MORE THAN ONE YEAR		
Prepayments and accrued income	-	392,509
	<u>-</u>	<u>392,509</u>
DUE WITHIN ONE YEAR		
Trade debtors	28,683	24,033
Other debtors	1,443	754
Prepayments and accrued income	4,680,069	9,670,548
VAT recoverable	718,326	354,437
	<u>5,428,521</u>	<u>10,442,281</u>

Accrued income includes capital funding awarded in advance totalling £3,293,484 (2023: £8,717,654).

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024	2023
	£	£
Trade creditors	772,571	889,913
Other taxation and social security	594,701	534,010
Other creditors	935,518	1,245,040
Accruals and deferred income	2,936,148	2,542,206
	<u>5,238,938</u>	<u>5,211,169</u>
	2024	2023
	£	£
DEFERRED INCOME		
Deferred income at 1 September 2023	588,015	724,923
Resources deferred during the year	952,990	588,015
Amounts released from previous periods	(588,015)	(724,923)
	<u>952,990</u>	<u>588,015</u>

At the Balance Sheet date the Academy Trust was holding funds received in advance for Universal Infant Free School Meals, Rates Relief, Additional SEMH Funding and trips booked in advance for 2024/25.

**REACH SOUTH ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

18. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2024	2023
	£	£
Other creditors	571,880	512,472

Included within other creditors falling due after more than one year are amounts of £521,880 and £50,000 (2023: £461,880 and £50,000) owed to the ESFA relating to deficits brought in on transfer and conversion in the year ending 31 August 2019 for Parkfield School and UTC Plymouth respectively.

**REACH SOUTH ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

19. STATEMENT OF FUNDS

	Balance at 1 September 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2024 £
UNRESTRICTED FUNDS						
General Funds - all funds	1,379,285	1,193,263	(665,391)	-	-	1,907,157
RESTRICTED GENERAL FUNDS						
General Annual Grant (GAG)	2,923	32,279,906	(31,064,559)	(573,172)	-	645,098
Bursary funding	-	11,164	(11,164)	-	-	-
High Needs	130,817	8,193,649	(8,272,123)	-	-	52,343
Pupil Premium	58,861	2,418,018	(2,428,365)	-	-	48,514
Devolved Formula Capital (DFC)	125,248	146,700	(27,462)	(69,092)	-	175,394
School Condition Allocation (SCA)	428,828	885,232	(722,838)	-	-	591,222
Other government grants	1,047	1,527,347	(1,353,605)	(2,580)	-	172,209
Other restricted funds	22,378	294,636	(293,808)	-	-	23,206
Teachers' pay/pension grant	-	1,291,680	(1,291,680)	-	-	-
Recovery Premium	-	490,260	(490,260)	-	-	-
National Tutoring Programme (NTP)	-	65,912	(65,912)	-	-	-
16-19 funding	-	366,191	(366,191)	-	-	-
Mainstream Schools Additional Grant (MSAG)	-	949,383	(949,383)	-	-	-
Pension reserve	(2,083,000)	-	515,000	-	633,000	(935,000)
	(1,312,898)	48,920,078	(46,822,350)	(644,844)	633,000	772,986

**REACH SOUTH ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

19. STATEMENT OF FUNDS (CONTINUED)

	Balance at 1 September 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2024 £
RESTRICTED FIXED ASSET FUNDS						
Fixed assets transferred on conversion or from existing Trusts	103,961,090	13,680,000	(13,305,652)	-	-	104,335,438
Capital funding transferred on conversion or from existing Trusts	167,651	-	(19,423)	-	-	148,228
Fixed assets purchased from GAG	937,811	-	(480,053)	574,866	-	1,032,624
Devolved Formula Capital	246,561	-	(75,171)	69,090	-	240,480
School Condition Allocation	699,427	-	(84,720)	-	-	614,707
Other	357,699	-	(300,530)	2,580	-	59,749
Peak Capital Funding	798,411	344,718	-	-	-	1,143,129
Energy Efficiency Funding	281,070	-	-	(1,692)	-	279,378
Millbay - Strategic School Improvement Capital Budget	8,100,177	-	-	-	-	8,100,177
Springfield - Aspen project	982,160	-	-	-	-	982,160
SAIL Capital Funding	-	625,160	-	-	-	625,160
UTC Capital Funding	-	341,475	-	-	-	341,475
	116,532,057	14,991,353	(14,265,549)	644,844	-	117,902,705
TOTAL RESTRICTED FUNDS	115,219,159	63,911,431	(61,087,899)	-	633,000	118,675,691

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

19. STATEMENT OF FUNDS (CONTINUED)

	Balance at 1 September 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2024 £
TOTAL FUNDS	116,598,444	65,104,694	(61,753,290)	-	633,000	120,582,848

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

Restricted Funds

General Annual Grant

Income from the ESFA which is to be used for the normal running costs of the Academy Trust, including education and support costs.

High Needs

Funding received by the Local Authority to fund further support for students with additional needs.

Pupil Premium

Pupil premium represents funding received from the ESFA for children that qualify for free school meals to enable the Academy Trust to address the current underlying inequalities between those children and their wealthier peers.

Other DfE/ESFA

Includes the Sports and PE Grant that must be used to fund improvements to the provision of PE and sport, for the benefit of primary-aged pupils, so that they develop healthy lifestyles; Universal Infant Free School Meal (UIFSM) income for the provision of free school meals for infants; and rebrokerage grants received in respect of taking on schools/academies into the Academy Trust.

UIFSM

This represents income for the provision of free school meals for infants;

Teachers' Pay/Pension Grant

This represents contributions to support schools with the cost of the increase in employers contributions to teachers' pay and pensions.

Mainstream Schools Additional Grant (MSAG)

This represents funding from the ESFA to cover the day-to-day running of the Trust.

Devolved Formula Capital (DFC)

This represents funding from the ESFA to cover the maintenance of the Trust's assets.

School Condition Allocation (SCA)

This represents funding from the ESFA to cover the maintenance of the Trust's assets.

Other government grants

This represents funding from the Local Authority in respect of PAN expansion to support the increase in the Academy Trust's published admission number.

Other

This represents the income in respect of restricted donations and trips.

Pension reserve

This represents the Academy's share of the assets and liabilities in the Local Government Pension Scheme. As with most pension schemes this is currently in deficit due to an excess of scheme liabilities

19. STATEMENT OF FUNDS (CONTINUED)

over scheme assets which was inherited on conversion to an Academy.

Schools Supplementary Grant

Funding from ESFA to provide support for the costs of the Health and Social Care Levy and wider costs.

Restricted Fixed Asset Funds

Fixed assets transferred on conversion or from existing Trusts

This represents the land, buildings, furniture and equipment donated to the Academy Trust from the Local Authority on conversion to an Academy Trust or from existing Academy Trusts on transfer into the Trust.

Capital funding transferred on conversion or from existing Trusts

This represents the element of the cash transferred across on conversion or transfer that was previously set aside for capital purposes.

Fixed assets purchased from GAG

This represents capital expenditure using GAG funds.

Devolved Formula Capital

This represents funding from the ESFA to cover the purchase of the Trust's assets.

School Condition Allocation

This represents funding from the ESFA to cover the purchase of the Trust's assets.

Other

This represents donations received to be spent on capital assets.

Peak Capital Funding

This represents repairs to buildings and modular classrooms.

Energy Efficiency Funding

To prioritise projects that improve school estate's energy efficiency.

Millbay - Strategic School Improvement Capital Funding

To provide 10 classroom extensions and refurbishment.

Springfield - Aspen project

Remodelling of the former residential block into additional classrooms, capital provided by Wiltshire Council.

SAIL Capital Funding

Funding for additional construction work and ICT

UTC Capital Funding

T Level specialist equipment allocation

Other Information

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

**REACH SOUTH ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

19. STATEMENT OF FUNDS (CONTINUED)

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

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
UNRESTRICTED FUNDS						
General Funds	1,142,069	981,730	(547,619)	(196,895)	-	1,379,285
RESTRICTED GENERAL FUNDS						
General Annual Grant (GAG)	65,874	27,897,984	(27,560,699)	(400,236)	-	2,923
High Needs	102,267	6,004,992	(5,976,442)	-	-	130,817
Pupil Premium	12,915	2,217,889	(2,171,943)	-	-	58,861
Other DfE/ ESFA	-	1,256,387	(1,256,387)	-	-	-
Devolved Formula Capital (DFC)	85,606	145,008	(32,932)	(72,432)	-	125,250
School Condition Allocation (SCA)	469,724	855,165	(736,267)	(159,796)	-	428,826
Other government grants	33,767	101,561	(134,281)	-	-	1,047
Other restricted funds	22,380	157,293	(157,295)	-	-	22,378
Strategic School Improvement Fund (SSIF)	39,098	-	-	(39,098)	-	-
Teachers' pay/pension grant	-	229,149	(229,149)	-	-	-
Recovery Premium	-	280,086	(280,086)	-	-	-
National Tutoring Programme (NTP)	13,804	224,408	(229,112)	(9,100)	-	-

**REACH SOUTH ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

19. STATEMENT OF FUNDS (CONTINUED)

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
National Tutoring Programme (NTP)	-	731,857	(731,857)	-	-	-
Mainstream Schools Additional Grant (MSAG)	-	751,854	(751,854)	-	-	-
Pension reserve	(5,005,000)	4,000	(451,000)	-	3,369,000	(2,083,000)
	<u>(4,159,565)</u>	<u>40,857,633</u>	<u>(40,699,304)</u>	<u>(680,662)</u>	<u>3,369,000</u>	<u>(1,312,898)</u>

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
RESTRICTED FIXED ASSET FUNDS						
Fixed assets transferred on conversion or from existing Trusts	90,879,117	14,849,518	(1,767,545)	-	-	103,961,090
Capital funding transferred on conversion or from existing Trusts	188,628	-	(20,977)	-	-	167,651
Fixed assets purchased from GAG	828,297	-	(276,715)	386,229	-	937,811
Devolved Formula Capital	269,356	-	(95,227)	72,432	-	246,561
School Condition Allocation	628,828	-	(89,197)	159,796	-	699,427
Other	562,538	-	(213,939)	9,100	-	357,699
Peak Capital Funding	798,411	-	-	-	-	798,411
Energy Efficiency Funding	-	281,070	-	-	-	281,070

**REACH SOUTH ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

19. STATEMENT OF FUNDS (CONTINUED)

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
Millbay - Strategic School Improvement Capital Budget	-	7,850,177	-	250,000	-	8,100,177
Springfield - Aspen project	-	982,160	-	-	-	982,160
	<u>94,155,175</u>	<u>23,962,925</u>	<u>(2,463,600)</u>	<u>877,557</u>	<u>-</u>	<u>116,532,057</u>
TOTAL RESTRICTED FUNDS	<u>89,995,610</u>	<u>64,820,558</u>	<u>(43,162,904)</u>	<u>196,895</u>	<u>3,369,000</u>	<u>115,219,159</u>
	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
TOTAL FUNDS	<u>91,137,679</u>	<u>65,802,288</u>	<u>(43,710,523)</u>	<u>-</u>	<u>3,369,000</u>	<u>116,598,444</u>

**REACH SOUTH ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

19. STATEMENT OF FUNDS (CONTINUED)

Total funds analysis by Academy

Fund balances at 31 August 2024 were allocated as follows:

	2024	2023
	£	£
Drake Primary Academy	18,102	110,097
Goosewell Primary Academy	374,681	405,092
High Street Primary Academy	277,411	188,197
Hill View Primary Academy	510,952	480,023
Malmesbury Park Primary Academy	946,542	763,559
Marlborough Primary Academy	92,678	97,349
Morice Town Primary Academy	208,270	224,526
Pilgrim Primary Academy	353,139	366,236
The Springfields Academy	551,761	83,611
Stoke Damerel Primary Academy	503,720	373,529
Stuart Road Primary Academy	37,451	10,471
Parkfield School	(42,874)	(337,143)
UTC Plymouth	(135,914)	(449,020)
Millbay Academy	(31,063)	(149,610)
Central Function	(137,481)	(31,421)
Peak Academy	(22,712)	10,574
Thomas Hall School	57,350	3,317
SAIL (Salisbury Academy for Inspirational Learning)	53,130	-
	<hr/>	<hr/>
Total before fixed asset funds and pension reserve	3,615,143	2,149,387
Restricted fixed asset fund	117,902,705	116,532,057
Pension reserve	(935,000)	(2,083,000)
	<hr/>	<hr/>
TOTAL	120,582,848	116,598,444
	<hr/> <hr/>	<hr/> <hr/>

The following Academies are carrying a net deficit on their portion of the funds as follows:

	Deficit
	£
Parkfield School	(42,874)
UTC Plymouth	(135,914)
Millbay Academy	(31,063)
Peak Academy	(22,712)
	<hr/> <hr/>

UTC Plymouth, Parkfield, Milbay and Peak Academy all report deficits positions. With the exception of Peak Academy, this is due to legacy deficit positions held at the point of joining the Trust. Peak Academy has reported an in year deficit due to a lack of pupil numbers.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

19. STATEMENT OF FUNDS (CONTINUED)

The Academy Trust is taking the following action to return the academies to surplus:

The Trust has deficit recovery plans in place, agreed with the ESFA, for each academy. Parkfield, UTC, and Millbay Academy have all operated at an in year surplus as they undergo significant educational improvements to drive the pupil growth needed for financial stability. Peak Academy is expected to operate at a deficit whilst similar educational improvements are implemented.

TOTAL COST ANALYSIS BY ACADEMY

Expenditure incurred by each academy during the year was as follows:

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation and pension £	Total 2024 £
Drake Primary Academy	604,967	266,492	33,740	353,993	1,259,192
Goosewell Primary Academy	621,898	527,855	38,575	606,791	1,795,119
High Street Primary Academy	612,997	395,348	70,523	314,666	1,393,534
Hill View Primary Academy	1,553,590	564,700	106,889	743,831	2,969,010
Malmesbury Park Primary Academy	1,814,513	714,724	154,164	879,824	3,563,225
Marlborough Primary Academy	306,553	266,046	28,348	268,119	869,066
Morice Town Primary Academy	515,265	301,204	43,000	273,255	1,132,724
Pilgrim Primary Academy	1,373,242	599,144	122,318	593,719	2,688,423
The Springfields Academy	2,686,874	989,173	401,317	1,555,801	5,633,165
Stoke Damerel Primary Academy	1,027,376	427,814	85,089	576,549	2,116,828
Stuart Road Primary Academy	523,299	225,815	35,830	308,196	1,093,140
Parkfield School	815,430	910,929	204,061	959,556	2,889,976
UTC Plymouth	2,105,817	695,066	116,640	1,030,794	3,948,317
Millbay Academy	1,616,751	816,926	100,551	892,072	3,426,300
Central Function	603,335	2,853,964	146,998	1,742,776	5,347,073
Peak Academy	631,208	621,363	128,203	466,854	1,847,628
Thomas Hall School	1,340,336	976,000	168,089	888,614	3,373,039
SAIL (Salisbury Academy for Inspirational Learning)	673,039	481,045	223,931	692,967	2,070,982
ACADEMY TRUST	19,426,490	12,633,608	2,208,266	13,148,377	47,416,741

**REACH SOUTH ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

19. STATEMENT OF FUNDS (CONTINUED)

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation and pension £	Total 2023 £
Drake Primary Academy	654,445	289,780	35,585	161,755	1,141,565
Goosewell Primary Academy	1,454,538	462,915	73,795	296,823	2,288,071
High Street Primary Academy	433,963	192,415	16,107	140,248	782,733
Hill View Primary Academy	1,812,772	513,003	138,705	380,480	2,844,960
Malmesbury Park Primary Academy	2,228,150	490,607	86,392	483,904	3,289,053
Marlborough Primary Academy	421,425	215,852	33,271	188,844	859,392
Morice Town Primary Academy	649,618	201,605	(6,399)	236,948	1,081,772
Pilgrim Primary Academy	1,523,528	454,725	76,038	358,040	2,412,331
The Springfields Academy	3,350,020	1,020,412	78,161	935,494	5,384,087
Stoke Damerel Primary Academy	1,231,615	286,322	101,529	351,772	1,971,238
Stuart Road Primary Academy	538,166	221,232	33,615	230,027	1,023,040
Parkfield School	1,705,295	530,254	146,003	739,343	3,120,895
UTC Plymouth	2,304,415	656,200	206,042	599,215	3,765,872
Millbay Academy	2,085,247	1,062,350	154,931	647,008	3,949,536
Central Function	426,335	2,954,195	38,481	1,103,923	4,522,934
Peak Academy	884,534	670,197	35,342	304,619	1,894,692
Thomas Hall School	436,424	129,420	27,204	132,704	725,752
ACADEMY TRUST	22,140,490	10,351,484	1,274,802	7,291,147	41,057,923

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT PERIOD

	Unrestricted funds 2024 £	Restricted funds 2024 £	Restricted fixed asset funds 2024 £	Total funds 2024 £
Tangible fixed assets	-	-	113,672,460	113,672,460
Current assets	1,907,157	7,518,804	4,230,245	13,656,206
Creditors due within one year	-	(5,238,938)	-	(5,238,938)
Creditors due in more than one year	-	(571,880)	-	(571,880)
Provisions for liabilities and charges	-	(935,000)	-	(935,000)
TOTAL	1,907,157	772,986	117,902,705	120,582,848

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR PERIOD

	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £
Tangible fixed assets	-	-	107,136,238	107,136,238
Debtors due after more than one year	-	-	392,509	392,509
Current assets	1,379,285	6,471,897	9,025,156	16,876,338
Creditors due within one year	-	(5,189,323)	(21,846)	(5,211,169)
Creditors due in more than one year	-	(512,472)	-	(512,472)
Provisions for liabilities and charges	-	(2,083,000)	-	(2,083,000)
TOTAL	1,379,285	(1,312,898)	116,532,057	116,598,444

**REACH SOUTH ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

21. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2024	2023
	£	£
Net income for the period (as per Statement of Financial Activities)	3,351,404	22,091,765
ADJUSTMENTS FOR:		
Depreciation	14,265,548	2,463,597
Capital grants from DfE and other capital income	(16,023,285)	(10,113,580)
Interest received	(117,153)	(629)
Defined benefit pension scheme obligation inherited	-	(4,000)
Defined benefit pension scheme cost less contributions payable	(586,000)	262,000
Defined benefit pension scheme finance cost	71,000	189,000
Decrease in debtors	5,778,490	803,177
(Decrease)/increase in creditors	(622,266)	1,130,094
Net income on assets and liabilities from existing Trusts transferred in	-	(14,849,518)
NET CASH PROVIDED BY OPERATING ACTIVITIES	6,117,738	1,971,906

22. CASH FLOWS FROM INVESTING ACTIVITIES

	2024	2023
	£	£
Interest received	117,153	629
Purchase of tangible fixed assets	(6,412,327)	(1,425,486)
Capital grants from DfE Group	1,578,555	1,395,926
NET CASH USED IN INVESTING ACTIVITIES	(4,716,619)	(28,931)

23. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2024	2023
	£	£
Cash at bank and in hand	8,227,685	6,826,566

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

24. ANALYSIS OF CHANGES IN NET DEBT

	At 1 September 2023 £	Cash flows £	At 31 August 2024 £
Cash at bank and in hand	<u>6,826,565</u>	<u>1,401,120</u>	<u>8,227,685</u>

25. CAPITAL COMMITMENTS

	2024 £	2023 £
CONTRACTED FOR BUT NOT PROVIDED IN THESE FINANCIAL STATEMENTS		
Acquisition of tangible fixed assets	<u>2,086,106</u>	<u>900,309</u>

26. PENSION COMMITMENTS

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

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

Contributions amounting to £719,259 were payable to the schemes at 31 August 2024 (2023 - £593,636) and are included within creditors.

TEACHERS' PENSION SCHEME

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

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

26. PENSION COMMITMENTS (CONTINUED)

VALUATION OF THE TEACHERS' PENSION SCHEME

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

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

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

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

The employer's pension costs paid to TPS in the year amounted to £3,001,352 (2023 - £2,395,594).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (<https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx>) for 2016 and www.teacherspensions.co.uk/news/employers/2023/10/valuation-result.aspx for 2020.

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

LOCAL GOVERNMENT PENSION SCHEME

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2024 was £3,005,000 (2023 - £2,536,000), of which employer's contributions totalled £2,381,000 (2023 - £2,009,000) and employees' contributions totalled £ 624,000 (2023 - £527,000). The agreed contribution rates for future years are 21.9% for Devon, 23.6% for Dorset and 25.1% for Wiltshire for employers and 5.5-12.5 per cent for employees.

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

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

26. PENSION COMMITMENTS (CONTINUED)

PRINCIPAL ACTUARIAL ASSUMPTIONS

	2024	2023
	%	%
Rate of increase in salaries	3.61	3.77
Rate of increase for pensions in payment/inflation	2.76	2.92
Discount rate for scheme liabilities	5.07	5.27

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

	2024	2023
	Years	Years
RETIRING TODAY		
Males	20.2-21.8	17.5 - 21.8
Females	22.7-24.3	22.6 - 24.4
RETIRING IN 20 YEARS		
Males	21.7-23.1	21.8 - 23.1
Females	24.1-25.3	24.0 - 25.3

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

26. PENSION COMMITMENTS (CONTINUED)

SHARE OF SCHEME ASSETS

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

	At 31 August 2024 £	At 31 August 2023 £
Equities	17,295,000	15,100,000
Gilts and bonds	7,287,000	5,831,000
Property	4,078,000	2,779,000
Cash and other liquid assets	1,025,000	427,000
Other	3,423,000	3,182,000
Total market value of assets	33,108,000	27,319,000

The actual return on scheme assets was £260,800 (2023 - £161,000).

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

	2024 £	2023 £
Current service cost	(1,779,000)	(2,264,000)
Past service cost	(16,000)	(7,000)
Interest income	1,496,000	1,064,000
Interest cost	(1,567,000)	(1,253,000)
Total amount recognised in the Statement of Financial Activities	(1,866,000)	(2,460,000)

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

	2024 £	2023 £
At 1 September	28,032,000	29,045,000
Transferred in on existing Academies joining the Trust	-	1,016,000
Current service cost	1,779,000	2,264,000
Interest cost	1,567,000	1,253,000
Employee contributions	624,000	527,000
Actuarial gains	419,000	(5,496,000)
Benefits paid	(348,000)	(584,000)
Past service cost	16,000	7,000
At 31 August	32,089,000	28,032,000

**REACH SOUTH ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

26. PENSION COMMITMENTS (CONTINUED)

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

	2024	2023
	£	£
At 1 September	25,949,000	24,040,000
Transferred in on existing Academies joining the Trust	-	1,020,000
Interest income	1,509,000	1,064,000
Actuarial gains	1,707,000	(757,000)
Employer contributions	2,381,000	2,009,000
Employee contributions	624,000	527,000
Benefits paid	(348,000)	(584,000)
Derecognition of asset	(655,000)	(1,370,000)
Administrative expenses	(13,000)	-
	<u>31,154,000</u>	<u>25,949,000</u>

The Academy Trust has an unrecognised surplus of £2,025,000 (2023 - £1,370,000) in respect of its defined benefit pension scheme as it does not expect to recover the plan surplus either through reduced contributions in the future or through refunds from the plan.

27. OPERATING LEASE COMMITMENTS

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

	2024	2023
	£	£
Amounts payable		
Not later than 1 year	283,292	265,685
Later than 1 year and not later than 5 years	516,996	569,253
Later than 5 years	107,546	153,549
	<u>907,834</u>	<u>988,487</u>

28. MEMBERS' LIABILITY

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

29. GENERAL INFORMATION

Reach South Academy Trust is a company limited by guarantee, incorporated in England and Wales. The registered office is UTC Plymouth, Park Avenue, Devonport, Plymouth, England, PL1 4RL.

30. RELATED PARTY TRANSACTIONS

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

No related party transactions took place in the period of account, other than certain Trustees' remuneration and expenses already disclosed in note 13.

31. POST BALANCE SHEET EVENTS

There have been no post balance sheet events.

32. AGENCY ARRANGEMENTS

The Academy Trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ended 31 August 2023 the Academy Trust received £7,138 and disbursed £11,164 from the fund. An amount of £1,700 (2023: £NIL) is included in other creditors relating to undistributed funds that is repayable to ESFA