

**COMPANY REGISTRATION NO. 08452281  
(ENGLAND AND WALES)**

**REACH2 ACADEMY TRUST**

**(A COMPANY LIMITED BY GUARANTEE)**

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

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## TRUSTEES' REPORT – REFERENCE AND ADMINISTRATIVE DETAIL

### For the Year Ended 31 August 2023

<b>Members</b>	<p>Jeremy King  Peter Little  Michael Peters (appointed 23.05.2023)  Victoria Pigott (appointed 01.02.2023)  Adanna Welch-Charles (appointed 01.02.2023)  Roger Pryce (resigned 01.02.2023)</p>
<b>Trustees</b>	<p>Gavin Robert (Chair)  Teresa Beach (Vice Chair)  Rosalind Cordner  Marc Doyle  Ralph Kugler  Jonathan Lewis  Wade Newmark  Cathie Paine (CEO &amp; Accounting Officer)  Tony O'Dwyer (appointed 13.12.2022)  James Penny (appointed 13.12.2022)  Khadeem Duncan-Banerjee (appointed 28.03.2023)  Tracey Harrison (resigned 17.10.2022)  David Walker (term ended 30.09.2023)  Adanna Welch-Charles (resigned 27.09.2022)</p>
<b>Company Secretary</b>	<p>Ann Marie Dalton Pillay (31.01.2022)</p>
<b>Executive Leadership Team</b>	<p>Catherine Paine (CEO &amp; Accounting Officer)  Katherine Alexander (Chief Operating Officer)  Chris Perry (appointed Chief Finance Officer 01.09.2022)  Andrew Rigby (National Director of Education)  Tim Culpin (Director of Education – resigned 31.12.2022)  Gill Ellyard (Director of School Improvement)  Sue Northend (Director of People)  Michelle Rosemond (Director of Brand &amp; Marketing)</p>
<b>Company Name</b>	<p>REAch2 Academy Trust</p>
<b>Registered Office &amp; Head Office</b>	<p>Henhurst Ridge Primary Academy,  Henhurst Ridge, Burton-on-Trent,  Staffordshire, DE13 9TQ</p>
<b>Company Registration Number</b>	<p>08452281 (England and Wales)</p>
<b>Independent Auditor</b>	<p>Azets, 2<sup>nd</sup> Floor, Regis House,  45 King William Street,  London, EC4R 9AN</p>
<b>Bankers</b>	<p>Royal Bank of Scotland 3<sup>rd</sup> Floor,  Houblon House, 62–63 Threadneedle Street,  London EC2R 8HP</p>
<b>Solicitors</b>	<p>Browne Jacobson LLP,  Mowbray House, Castle Meadow Road,  Nottingham, NG2 1BJ</p>

## REACH2 SCHOOLS & HEADTEACHER LIST

The REAch2 Academy Trust includes the following academies all of which have Local Governing Bodies (LGBs) Transition Boards (TBs – established only if required) or Intervention Boards (IBs).

Academy	Headteacher	Address
Aerodrome Primary Academy	Zoe Foulsham	Goodwin Road, Croydon CRO 4EJ
Beccles Primary Academy	Heather Thorne	Ellough Road, Beccles NR34 7AB
Brampton Primary Academy	Zara Winter-Nolan	Brampton Road, Bexleyheath DA7 4SL
Burrsville Infant Academy	Katie Siggery	Craigfield Avenue, Clacton-on-Sea CO15 4HR
Bushbury Lane Academy	Lisa Smith	Ripon Road, Bushbury Lane, Wolverhampton WV10 9TR
Camulos Academy	Lisa Frith-Sly	Whitmore Drive, Colchester CO4 6AL
Chapel End Junior Academy	Terence Sheen	Roberts Road, London, Walthamstow E17 4LS
Chigwell Primary Academy	Elaine Brook (EHT) Charlotte Furia (Head of School)	Mandir Lane, Chigwell IG7 6ED
Civitas Academy	Salima Ducker (EHT)	90a Great Knollys Street, Reading RG1 7HL
Concordia Academy	Raheel Akhtar	Union Road, Romford RM7 OHG
Copperfield Academy	Ben Clark	Dover Road East, Gravesend, Northfleet DA11 ORB
Dorothy Barley Junior Academy	Cathy Leicester	Ivinghoe Road, Dagenham RM8 2NB
Eastbrook Primary Academy	Natalie Naylor	Manor Hall Road, Brighton, Southwick BN42 4NF
Five Spires Academy	Diane Raftery	Cherry Orchard, Lichfield WS14 9AN
Garden City Academy	Jenny Redgrove (Interim)	Radburn Way, Letchworth, Garden City SG6 2JZ
Green Park Village Primary Academy	Gemma Jackson	2 Flagstaff Road, Green Park, Reading RG2 3AX
Green Ridge Primary Academy	Aaron Wanford	President Road, Berryfields, Aylesbury HP18 0YA
Gunton Primary Academy	Matthew Jordan (EHT) Kirsten Stone (Headteacher)	Gainsborough Drive, Lowestoft NR32 4LX
Heath Hayes Primary Academy	Louise Johnson	Wimblebury Road, Heath Hayes, Cannock WS12 2EP
Henhurst Ridge Primary Academy	Charlotte Hopkins	Henhurst Ridge, Branston, Burton on Trent DE13 9TQ
Kemsley Primary Academy	Iris Homer	Coldharbour Lane, Sittingbourne, Kemsley ME10 2RP
Kirby Primary Academy	Debbie Byles	Halstead Road, Frinton-on-Sea, Kirby Cross CO13OLW
Langtons Junior Academy	Anna Thorpe	Westland Avenue, Hornchurch RM11 3SD
Lawley Village Academy	Laura Hopley	Bryce Way, Telford, Lawley Village TF4 2SG
Lower Farm Academy	Andy How	Milking Lane, Nuneaton CV10 OFD
Manor Park Primary Academy	Christine Chapman	Church Lane, Aston, Birmingham B6 5UQ

Martlesham Primary Academy	Emma Churchman	Black Tiles Lane, Woodbridge, Martlesham IP12 4SS
Milton Court Primary Academy	Sarah Gadsdon	Brewery Road, Sittingbourne, Milton Regis ME10 2EE
Moor Green Primary Academy	Tom Twort	Moor Green Lane, Birmingham, Moseley B13 8QP
Newhall Primary Academy	Baz Duffy	Roundhouse Way, Harlow CM17 9SS
Northfield St Nicholas Primary Academy	Iain Owens	St Margaret's Road, Lowestoft NR32 4HN
Norton Canes Primary Academy	Bethan Hadley	School Road, Norton Canes, Cannock WS11 9SQ
Oakfield Primary Academy	Sara Nealon	Oakfield Road, Rugby CV22 6AU
Pemberley Academy	Neil Coster	Hodings Road, Harlow CM20 1NW
Phoenix St Peter Academy	Matthew Jordon (EHT)	Enstone Road, Lowestoft NR33 ONE
Purfleet Primary Academy	Eugene Samuel	Tank Hill Road, Purfleet RM19 1TA
Racemeadow Primary Academy	Joanna Collinson	Ratcliffe Road, Atherstone CV9 1LT
Ranikhet Academy	Louisa Sanghera	Spey Road, Tilehurst, Reading RG30 4ED
Riverside Academy	Rebecca Payne	Newbold Road, Rugby, Newbold-on-Avon CV21 1EH
Robert Fitzroy Academy	Matt Clarke	80 Brampton Road, Croydon CRO 6JN
Scientia Academy	Helen Bye	Mona Road, Burton-upon-Trent, DE13 OUF
Silkmore Primary Academy	Joanna Connelly	Exeter Street, Stafford ST17 4EG
Sir Martin Frobisher Academy	Simon Wood	Frobisher Drive, Jaywick, Clacton-on-Sea CO15 2QH
Springfield Primary Academy	Sasha Taylor	Springfield Road, Moseley, Birmingham B13 9NY
Springhill Primary Academy	Nikita Silvester-Grant	Mossbank Avenue, Burntwood, Chasetown WS7 4UN
Sprites Primary Academy	Motuir Rahman	Stonechat Road, Ipswich IP2 0SA
St Margaret's Primary Academy	Zara Lambert	Church Road, Lowestoft NR32 4JF
St Mark's Church of England Primary Academy	Taiwo Labinjo	Albert Road, London, South Norwood SE25 4JD
Summerside Primary Academy	Nadine Lewis	Crossway, Finchley, London N12 0QU
The Globe Primary Academy	Yvonne Kidd	Irene Avenue, Lancing BN15 9NZ
The Limes Primary Academy	Charlotte Thompson	Lime Avenue, Oulton, Lowestoft NR32 3BQ
The Palmer Primary Academy	Anne Higginbotham	70 Northumberland Avenue, Reading RG2 7PP
The Woodside Primary Academy	Shane Tewes	Wood Street, London E17 3JX
Tidemill Academy	Marion Drake	11 Giffin Street, London SE8 4RJ
Tymberwood Academy	Sarah Kelley-Day	Cerne Road, Gravesend DA12 4BN
Unity Primary Academy	Pieter Labuschagne	Hickory Avenue, Colchester, Greenstead CO4 3QJ
Veritas Primary Academy	Danielle Conneely	Weston Road, Stafford ST18 OFL
Water Lane Primary Academy	James Kenyon	Broadley Road, Harlow CM19 5RD
White Meadows Primary Academy	Luisa Gould (EHT) Rebecca Misselbrook (Head of School)	Whitelea Road, Littlehampton, Wick BN17 7JL
Wilshire-Dacre Junior Academy	Sarah Smith	Fishponds Road, Hitchin SG5 1NS

## **TRUSTEES' REPORT**

### **For the Year ended 31 August 2023**

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

On 31 August 2023 the Academy Trust operated 60 primary academies across the UK. Its academies had a combined pupil capacity\* of 21,258 and a roll of 18,604 as at the October 2022 Census date (based on 60 academies), with an additional 1,122 nursery children.

\*Capacity is based on the actual number of children (in Reception to Year 6) that all academies within the Trust can accommodate during the year. This will include free schools with reduced year groups, academies who have bulge classes, temporary PAN (Published Admission Number) reductions etc. This figure will differ to the PAN shown on GIAS (Get Information About Schools Website).

### **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 REAch2 Academy Trust are also the directors of the charitable company for the purposes of company law. The charitable company operates as REAch2 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 on page 4.

#### ***Members' Liability***

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

#### ***Trustees' Indemnities***

In accordance with normal commercial practice, the Trust purchased insurance to provide indemnity for Trustees and Officers from claims arising from negligent acts, errors or omissions occurring whilst undertaking Trust business.

All academies within the Academy Trust have opted into the Department of Education's academies risk protection arrangement (RPA). RPA cover applies to the central infrastructure of the Trust as well as the individual academies. <https://www.gov.uk/guidance/academies-risk-protection-arrangement-rpa> The RPA provides indemnity for Trustees to a maximum aggregated value of £10 million during any one membership year.

#### ***Method of Recruitment and Appointment or Election of Trustees***

The management of the Trust is the responsibility of the Trustees who are appointed or co-opted under the terms of the articles of association and funding agreement. As both an exempt charity and a registered company, the Trust has both trustees and members. The members are listed on page 4. Members provide independent oversight of the governance of the Trust, they are also responsible for the appointment of up to five trustees in accordance with the Articles.

Trustees (unless ex-officio) hold office for four years. Subject to remaining eligible, any trustee may be re-appointed or re-elected. The Chief Executive Officer may be appointed as an ex-officio trustee. One

trustee may be appointed by the Southwark Diocese of Education, with the remaining trustees being co-opted by the trustees.

The recruitment and succession planning of Trustees are aligned to the Trust's vision and strategic priorities and its governance needs.

The Board of Trustees keeps its diversity and range of representation under regular review, its aim is to ensure that the Board (and its committee) actively represent the stakeholders of the Trust. The Board's aim is to become more inclusive, and it is committed to reflecting the ambitions and aims of the Trust's Diversity & Inclusion Strategy across its own membership.

The following skills categories set out the broad range of skills, knowledge or prior experiences that are expected to be held across the Board:

- Leadership and Policy
- Education Performance and Curriculum
- Finance
- Risk and Audit
- Risk management
- Constitutional Governance
- Strategic Partnerships, External Relationships and Public Relationships
- Engagements with Internal Stakeholders
- Human Resources
- Estates and Property
- Health, Safety and Safeguarding
- Change Management
- IT/Digital
- Equality, Diversity, and Inclusion
- Charity fundraising
- Social justice/social mobility/ community support & engagement

The current membership of the Board has a broad range of skills and significant experience gained from a range of sectors. To ensure this continues to be the case the Board carries out an annual skills audit of its Trustees to inform both the recruitment of new Trustees and the ongoing program of Trustee development. The categories above are utilised to inform decision-making. The process used when recruiting and appointing a trustees is set out below:

### ***Create and distribute a Trustee person specification.***

A person specification has been developed for the role of Trustee, it is kept under review and sets out the 'Roles and Responsibilities' and the skills and experience required. Vacancies are advertised externally and promoted to create an open and transparent competition for all appointments.

### ***Applying for the position***

Applicants are invited to submit a written application setting out their suitability for the role, their skills set, their CV and details of the contribution they could make to the governance of the Trust.

The Trust Board acknowledges that joining the Trust is a voluntary act and it appreciates the enormous contribution its Trustees make. To assist individuals who are considering joining the Trust to gain a broad understanding of the Trust its operation, its strategy and the commitment required from its Trustees, the Board ensures that as part of the appointment process an informal discussion with the Chair, Chief Executive, Chief Operating Officer, and the Secretary may be helpful to enable applicants to acquaint themselves with the Trust. The Trust readily facilitates such discussions. Information such as the Trust's Strategy is also provided to candidates.



### ***Shortlisting and Interview***

Applicants are invited to submit their application to The Secretary. If the role is a member appointment in accordance with the Articles, at least one Member and one Trustee will review applications jointly with The Secretary and shortlist a preferred set of candidates. These shortlisted candidates will then be interviewed by at least one Members and one existing Trustee and The Secretary (*The Appointment Panel*). An independent interview panel member may be invited to participate in the interview where this is considered necessary and appropriate. This interview will determine the candidates' suitability against the selection criteria and the current skills gaps on the Board.

Candidates considered suitable for further consideration may be invited to shadow a Trust Board meeting or relevant sub-committee meeting. If the role is a co-opted Trustee in accordance with the Articles, the Chair of the Trust Board, the Deputy Chair of the Trust Board and The Secretary shall form *The Appointment Panel* and follow the process set out above. Successful candidates will be invited to provide the Secretary with at least two personal references to support their application and to participate in the necessary DBS checking process required.

### ***Final Selection***

Prior to a formal decision on appointment to the Board, candidates may also attend a Trust board, or sub-committee meeting as an observer.

### ***Final Decision, Approval & Appointment***

*In the case of Trustees appointed by Members*, the Trust Board will receive a recommendation to endorse the proposed Member Appointed Trustee from The Appointment Panel prior to that appointment being referred to the Members for the final ratification of the appointment. Members final ratification will then be obtained via an ordinary resolution. *In the case of co-opted Trustees*, the Trust Board will be invited to approve the recommendation by The Appointment Panel. All Trustees are issued with a letter of appointment by The Secretary on behalf of the Trust which they are required to counter-sign and return to The Secretary.

### ***Succession Planning***

The Trust recognises that from time to time its recruitment program may identify individuals who are either not immediately available or whose skills are not immediately required but who have demonstrated a good fit for the Trust, in such instances and with the agreement of both parties, appointments will be progressed to the conclusion of the process set out above with a mutually agreed deferred starting date.

### ***The Induction and Training of Trustees***

The training and induction for new trustees is tailored to their skills and experience. The induction process includes training on their duties and responsibilities as Trustees with a particular focus on charity, educational, legal, and financial matters. It also includes sessions to familiarize the new Trustees with the Trust's strategy, vision and mission and its values. Trustees are regularly invited and encouraged to participate in training events provided by the Trust itself and other training events provided by the Sector.

New trustees visit at least one of the academies in the group and are provided with the opportunity to meet staff and children. Ongoing interaction by Trustees with the academies within the Trust is encouraged. A range of documentation is also provided to all new trustees including copies of Trust policies, procedures, minutes, budgets, plans, strategy and risk frameworks and other documents. New Trustees are also provided with a copy of the Trust's Code of Conduct which equally applies to them as members of the Trust community. All Trustees have access to the Company Secretary to support them in the conduct of their role and there is an open culture whereby regular discussion with and access to the Trust's Executive team is encouraged to ensure Trustees have every opportunity to engage fully with the Trust and to discharge their responsibilities as Trustees.

The Board, led by the Chair and the Chairs of each of the committees of the Board, supported by the

Company Secretary, conducts an annual Governance Effectiveness Review. Annually and as part of the Effectiveness Review of the Trust Board, the Chair convenes a discussion with each Trustee to discuss their contribution to the governance and oversight of the Trust and to agree their needs and priorities as Trustees. All Trustees are encouraged to stay up to date with developments in education, governance, changes in legislation and to identify areas of training they feel would benefit them in conducting their Trustee role.

## **Organisational Structure**

The Trust Board has overall responsibility and ultimate decision-making authority for the work of the Academy Trust, including the establishment and maintenance of the Academies.

The Members of the Academy Trust have a distinct and separate role as guardians of the constitution and governance of the Trust, holding the Trustees to account for the governance of the Trust and ensuring the purpose of the Trust is being met and its charitable purposes fulfilled. The Members are also the guardians of the Trust's values (referred to as The Touchstones at REAch2) and ethics, and the development, embedding and promotion of the organisation's culture.

The Trust Board delegates authority to the following key groups to ensure the effective leadership and governance of the Academy Trust:

- ***Trust Board Committees***, populated primarily by trustees (detailed on page 32).
- ***Executive leadership*** and management team (the Executive Team).
- ***Cluster Boards*** provide an additional level of non-executive governance, supporting the Trust's governance structure. A cluster comprises several academies split geographically.
- ***Local Governing Bodies for each Academy***, each academy has its own Governing Body.

The Executive Team works directly with the staff and headteacher of each Academy, Cluster Board and Local Governing Body. The relationship between the Trust Board and the Executive Team, the Cluster Boards and the Local Governing Bodies is characterised as a partnership to deliver a common vision and a common purpose. The relationship between the three tiers of governance is based on the principles of no duplication of governance and governance should be as close as possible to the point of impact of decision-making.

Overall responsibility and oversight for risk management is retained by the Trust Board. However, risk management is integrated across all layers of governance and is a key responsibility of the Cluster Boards' and the Local Governing Bodies. The Articles of Association, Scheme of Delegation and Terms of Reference for each board and committee provide clarity as to who the decision makers are for different levels of decisions.

The Trust Board remains ultimately responsible for the Academy Trust and the conduct of the academies. Occasionally Trustees may need to intervene to determine bespoke governance arrangements and localized support for an academy to ensure the objectives and outcomes set for that academy are achieved. In such circumstances, the Trust Board and the Executive Team work closely with academies and those involved in their governance who are expected to implement promptly any advice or recommendations made by the Trust Board and the Executive Team.

The Trust Board may review or remove any power or responsibility which it has delegated, particularly in circumstances where serious concerns in the running of an academy (or academies) are identified, including where:

- There are concerns about financial matters.
- Insufficient progress is being made against educational targets (including where intervention by the Secretary of State is being considered or carried out).

- There has been a breakdown in the way the academy is managed or governed; or
- The safety of children or staff is threatened, including a breakdown of discipline.

### **Arrangements for setting pay and remuneration of key management personnel.**

The key management personnel of the Trust (the Executive Leadership Team) are shown on page 4. When considering and setting salary levels across the Trust a clear set of principles were identified to ensure transparency. To ensure fairness and equity across the Trust's Remuneration Policy on remuneration states that "The CEO's salary will not exceed 10 times the salary of the lowest paid, qualified teacher on M1 pay scale (England and Wales).", also 'Individual Executive salaries will not exceed 8 times the salary of the lowest paid, qualified teacher on M1 pay scale (England and Wales).'

A salary benchmarking exercise is conducted every two years covering the senior roles in the Trust, it is reviewed by the Remuneration Committee (a committee operating on delegated authority from the Trust Board – see page 35). The Committee refers to relevant comparators to assess the proportionality of salary levels across the Trust at the executive level: comparison within the Trust; comparison within the education sector (including other multi-academy Trust's); and comparison with other relevant sectors. All recommendations from the Committee are approved by the Trust Board.

## Trade Union (Facility Time Publication Requirements) Regulations 2017

Report for year 1st April 2022 to 31st March 2023 (2022-23)

**Table 1 – Relevant Union Officials**

What was the total number of your employees who were relevant union officials during the relevant period?

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
14	6.5

**Table 2 – Percentage of time spent on facility time**

How many of your employees who were relevant union officials employed during the relevant period spent 0%, 1%-50%, 51%-99% or 100% of their working hours on facility time?

Percentage of time	Number of Employees
0%	11
1-50%	3
51-99%	0
100%	0

**Table 3 – Percentage of pay bill spent on facility time**

Provide the figures requested in the first column of the table below to determine the percentage of your total pay bill spent on paying employees who were relevant union officials for facility time during the relevant period.

First Column	Figures
Provide the total cost of facility time	£13,309.40
Provide the total pay bill	£ 93,372,902
Provide the percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time ÷ total pay bill) x 100	0.01%

**Table 4 – Paid trade union activities**

As a percentage of total paid facility time hours, how many hours were spent by employees who were relevant union officials during the relevant period on 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	0.0 %
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### Related Parties and other Connected Charities and Organisations

REAch2 Academy Trust has collaborative links with Reach South Academy Trust. This relationship is defined through a Memorandum of Understanding that both Trusts approved. While each Trust is a separate and independent legal entity, they share a common brand and set of values with a declared intent to work in collaboration to the mutual benefit of each Trust. The Memorandum of Understanding sets out how the Trusts will positively cooperate and how that cooperation is governed. The strength of the partnership across both Trusts enables a REAch2 education. Whilst REAch2 was incorporated as a primary only Trust, Reach South are sponsors of primary, secondary, special, and all-through education enabling a Reach2 education across the UK.

REAch2 Inspiration Ltd is wholly owned subsidiary of REAch2 Academy Trust. The purpose of establishing

REAch2 Inspiration Ltd was to allow a supply of high quality 'in-house' services, at a low cost to our academies, ensuring budgets are optimised to benefit the education of children within REAch2 Academies by providing best value. During this financial year, REAch2 Inspiration Ltd was not actively trading and in due course the subsidiary will become dormant.

### **Engagement with Employees (including disabled persons)**

REAch2 Academy Trust strives to ensure that no employee or potential employee will receive less favorable treatment due to their disability. The Trust's approach to selection and recruitment is designed to meet the standards set out within the context of the Equality Act 2010 as a minimum. Applicants are asked to complete and return an online Equal Opportunities Monitoring Form, separate to their application, within which applicants are encouraged to disclose any disability. REAch2 explores jointly with candidates whether there are any ways a job can be changed to meet specific requirements related to their disability.

Where adjustments are required to accommodate a disability at interview, these are made in discussion with the applicant and a HR representative. As part of the post-recruitment process and following any pre-employment occupational health advice, reasonable and practical adjustments for employees with a disability are made in conjunction with the line manager and/or a HR representative or and the employee. Where an employee becomes disabled, assessment is made of the requirements with advice from an occupational health assessment and reasonable adjustments are identified and adjusted where feasible. The Trust treats all employees equally and fairly in relation to pay and career development.

REAch2 is a Real Living Wage employer. The latest Gender Pay Gap report can be found on the Trust's website.

To ensure fair access to development we encourage every employee to have an active personal development plan. Further information in relation to the actions that the Trust has taken during the reporting period to introduce, maintain and develop arrangements with employees, can be found on page 25.

### **Engagement with Suppliers, Customers and Others in a Business Relationship with the Trust**

The Trust works with a range of suppliers both locally and centrally, with control and responsibility as near as possible to the point of need of an Academy. REAch2 has policies and procedures in place to ensure the Trust can obtain works, goods and services based on the achievement of value for money through good procurement practice.

At the same time as seeking value for money from suppliers, the Trust seeks to manage risk appropriately and ensure acceptable quality of works, goods, and services, whilst protecting the reputation of the Trust in its business relationships. The Trust additionally seeks to ensure fairness as a key objective within business relationships during tendering and procurement processes, ensuring all parties are treated in a fair and equitable manner.

The Trust requires all suppliers to comply with current legislation to ensure goods and services are free of exploitation, including Equality and Race Relations, the Modern Slavery Act, Social Value Act, and all other relevant legislation.

### **Trust Objectives and Activities**

Our mission is for every school to be a "Great School". We do this by providing exceptional opportunities for learning. Some of our academies can already be described in this way, however the Trust aspires for every school to achieve this and for this to become the reality for every single one of our children.

## **Objectives and Aims**

Everything we do will be driven by the following goals:

### ***Truly Exceptional Performance***

To become an exemplary provider of primary education, creating and upholding our “above and beyond” performance standards. As a system leader we will continue to contribute to government policy and lead on sector improvement.

### ***Distinctive Contribution***

All academies have an educational offer defined by aspiration, enrichment and opportunity that provides social, personal, and cultural capital. In REAch2 academies children develop distinctive characteristics which prepare them for a brighter future, equip them to tackle challenges and reach their potential.

### ***Enduring Impact***

We intend to be the destination of choice as the UK’s best provider of primary education. As a dynamic part of the social fabric, we drive the transformation of socially disadvantaged communities and strive to attract the best talent into the Trust.

## **Objectives, Strategies and Activities**

Since REAch2 was founded in 2012, the heart of the vision has been to enable all children in the Trust to have exceptional opportunities for learning.

In short, we want every REAch2 school to be a ‘great’ school. Our four Strategic Goals contain the assurances that each and every child will be given the best possible experience at school – ready for the next stage of their education. This is the time for ambitious and considered strategic goals – goals which stretch us, demand that we move the needle and inspire each and every adult and child.

## **5 Year Strategic Plan Goals**

### **Great Schools – Remarkable places, remarkable people, remarkable learning.**

We will make sure that every one of our schools sets the highest aspirations for children and makes an exceptional contribution to their communities.

### **Our Goals**

1. All schools provide a great education for all children, championing the most vulnerable and disadvantaged.
2. All schools achieve excellence in identified areas beyond the curriculum that enable them to thrive in their unique context and community.
3. All schools achieve REAch2 standards, through a new Kitemark, which exceed national expectations for pupil outcomes at the end of primary school.

### **To achieve this, we will**

- Build the capacity within REAch2 for every child to thrive, regardless of their background, personal needs, or specific learning requirements.
- Invest in our people at all levels to ensure that they reach their full potential and become the best they can be.
- Develop a REAch2 Kitemark so that every school receives the support and challenge required to become ‘great’.
- Ensure every school delivers an aspirational curriculum, including 11 before 11 which promotes personal development and academic excellence.
- Place a key emphasis on excellent teaching of reading across our schools as a foundation for children to excel.
- Create wider opportunities at the heart of the local community, which promote cultural capital,

develop skills, build self-confidence, and meet emotional needs.

- Engage meaningfully with parents and deliver above and beyond the 'Parent Pledge'.

### **Social Justice – Relentless responsibility for dignity, fairness, and fulfilment.**

We will be relentless in breaking down the barriers which prevent primary children from fulfilling their potential and so, enable them to face life's challenges with confidence.

#### **Our Goals**

1. We work proactively with families and our safeguarding network to advocate for children and keep them safe.
2. All children receive a remarkable primary educational experience which equips them with skills and confidence for life.
3. Children in vulnerable groups achieve highly and at least equal to other children nationally.
4. We support REAch2 families and play an active role in the communities in which we serve.

#### **To achieve this, we will**

- Create a Social Justice Toolkit, combining core and bespoke elements which address collective and discrete challenges.
- Develop a framework to identify the challenges for individual children, ensuring the curriculum is accessible and sets high expectations.
- Ensure that all children have equitable access to a rich programme of extra-curricular opportunities, including 11 before 11.
- Enable all families to support home learning through a suite of new learning resources.
- Create opportunities for schools to provide a central role at the hub of their communities.
- Engage with REAch2 children beyond their primary education to inform our approach and to identify role models for forthcoming generations.
- Identify a network of social justice champions and partner with external organisations to adopt evidence-based practice.

### **Sustainability – Upholding responsibility for our shared future.**

We will transform our approach to sustainability across REAch2 by inspiring our children to become environmental ambassadors, unlocking their potential to make positive change.

#### **Our Goals**

1. All children develop a depth of knowledge to understand environmental sustainability and the actions that they can take to become ambassadors for change.
2. By 2027 we will significantly reduce our carbon footprint.
3. REAch2 will implement environmental initiatives that promote, preserve and enhance local biodiversity.

#### **To achieve this, we will**

- Ensure every school develops a sustainability action plan placing ecological literacy and environmental sustainability at the heart of its curriculum.
- Support all REAch2 schools to achieve a nationally recognised EcoAward through developing rich biodiverse environments.
- Involve all children in community activities to promote positive environmental activity in their local area. Reduce our carbon footprint through improving the built estate and developing planet-friendly procurement processes.
- Invest in our people to achieve accreditation in environmental sustainability.
- Adopt a range of activities which connect children with nature, ensuring their investment in the world around them.

### **Digital Transformation – Creating a future where we learn, work, and connect better.**

We will construct a digital infrastructure fit for the 21st Century, leveraging technology to unlock teaching and learning.

### Our Goals

1. Develop the skills and confidence of educators in the appropriate and effective use of digital technology to support exceptional learning and teaching and achieve improved outcomes.
2. Cultivate independent learning through enabling access to digital technology for all learners.
3. To become a national voice within education for the use of technology within schools.

### To achieve this, we will

- Ensure that all children receive a high-quality computing curriculum where computer science, information technology and digital literacy are taught to a high standard.
- Provide and signpost a range of digital tools and services allowing educators a number of approaches to learning.
- Create a learning platform community accessible by all schools to collaborate, access resources and share best practice.
- Explore new technologies and ways in which technology can be used to supplement and enhance teaching and learning and wider ways of working.
- Create a digital competence framework for children which prepares them for the future and provides them with the necessary skills for life.

### Strategic Project– Reach2.O Programme of Change: for Equity & Efficiency

In July 2022, the Trust Board approved the business case for REAch2.O change programme. The driver behind the programme of change was to deliver new ways of working across the Trust which deliver the following:

1. Equitable educational provision and outcomes for all children in the Trust
2. An efficient operating model across the Trust
3. A funding model where money is leveraged to achieve Equity and enable the Trust to realise its' Strategic Priorities
4. Value for Money and greater assurance to our Regulators
5. A change in perspective across the Trust from "My School" to "our Schools" and "Our Trust"

The Trustees were provided with a full business case and plan for implementation of the project with integrated consultation and communication strategies. The Trust Board recognising the significance of the project and the strategic importance of the project to the Trust and to the delivery of the Trust's strategic priorities formed an additional oversight and decision-making body (the ***Trustee Change Group for the Reach2 Programme of Change: for Equity & Efficiency***) to support the Executive and to oversee the timely and effective delivery of the project.

### Public Benefit

In setting our objectives and planning our activities, the Trustees have carefully considered the Charity Commission's general guidance on public benefit and exercised their duties in applying the requirements of section 17 of the 2011 Charities Act and the requirements relating to annual reporting within the Charities (Protection and Social Investment) Act 2016. This has been considered when reviewing the Academy Trust's aims and objectives (outlined earlier) and in planning any future activities.

The key public benefit delivered by the trust is the provision of continued high-quality education to its children, which will be evidenced from feedback received from external assessments.

### Wellbeing

#### COVID-19 – The legacy impact

With the Living with COVID guidance now in place we have seen most schools steadily return to full opening.



However, COVID continues to present an issue, with self-isolation cases still emerging in pockets across the Trust. All schools have been supported in migrating to a new risk management system, with infection control risk assessments in place across all schools. Matters related to emotional health and mental wellbeing are both being addressed as part of the ongoing school communication plan and via the staff counselling service.

## Ukraine Invasion & Israel/Gaza conflict

In response to the Ukraine invasion, we took measures to increase staff counselling support, running an enhanced EAP service until the end of June 2022. This provided all family members, across the globe, with the opportunity to speak to a qualified counsellor. The service was well received and aside from matters directly related to Ukraine was accessed by several school family members. This approach has also been adopted following the ongoing crisis in Israel and Gaza, with a 4-month extended family service running to March 2024.

## Training & CPD

We have progressed training in wellbeing, with support from Flick a new mental health awareness training course which has been issued to all REAch2 staff, forming a core element of the Trusts induction program. This has supplemented our annual commitment to Mental Health First Aid training, ensuring we have a trained practitioner in each school. Training progression will be a core element of the wellbeing strategy as we move into its second phase. CPD sessions have also been added to the program which are aligned with national awareness days, such as ergonomic health, mental health day and menopause/andropause awareness. Our commitment in this area will continue to be developed over the next eighteen months.

We have also adapted the use of support apps to support all our employees, we offer free of charge, self-service access to Headspace, a meditation and mindfulness app.

## Financial Support

Recent feedback from our staff pulse survey identified the impact the Cost-of-Living crisis was having on our employees. The Trust has rolled out *Perks at Work* and *Discounts for Teachers* for all staff and partnering with Wesleyan the Trust has initiated a series of free to access financial health webinars, hosted by an external financial expert. To date these sessions have focused on pension health, with a rolling program which will in time cover a wider range of financial topics. Further improvements are also being delivered via the services of our Wellbeing Management Solutions (EAP provider) and in time a new financial support service will be rolled out to all staff in addition to six free counselling sessions.

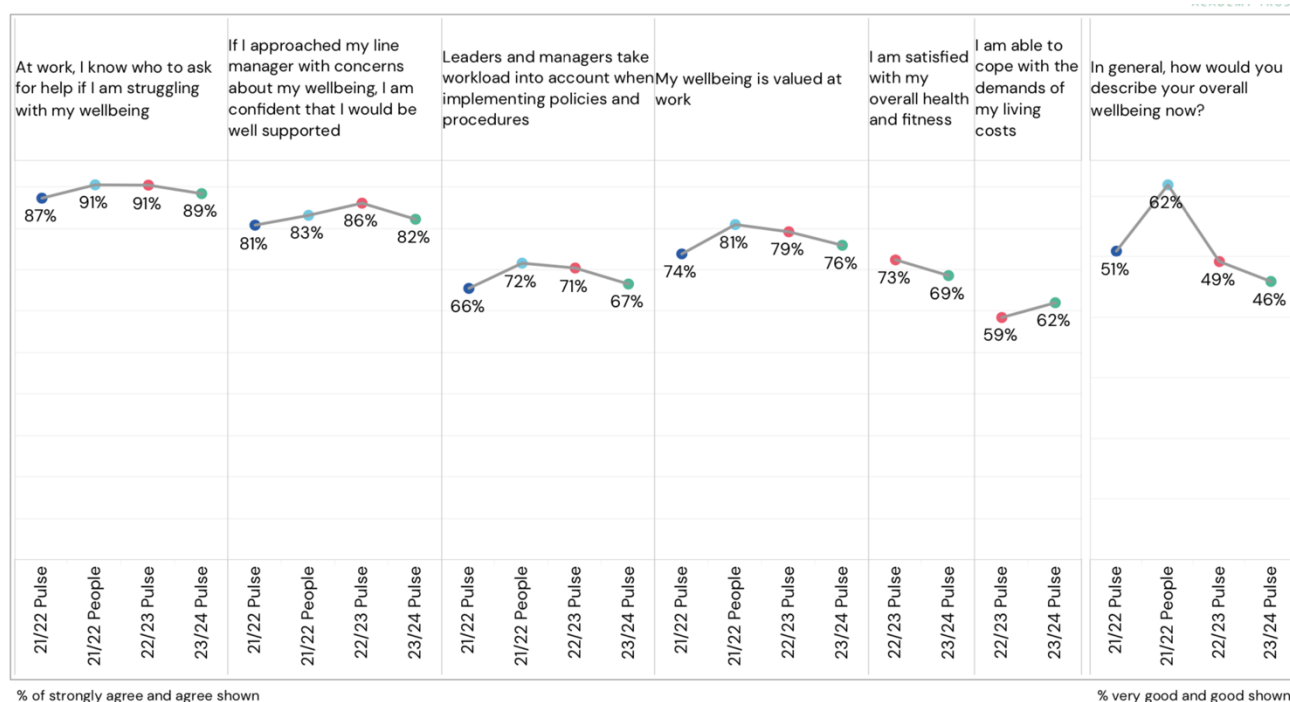
## Staff Survey

The Trust is committed to maintaining the Wellbeing Survey for all staff. From the staff survey data so far, we have identified the below key headlines.

- 76% said their wellbeing was valued at work.
- 89% said they know who to ask at work if they are struggling with their wellbeing.
- 82% said that if they approached their line manager, they feel they would be supported.
- 62% said they can cope with the demands of their job.
- 276 staff out of 1483 responders stated their overall wellbeing was either poor or very poor.

The data emerging from the responses over time show a change in some key areas, highlights include:

- Access to support at work and knowing where to go for support has remained constant.
- Staff are less confident about their levels of health and fitness.
- Staff still feel their wellbeing is valued at work.
- Cost of living feedback has improved.
- The feedback on overall wellbeing has decreased by 5%



**Table 1: Pulse survey feedback**

## Wellbeing – Next Steps

The feedback from our most recent staff pulse survey and national trends in issues affecting the education sector will form the bases on the next phase of the Wellbeing Strategy, with greater emphasis on management processes and ‘the way we work’. There will be a renewed push to revitalize the wellbeing forum, with representation from Shared Service and Schools across the Trust. Collaborative working and the sharing of best practice in schools will be encouraged through new communication routes, making the collective knowledge and experiences of Headteachers and leaders accessible to all schools. The Trust’s Support Services will be enhanced, with a renewed focus on how we communicate the support available and make it accessible to all staff. Against the backdrop of the Reach2.0 change program, a review will be undertaken to assess Mental Health First Aid provision, ensuring the Trust fulfils its commitment to full provision across all schools. An action plan will support the second phase of the Wellbeing Strategy, to be developed by Easter 2024.

## Safeguarding

Bespoke support from the safeguarding team has been provided to several schools throughout the year where concerns were identified related to their capacity to sustain effective safeguarding arrangements. As previously reported, where this was the case, it was typically due to challenges in leadership capacity, such as a leader who was new to post, or absence in the leadership team. Support required predominantly focussed on the Designated Safeguarding Lead’s (DSL’s) management of concerns, vulnerable pupils and record keeping. Each school was regularly reviewed with their Deputy Director of Education, against their RAG ratings and risk register, to assess progress and agree any additional ongoing support.

At the end of last academic year, the Trust safeguarding team further focused on the risk of peer on peer (now child on child) sexual abuse in the form of a ‘deep dive’, which assessed the impact of leaders’ work on this risk in their school. This comprised analysis of schools’ risk assessments, and the extent to which these identify possible areas of risk and the effectiveness of control measures put in place, and included interviews with DSLs and Headteachers, interviews with staff, single sex pupil voice groups, observation of key ‘hotspot’ areas of the school building, and reviews of record keeping. This work continued in the Autumn term of this year and has now been completed in all 60 schools.

In addition, across the Autumn and Spring terms, each school engaged in safeguarding checks of their Single Central Record and of the processes for administration of medicine to pupils who require it. These were identified as priority areas to be re-visited following feedback from last year's post-COVID safeguarding reviews. Case management and record keeping was also an area of high focus throughout the year. A formal observation of a vulnerable pupil meeting took place for each school, accompanied by a minimum of two audits of pupil safeguarding files.

Due to increasing numbers of children accessing alternative provision and uncovering a small but significant number of problems with providers in use by some of our Local Authorities, a process was implemented for schools to submit a request to Trust leaders to place a pupil with an alternative provider prior to the placement beginning, complete with evidence of all due diligence that they have completed regarding safeguarding. This allowed us to know at a Trust level about what providers are being used, which pupils are accessing them, and what arrangements are in place to ensure their safeguarding whilst they are being educated elsewhere. Subsequently, a quality assurance process was introduced to gain further assurance of the effectiveness of school practice for those placements deemed to be higher risk (any attendance at an unregistered provision, or full-time attendance at any provision) This comprised scrutiny of documentation provided and a meeting with the school to review and discuss all procedures in place.

In Summer term, due to the departure of a growing number of office staff, the safeguarding team assumed responsibility for safer recruitment checks for approximately one third of the Trust's schools, to ensure continuing compliance with statutory requirements in this area whilst staffing decisions related to the Trust's restructure were being confirmed. This necessitated a re-prioritisation of work already planned in during this period, some of which was deferred to next academic year.

## **Key Performance Indicators**

### **5 Year Plan Priorities**

Key performance indicators for each of the priority areas were agreed and reported against over the year. The priorities and outcomes are set out below:

#### ***Education Provision***

Provide an education which takes account of the needs and context of every child in every academy. Prioritisation will be given to:

- Inclusion: establish a Trust strategy and support network for children with SEND.
- Cluster Development: enhance the effectiveness of the cluster model through collaboration, talent management and improved decision-making.

#### **Key Successes**

- Inclusion: establish a Trust strategy and support network for children with SEND.
- Every School has a SEND Governor with training taking place.
- More schools have a fully trained and qualified SENDCO.
- Children with SEND achieve well.
- The Trusts Pupil Premium framework is embedded across all schools.
- Cluster Development: enhance the effectiveness of the cluster model through collaboration, talent management and improved decision-making.
- Collaborations across some clusters are embedded with Cluster Improvement partners supporting local REAch2 schools.

#### ***Cluster Optimisation***

Cluster Optimisation enables more children to have access to a REAch2 Education. Clusters move towards maximum occupancy; financial sustainability is achieved.

#### Key Successes

The Trust is working with schools keen to become academies, whilst no school converted / joined the trust during the academic year the Due Diligence paperwork and practices have been reviewed and updated in line with legislation.

#### ***Equality, Diversity, and Inclusion***

Champion and embody diversity for all, providing an inclusive environment for all to thrive.

#### Key Successes

- The Trust has a named 'Inclusion' Champion.
- Stakeholders across R2 have contributed to the strategy.
- The New touchstones reflect 'Inclusion'.
- Leaders have a better understanding of what inclusion means for them in their role.
- Some staff have a better understanding of Inclusion, race, ethnicity, disability, and LGBTQ.

#### ***Wellbeing***

Support REACh2 staff, their families and REACh2 children to achieve positive mental health and wellbeing through the Trust's Wellbeing Strategy and REACh Forward Framework.

#### Key Successes

- A wellbeing steering group has been established and has been in place throughout the year.
- All schools have at least one member of staff trained in MHFA.
- EAP service in place for all staff.
- Staff survey (and pulse survey) in place to monitor Wellbeing.
- Published Wellbeing strategy utilised across all schools.

#### ***Branding***

Improve brand equity for REACh2 with all stakeholders and increase overall pupil occupancy through a Pupil Placement Strategy and plans in place for new Pupil Parliament.

#### Key Successes

- Develop a Pupil recruitment strategy.
- Improve the Brand and presence of the Trust through social media and digital interaction.
- Content is consistently and regularly updated across all platforms and the Trusts external communication channels.
- Overhaul of the current website to reflect the REACh2 branding.

#### **Ofsted**

The current overall position of OFSTED ratings for Trust Schools is that 59 of the 60 school have now been inspected: with 93.2% of these graded as "good" or better.

Ofsted Grade	Number of Schools	Percentage
Outstanding	5	8.5%
Good or better	55	93.2%
Good	50	84.7%
RI	4	6.8%
Inadequate	0	0%

The following schools were inspected in the 2022-23 academic year:

School	Previous Grade	Date of inspection	Type of inspection	Outcome
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Sprites	Inadequate	8/11/22	Graded	Good
Tidemill	Outstanding	9/11/22	Graded	Good
Burrsville	Good	15/11/22	Ungraded	Continues to be Good
The Palmer	Good	22/11/22	Graded	Good
Henhurst Ridge	New School	17/1/23	Graded	Good
Newhall	New School	24/1/23	Graded	Good
The Limes	New School	21/1/23	Graded	Good
Unity	Good	7/3/23	Graded	Requires Improvement
Racemeadow	Good	13/3/23	Ungraded	Continues to be Good
St Marks	Good	13/3/23	Ungraded	Continues to be Good
The Globe	Good	28/3/23	Ungraded	Continues to be Good
Dorothy Barley	Good	28/3/23	Graded	Good
Riverside	Good	18/4/23	Ungraded	Good (Improving, next inspection section 5)
Woodside	Outstanding	9/5/23	Ungraded	Continues to be Outstanding
Water Lane	Good	9/5/23	Ungraded	Continues to be Good
Sir Martin Frobisher	RI	5/6/23	Graded	Requires Improvement
Lawley Village	Good	20/6/23	Ungraded	Good
Green Park Village	New School	20/6/23	Graded	Good
Springfield	Good	21/6/23	Ungraded	Good
Five Spires	Good	11/7/23	Graded	Good (outstanding in all areas except QE)

OFSTED have received substantial additional funding from the DFE to accelerate the pace of inspection. Based on historical inspection dates and OFSTED's current approach to scheduling, around 20-30 schools could potentially be within the inspection window within the next 12 months. Whilst it is unlikely that all of these schools will receive an inspection in this time, we should nevertheless be prepared for a large number of inspections.

## Attendance

Attendance for the Trust between 1 September 2022 to 26 July 2023 was 93.4%. Nationally, for all Primary State funded primaries, the overall attendance rate for 2022/23 was 93.7%. Persistent absence was lower than the national rate, 19.9% compared to 20.9%.

Below are the Attendance figures from 1 September 2022 to 26 July 2023.

Aerodrome Primary Academy	93.5%	Northfield St Nicholas Primary Academy	94.0%
Beccles Primary Academy	91.9%	Norton Canes Primary Academy	94.2%
Brampton Primary Academy	95.3%	Oakfield Primary Academy	93.2%
Burrsville Infant Academy	95.6%	Pemberley Academy	94.6%
Bushbury Lane Academy	92.4%	Phoenix St. Peter Academy	94.0%
Camulos Academy	94.5%	Purfleet Primary Academy	93.0%
Chapel End Junior Academy	93.0%	Racemeadow Primary Academy	93.4%
Chigwell Primary Academy	94.4%	Ranikhet Academy	91.6%

Civitas Academy	93.2%	Riverside Academy	93.1%
Concordia Academy	93.9%	Robert Fitzroy Academy	94.0%
Copperfield Academy	92.4%	Scientia Academy	93.1%
Dorothy Barley Junior Academy	92.7%	Silkmore Primary Academy	94.9%
Eastbrook Primary Academy	93.8%	Sir Martin Frobisher Academy	89.1%
Five Spires Academy	94.7%	Springfield Primary Academy	93.8%
Garden City Academy	91.9%	Springhill Primary Academy	92.7%
Green Park Village Primary Academy	93.7%	Sprites Primary Academy	94.5%
Green Ridge Primary Academy	95.6%	St Margaret's Primary Academy	92.8%
Gunton Primary Academy	94.3%	St Mark's Church of England Primary Academy	94.0%
Heath Hayes Primary Academy	95.1%	Summerside Primary Academy	93.5%
Henhurst Ridge Primary Academy	94.4%	The Globe Primary Academy	92.6%
Kemsley Primary Academy	92.1%	The Limes Primary Academy	93.9%
Kirby Primary Academy	92.1%	The Palmer Primary Academy	91.6%
Langtons Junior Academy	93.9%	The Woodside Primary Academy	92.4%
Lawley Village Academy	96.1%	Tidemill Academy	94.5%
Lower Farm Academy	95.7%	Tymberwood Academy	90.6%
Manor Park Primary Academy	91.9%	Unity Primary Academy	91.8%
Martlesham Primary Academy	95.2%	Veritas Primary Academy	95.2%
Milton Court Primary Academy	91.9%	Water Lane Primary Academy	93.2%
Moor Green Primary Academy	93.6%	White Meadows Primary Academy	92.4%
Newhall Primary Academy	93.9%	Wilshire-Dacre Junior Academy	95.3%

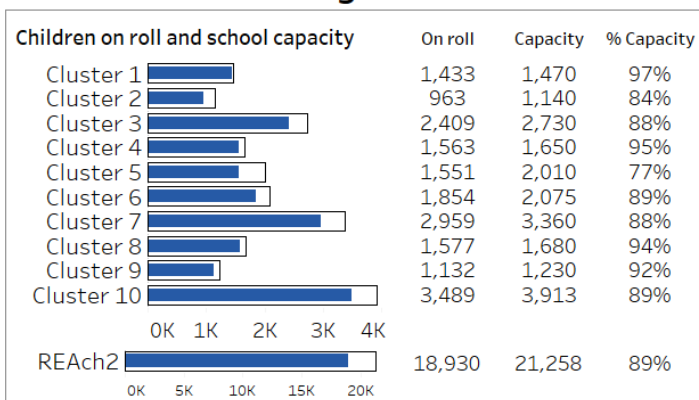
### Suspensions and Exclusions

Suspensions and permanent exclusions marginally increased compared to the previous academic year. Please see the below Trust Data Dashboard key context metrics (as at, 21 July 2023).

**Capacity** – By the end of the academic year, 89% of school places within the Trust were filled. There was variation between clusters, but Cluster 5 saw the lowest capacity rate at 77% and Cluster 1 the highest at 97%. Between joiners and leavers, there was a gain of 357 children over the academic year. (This increase accounts for the difference in capacity reported on page 7 regarding the October census).

**Characteristics** – The Trust continues to have higher than average rates of Free School Meals, Pupil Premium, and English as an additional language. Children with Special Educational Needs and/or Disabilities is increasing each year.

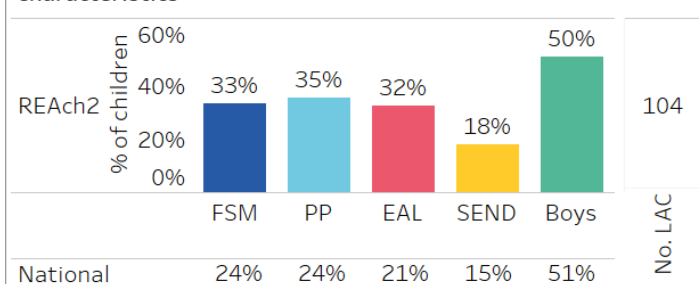
## REAch2 Context - Page 1



### Suspensions and Permanent exclusions YTD

	No. of suspensions	No. of children	Permanent exclusions
2020/21	331	167	4
2021/22	611	262	9
2022/23	709	328	11

### Characteristics



### Attendance

	Attendance	PA
2020/21	94.6%	16.8%
2021/22	93.1%	21.6%
2022/23	93.4%	20.0%

National	2020/21	96.7%	8.1%
	2021/22	93.8%	18.2%

On roll and capacity data correct at 21 July 2023. Exclusions correct 25 July 2023. All REAch2 data sourced from Arbor except capacity.

On roll figures exclude nursery. Capacity is calculated based on the school admissions policy and number of years open (taking into account bulge classes etc).

National data based on following DfE publications: FSM, EAL and boys from 2022 Pupils and their characteristics, SEND from 2022 Special Educational Needs, PP from 2022/23 Pupil Premium allocations (deprivation premium percentage).

Attendance data correct 24 July 2023. Attendance relates to statutory school age children only (see DfE definition). National attendance is from DfE published statistics, all dates show Autumn and Spring terms.

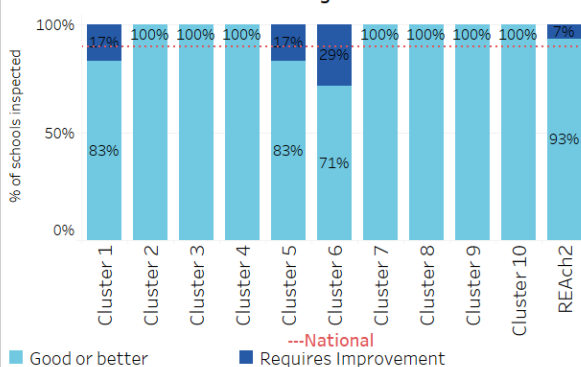
Trust view

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## REAch2 Context - Page 2



### Overall Effectiveness Ofsted Ratings



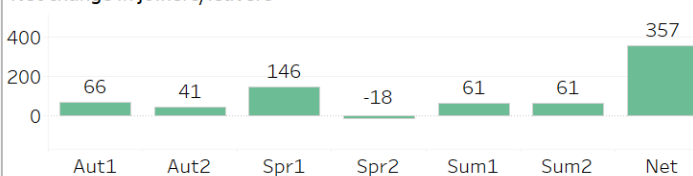
### Ofsted over time

	22/23						National
	Aut 1	Aut 2	Spr 1	Spr 2	Sum 1	Sum 2	
Good or better	93%	94%	95%	93%	93%	93%	90%
Requires Improvement	6%	6%	5%	7%	7%	7%	8%
Inadequate	2%	0%	0%	0%	0%	0%	2%

### Mobility

	Joiners						Leavers						Net
	Aut1	Aut2	Spr1	Spr2	Sum1	Sum2	Aut1	Aut2	Spr1	Spr2	Sum1	Sum2	
Cluster 1	10	24	20	3	9	17	8	17	17	4	9	14	1
Cluster 2	2	4	12	4	17	6	1	6	7	8	2	7	13
Cluster 3	44	65	59	26	30	27	29	25	25	14	23	17	100
Cluster 4	6	13	20	14	11	14	1	22	15	18	7	13	1
Cluster 5	7	24	19	19	14	17	21	22	18	16	25	9	-18
Cluster 6	41	50	40	26	34	27	10	23	15	9	13	15	118
Cluster 7	17	42	40	24	28	32	15	33	22	38	19	16	37
Cluster 8	28	28	58	19	25	15	9	21	19	35	21	12	50
Cluster 9	38	38	43	17	21	25	20	41	21	19	19	17	30
Cluster 10	44	47	73	41	44	30	40	53	57	35	23	22	25
<b>REAch2</b>	<b>237</b>	<b>335</b>	<b>384</b>	<b>193</b>	<b>233</b>	<b>210</b>	<b>154</b>	<b>263</b>	<b>216</b>	<b>196</b>	<b>161</b>	<b>142</b>	<b>357</b>

### Net change in joiners/leavers



All data correct as of 21 July 2023.

Ofsted data relates to Section 5 and Section 8 inspections.

National Ofsted data is percentage of all primary school inspections as at 31 December 2022.

Joiners counted from 30 September onwards up to end of term. Leavers counted from 30 September to end of term and exclude end of phase transfers.

Joiners/leavers date calculated from Arbor using entry and leaving dates.

Trust view

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[FSM – Free School Meals, PP – Pupil Premium, EAL – English as an additional language, SEND – Special Educational Needs and Disabilities Aut 1/2 – Autumn Term 1/2 2022, Spr 1/2 – Spring Term 1/2 2023, Sum 1/2 – Summer Term 1/2 2023]

## **Risk Management Process**

The Trust's termly risk management process is now embedded across the Trust. The process covers the full spectrum of areas in which academies might face possible risk (Health and Safety, Safeguarding, Education, People, Finance, Operations, Legal and Regulatory). The use of risk-related language is common within meetings and has helped guide activities and resource allocation. All academies' risk registers are reviewed at "*Team Around the Cluster*" meetings allowing experts within the Trust to have full oversight on what is going on at academy level and to provide additional support / intervention as well as being able to spot trends that may affect multiple academies.

The Executive Team monitors risk on a half-termly basis with the Deputy Directors of Education to ensure risk mitigations are on-track and intervene where necessary. At each level of governance, risk registers are received and reviewed to enable oversight and scrutiny to take place.

## **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.

## **Promoting the success of the Company**

- Trustees have a duty to promote the success of the Trust to achieve its charitable purposes and in doing so, are required by Section 172 of the Companies Act 2006 to have regard to the following:
- The likely consequences of any decisions in the long-term
- The interests of Trust's employees
- The need to foster the Trust's business relationships with suppliers, customers and others.
- The impact of the Trust's operations on the community and the environment
- The desirability of the Trust maintaining a reputation for high standards of business conduct
- The need to act fairly as between members of the company.

The day-to-day management and decision-making of the Trust is delegated by the Trustees to the Chief Executive and Executive Team who act in furtherance of the Trust's strategy and in accordance with all policies and procedures approved by the Trustees or in accordance with the Trust's Schemes of Delegation.

Policies and procedures are reviewed on a rolling cycle and trustees receive updates on performance, KPIs and strategic objectives at trustee meetings.

An active approach to trust board and staff succession planning ensures the Trust continues to have the people and leadership it needs to remain effective and provide sufficient diversity of perspectives to enable robust decision making.

Strategic agendas are embedded within the governance framework with an emphasis on the Trust's vision and ethos at Trustee, committee, and member meetings. In addition, Trust board sub-committees annually review their performance against their terms of reference and oversight responsibilities. The annual review of board effectiveness continued, utilising the principles set out in The Charity Governance Code to improve the quality and impact of governance.

The Trustees have access to legal advisors and a Company Secretary for advice on legal and compliance matters, and governance roles and responsibilities. By ensuring clarity of vision, ethos and strategic direction and ensuring monitoring and accountability that drives up educational standards and financial



performance, the Trustees obtain assurance that in promoting the success of the Trust, due regard has been given to the factors set out in section 172 of The Companies Act.

### **The likely consequence of any decisions in the long-term**

In April 2022 the new Chief Executive Officer took up post and has since focused on the development of the five-year strategic plan, which was endorsed and approved by the Trust Board.

That exercise included obtaining feedback from all stakeholder groups and identified four priorities set out above at page 14. Work was also undertaken to review the Trust's Touchstones and the vision statement. The Trustees have approved a new vision Statement 'Always Aiming Higher'.

The Board of Trustees will continue to monitor the delivery of the strategic plan and the risks which might threaten delivery of the overall aims and goals of the plan and the actions that are being taken to mitigate or contain the exposure.

### **The Interests of Employees**

The Trust continued its established practice of consulting regularly with employees during 2022-23, delivering monthly briefings for Headteachers and School Business Managers where key topics were discussed, initiatives were updated and an opportunity to ask questions was provided. These briefings have continued to take place regularly via zoom and are complemented by an in-person conference twice a year for Headteachers.

REAch2 meets regularly and at least termly with the National Joint Consultative Council (NJCC) which represents staff on matters such as policy, organizational initiatives, and risk management. The NJCC comprises representatives from NEU, NASUWT, NAHT, ASCL, UNISON, GMB and UNITE.

The Trust has in place detailed personnel policies and develops these through engagement and consultation with unions and stakeholders. A National Recognition agreement is in place with trade unions. Policies are approved by the Trust Board and promoted to staff in school via Headteachers and are made available on the intranet.

One strand of the Trust's ongoing work is to 'champion and embody diversity for all, providing an inclusive environment for all to thrive'. The Trust has set an objective to carry out further work to build a diverse and inclusive workforce. This year we have encouraged all staff to complete the 'personal details' section of the people information system installed in September 2021 so we can report more accurately on the diversity of our staff. The annual survey has provided some data on Inclusion, and this will be a focus of surveys in years to come.

### **The need to foster the Trust's business relationships with suppliers, customers and others.**

As explained in the statement on engagement with suppliers on page 13, the Trust seeks to ensure fairness in all business relationships, and this applies to all relationships and stakeholders throughout the Trust.

As part of the statement and intent for the Trust's strategic plan, there is a focus on continuing our work on communicating and consulting with stakeholders, in a structured and supportive way to ensure all stakeholders are able to contribute meaningfully to the work and development of the Trust.

### **The impact of the Trust's operations on the community and the environment**

The Trust is committed to outreach and engagement within each local community where it operates and decision-making processes within the Trust consider the impact of that decision-making on relevant stakeholders. REAch2 academies are each at the centre of their own local communities. Each academy has the opportunity and freedom to respond to the needs of parents and children and create their own local solutions. The Trust proactively engages with parents and the local communities. The Trust monitors the

environmental impact of its activities, and the Streamlined Energy and Carbon Report can be found on page 29.

### **The desirability of the Trust maintaining a reputation for high standards of business conduct**

The Trust has implemented, and keeps under regular review, a suite of policies and procedures to promote its values, ethical behaviour, and corporate compliance and responsibility including (but not exclusively) policies on safeguarding, health and safety, whistleblowing, speak up, procurement, conflicts of interest, related party transactions, code of conduct, modern slavery statement, dignity at work and executive pay policies.

The Trust employs a dedicated Head of Safeguarding who manages the central safeguarding team. Safeguarding is considered by trust committees and is a standing item on the Trust board agenda. The Trust has a named Safeguarding Trustee. All staff and local governors undertake regular safeguarding training and the Trust has strict safer recruitment processes in place. Every school has a DSL (Designated Safeguarding Lead) who is responsible for Safeguarding at the school.

Each year trustees are required to declare their ongoing eligibility to serve as a trustee. The Trustees support the principles of good governance set out in the Charity Governance Code.

### **The need to act fairly between members of the company.**

The shared vision and values of REAch2 and all the Academies underpins the governance and activities of the Trust. The Trust is committed to creating a culture that strongly reflects the core values and principles that make the Academies unique; these are described in the Trust's 'Touchstones': inclusion, learning, leadership, enjoyment, responsibility, inspiration, and integrity.

The Local Governing Bodies are the champions of these values in the Academies. The Academy Trust Members uphold these values as part of each AGM and a discussion on the embedding of the values within the Trust forms part of the AGM agenda.

## **Financial Review**

During the period, ESFA\LA grants totaled £120,311k (2022: £112,199k). Other income included within the restricted funds totaled £63k (2022: £2,422k). The restricted fund expenditure totalled to £123,187k (2022: £126,024k). Most of the Academy Trust's income is obtained from the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to a particular purpose. The grants received from the ESFA during the 12-month period ended 31 August 2023 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The Academy also received grants for fixed assets from the ESFA. In accordance with the Charities Statement of Recommended Practice, "Accounting for Reporting by Charities" (SORP 2019), such grants 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 expected useful life of the assets concerned.

Under the Charities SORP, it is necessary to charge projected deficits on the Local Government Pension Scheme, which is provided to support staff, to a restricted fund. This results in reducing reserves shown in the total funds of the Academy. It should be noted that this does not present the Academy with any current liquidity problem. The employer's contributions continue to increase for the foreseeable future. The Trust balance sheet and cash flow are in line with budgeted outcomes.

The Trust has appointed a Chief Finance Officer (CFO) who reports directly to the Accounting Officer of the Trust. The CFO has been reviewing the financial policies, processes and controls with an ongoing review of systems used in supporting financial management. All academies are required to produce monthly financial

reports that are reviewed at all levels of Governance. These are compared against the budget submitted to the ESFA and reforecasts undertaken when required.

Any academy presenting financial challenges are escalated to the CFO who, along with Trustees will work on a five-year strategic plan to ensure the academy's financial viability. A small number of academies which were identified as presenting a higher financial risk than normal, were monitored closely, and reported separately to Trustees.

On an annual basis the Finance & Resources Committee receive, and review longer term financial models (up to 5 years) to plan and organise resources most effectively to fulfil the strategic aims of the Trust.

The assets were used exclusively for providing education and the associated services to the children of the academies. The deficits in the Local Government Pension Schemes (LGPS) are recognised on the balance sheet in accordance with the provision of FRS102.

### **Reserves Policy**

Reserves form part of the cash balance for each school. The total cash balance across all academies is managed centrally and invested in line with the Trusts Investment Policy, in interest earning bank accounts.

A new reserves policy was implemented from September 2019, which was reviewed and reapproved in 2020 without material change. The policy was developed within a culture of financial management that aimed to be open, fostering positive relationships and ensuring the Trust's aims in the future are delivered. Reserves are split into three categories: Core reserves to include the minimum reserve of money that the Trust requires as a financially sustainable organization; contingency reserves to cover unforeseen operational costs; and investment reserves for longer-term strategic planning purposes as part of the Trust's resilience and continued ability to deliver exceptional opportunities for all children within the Trust.

The level of reserves held considers the nature of income and expenditure streams, the need to match them with commitments, including future capital projects, and the nature of reserves. The Trustees will keep this level of reserves under review and aim to build and maintain the reserves level in keeping with the objects of the academy.

In relation to core reserves, and after a period of consultation the Trust has proposed that the amount is set at 7% of GAG income (this equates to just over 2 weeks of operating expenditure). Core reserves are calculated on a school-by-school basis. In relation to contingency reserve, it is recommended that academies account for at least 1.5% of a school's income. In relation to the investment reserve, this will be linked closely to each school's development plan with academies expected to plan for the replacement of old equipment, and installation of new facilities as appropriate.

Total reserves at the end of the period amounted to £263,123k. This balance includes unrestrictive funds (free reserves) of £3,574k which is considered sufficient for the academy trust, and restricted funds excluding pension and fixed assets of £850k.

Within the reserves policy users should note that, because of accounting for Local Government Pension Scheme (LGPS), the academy recognises a pension fund deficit totaling £9,993k. This deficit is included in restricted funds.

This does not lead to an immediate liability for this amount. Similarly, if there was a pension surplus included in the restricted funds, this would not create an immediately realisable asset that can be released straightaway and expended for the specific purpose of that fund.

Users should note that a surplus or deficit position of the pension scheme would generally result in a cash flow effect of the Trust in the form of an increase or decrease in employers' pension contributions over a period of years.

The Trust thus takes this fact into account when reviewing current business plans and budgets and ascertaining how the pension costs might affect budgets in the future. On the basis that increased pension contributions should generally be met from the Academy Trust's budgeted annual income, whilst the deficit may not be eliminated there should be no actual cash flow deficit on the fund or direct impact on the unrestricted reserves of the Academy Trust due to the recognition of the deficit.

The Reserves Policy will be reviewed during the 2023/24 academic year.

### **Investment Policy**

The Trust agreed an updated Investment Policy during summer 2022 to allow Executives a broader scope to invest available funds to achieve a better return, albeit on short term and risk averse basis, limited to institutions with a UK banking license and regulated by the FCA. Any deposits with a notice period greater than 35-days, must be approved by Trustees.

The policy was reviewed during the 2022/23 academic year, and a new clause covering moral and sustainable investments, with no other changes deemed to be necessary.

The level of investments is reported to Trustees at every Finance and Resources Committee meeting, and the proposed investments for the following period proposed and agreed.

### **Principal Risks and Uncertainties**

The Companies Act 2006 s417(3b) requires disclosure of the principal risks and uncertainties facing a company. The Trust is exposed to financial risks including credit, cashflow and liquidity risks. Given the Trust's exposure to financial instruments being limited, the exposure principally relates to bank balances, cash, and trade creditors, with limited trade (and other) debtors. The Trust's system of internal controls ensures risk is minimal in these areas.

Systems and procedures have been established to mitigate the risks each academy faces. Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects. Trustees have assessed the major risks to which the Trust is exposed, particularly those relating to the specific teaching, provision of facilities and other operational areas of the Academy, and its finances.

Trustees have implemented systems to assess risks that each school faces, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and school trips) and in relation to the control of finances. They have introduced systems, including operational procedures (e.g., vetting of new staff and visitors, supervision of school grounds) and internal financial controls (see below) to minimise risk. This specifically includes ensuring that the Trust's estate remains safe, well-maintained and compliant with all relevant legislation.

A material risk for the Academy Trust in relation to the defined pension scheme has been mitigated as parliament has agreed at the request of the Secretary of State for Education to guarantee that in the event of an academy closure outstanding LGPS pension scheme liabilities would be met by the Department of Education. This guarantee came into force on 18 July 2013.

Details of the Trust's Risk Management Process can be found on page 24.

### **Fundraising Practices**

The Trust expects academies to carry out effective fundraising activities, including raising money through voluntary Parent Teacher Association (PTA) events. To ensure compliance with the Charities Act 2016 fundraising rules in the Charities (Protection and Social Investment) Act 2016 the Trust follows Institute of Fundraising guidelines and the Code of Fundraising Practice and ensures that academies follow the standards, particularly in relation to fundraising activities requiring closer safeguarding and the Institute of Fundraising guidance on fundraising with children.

During the summer term of 2020, the Trust revised its Donation policy, which was approved by Trustees and implemented in October 2020, with training on the updated policy being made available to academies in January 2021. The policy is scheduled for review during the 2023/24 academic year.

### **Streamlined Energy and Carbon Reporting**

The Trust is reporting its third disclosure of energy and carbon emissions. A consistent methodology has been applied to allow for meaningful comparisons each year, while mandatory requirements have been exceeded to provide an accurate and complete emissions profile.

Compared to last year, this year's report shows a reduction in gross absolute emissions (-546.7 tCO<sub>2</sub>e) and a reduction across all intensity ratios. The largest intensity ratio reduction is reported for tonnes of CO<sub>2</sub>e per pupil, which reduced by 12.9% compared to 2020/21 levels (for mandatory and voluntary emissions combined).

This reporting period is the first to have not been significantly affected by COVID-19 since the Trust started reporting energy and emissions in the 2019-20 Trustees' Report. To provide a like for like comparison with this year that is not impacted by COVID-19, the electricity and gas consumption in the 2019-20 SECR disclosure has been adjusted for the period April to August 2020 to reflect typical expected usage. This adjustment gives expected typical gross emissions (for electricity and gas only) in 2019-20 of 4,308.2 tCO<sub>2</sub>e compared to 4,140.9 tCO<sub>2</sub>e this year (a 3.88% reduction). The intensity ratio is calculated as 0.244 tCO<sub>2</sub>e per pupil in the adjusted 2019-20 figures, compared to 0.227 this year for electricity and gas emissions only.

The reduction in gross emissions and intensity ratios reflects predominantly a combination of national grid electricity decarbonisation and the implementation of energy efficiency actions undertaken by the Trust over the last 2 or 3 years.

UK energy use and associated greenhouse gas emissions.

Annual energy usage and associated annual greenhouse gas ("GHG") emissions are reported pursuant to the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 ("the 2018 Regulations") that came into force 1 April 2019.

### **Organisational boundary**

In accordance with the 2018 Regulations, the energy use and associated greenhouse gas emissions are for those assets owned or operated within the UK only as defined by the operational control boundary. This includes all sixty schools controlled during the reporting period along with the mandatory inclusion of scope 3 business travel in employee-owned or hire vehicles (grey fleet).

### **Reporting period**

The annual reporting period is 1st September to 31st August each year and the energy and carbon emissions are aligned to this period.

### **Quantification and reporting methodology**

The 2019 UK Government Environmental Reporting Guidelines and the GHG Protocol Corporate Accounting and Reporting Standard (revised edition) were followed. The 2023 UK Government GHG Conversion Factors for Company Reporting were used in emission calculations. The report has been reviewed independently by Briar Consulting Engineers Limited.

The electricity, gas, oil, solar PV, and grey fleet fuel consumption was compiled from invoices, meter readings and mileage records. Where invoices or meter readings were not available, estimations have been made using the pro-rata or direct comparison method. On-site generated electricity from solar photovoltaic panels is reported under scope 2 as the Trust do not own the panels and no adjustment is

made for any exported energy. Generally gross calorific values were used except for grey fleet mileage energy calculations as per Government GHG Conversion Factors.

The associated emissions are divided into mandatory and voluntary emissions according to the 2018 Regulations, then further divided into the direct combustion of fuels and the operation of facilities (scope 1), indirect emissions from purchased electricity (scope 2) and further indirect emissions that occur because of Trust activities but occur from sources not owned or controlled by the organisation (scope 3).  
technical@briar.zenergi.co.uk | 01384 397777 | www.briar.zenergi.co.uk

<b>Breakdown of energy consumption used to calculate emissions (kWh):</b>	<b>2021/22</b>	<b>2022/23</b>
<b>Energy type</b>		
<b>Mandatory requirements:</b>		
Gas	16,728,365	15,862,502
Purchased electricity from the grid	5,622,630	5,256,717
Transport fuel	239,997	172,641
<b>Total energy (mandatory)</b>	<b>22,590,992</b>	<b>21,291,860</b>
<b>Voluntary requirements:</b>		
Oil	316,595	326,071
Consumed electricity from on-site renewable sources	1,077,106	1,006,635
<b>Total energy (voluntary)</b>	<b>1,393,701</b>	<b>1,332,706</b>
<b>Total energy (mandatory &amp; voluntary)</b>	<b>23,984,693</b>	<b>22,624,566</b>

#### **Intensity ratio**

Two intensity ratios are reported showing emissions (tCO<sub>2</sub>e) per pupil and per square meter floor area.

Emissions per pupil is the recommended ratio for the sector for consistency and comparability and pupil numbers are based on the Autumn 2022 Census.	<b>2021/22</b>	<b>2022/23</b>
Emissions per square meter floor area is reported to reflect the energy efficiency of the buildings, which are the source of most emissions.		
<b>Intensity ratio type</b>		
Intensity ratios (mandatory emissions only)		
Tonnes of CO <sub>2</sub> e per pupil	0.231	0.217
Tonnes of CO <sub>2</sub> e per square meter floor area	0.028*	0.027
Intensity ratios (mandatory & voluntary emissions):		
Tonnes of CO <sub>2</sub> e per pupil	0.235	0.221
Tonnes of CO <sub>2</sub> e per square meter floor area	0.029*	0.027

## TRUST PLAN FOR FUTURE PERIODS

The return to school in the Autumn went smoothly with attendance starting off positively. The Trust continues to prioritise (for children and staff) their wellbeing through several initiatives that commenced in the last academic year. The Trust Board (and its committees) continues to support and encourage the Trust's commitment to serving our communities by measuring and overseeing progress against the delivery of all four of our strategic priorities, those priorities are as follows:

- **Great Schools** – We will make sure that every one of our schools sets the highest aspirations for children and makes an exceptional contribution to their communities.
- **Social Justice** – We will be relentless in breaking down the barriers which prevent primary children from fulfilling their potential and so, enable them to face life's challenges with confidence.
- **Sustainability** – We will transform our approach to sustainability across REAch2 by inspiring our children to become environmental ambassadors, unlocking their potential to make positive change.
- **Digital Transformation** – We will construct a digital infrastructure fit for the 21st Century, leveraging technology to unlock teaching and learning.

The Board of Trustees' will continue to hold REAch2 Executives and Directors to account for the outcomes described within each of the statements above, with committees monitoring the progress of each statement and the full board receiving a progress update on each throughout the coming year.

### Funds held as custodian trustee on behalf of others.

The Academy Trust and its Trustees did not act as custodian trustees during the current or previous period. Trustees do not anticipate that the Trust will in the future hold any funds as custodian for any third party.

### Auditor

Insofar 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 14 December 2023 and signed on the board's behalf by:



**Gavin Robert Chair of Trustees**

**Date:** 14 December 2023

## GOVERNANCE STATEMENT

For the Year Ended 31 August 2023

### Scope of Responsibility

As Trustees we acknowledge we have overall responsibility for ensuring that REAch2 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 guidance in DfE's Governance Handbook and competency framework for governance ([Governance handbook and competency framework – GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/publications/governance-handbook-and-competency-framework))

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 REAch2 Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weakness 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. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
Gavin Robert – Chair	6	6
Teresa Beach – Vice Chair	6	6
Cathie Paine – CEO & Trustee	6	6
David Walker	5	6
Ralph Kugler	5	6
Wade Newmark	5	6
Jonathan Lewis	6	6
Marc Doyle	5	6
Rosalind Cordner	5	6
Adanna Welch–Charles *	1	1
Tracey Harrison *	1	1
Tony O'Dwyer **	2	4
James Penny **	3	4
Khadeem Duncan–Banerjee **	2	2

(\* denotes trustees who left during the reporting year)

(\*\* denotes trustees who were appointed during the reporting year)

### Conflicts of Interest

Every person involved in board governance throughout the Trust (Trustees, cluster board non-executive representatives and local governors) are required to disclose potential or actual conflicts of interest for inclusion in the register of interests and relevant pecuniary interests are published on the Trust/academies website.

### Reviewing the Effectiveness of Governance at REAch2 Academy Trust

In July 2020, Trustees conducted the first annual review of the effectiveness of the Trust Board and its governance, the purpose of this initial review was to inform the continual process of Board improvement. This initial review focused on the Board itself and its operation as a collective. The Trust Board and Board Committees conduct an annual review of their effectiveness.



The Board and each committees received, considers and actions the feedback obtained and is committed to making ongoing improvements in areas such as committee composition utilizing the skills matrix agreed by the Board and expanding equality, diversity, and inclusion. Continuous improvements in governance arrangement including long term trustee succession planning and a review of Trust wide governance are planned with the objective of ensuring the Trusts governance structures are fully effective to support the operation of the Trust, the management of risks and the delivery of the Trusts strategic plan.

The specific areas identified and agreed by Trustees for further and ongoing action are as follows:

- The need to appoint additional Trustees to fill existing gaps and to address where possible recruitment to the additional skills added to the skill matrix for the Trust Board and its committees.
- To keep under regular review the Terms of Reference and rolling programs of Committee business to ensure no duplication of debate, delivery of full assurance to the Trust Board and to permit adequate time for strategic debate.
- Improving diversity, equality, and inclusion on the Trust Board and throughout the Trust
- Ensuring agendas remain strategic with clarity on future direction and long- term strategy.
- Improving communication across the governance tiers.

### **Trustee Succession Planning**

During the year, three new Trustees were appointed to the Board following the resignation of two existing Trustees, both of whom left the Trust to work overseas. The Board was pleased to enhance its skills set against the Board's revised skills matrix when making the new appointments but continues to recognised that there is further work to do to address diversity within the membership of the Board, and that work is ongoing.

### **The Trustee Change Committee for the Reach2 Programme of Change: for Equity & Efficiency**

On 1<sup>st</sup> February 2023, the Trustees agreed that having previously approved the implementation of the Reach2 Programme of Change for Equity and Efficiency (see page 16 above) and given the strategic importance of the project that the Board wished to form a committee with delegated responsibilities specifically focused on the restructure work that was needed to support the organisational transformation central to the project. That additional oversight and advisory board was titled "*the Trustee Change Committee for the Reach2 Programme of Change: for Equity & Efficiency*". Formal Terms of reference and the membership of that committee, which is comprised of four Trustees, were considered and agreed by the Trust Board. The committee's lifespan will be regularly reviewed.

The Change Committee's purpose was solely to act on delegated authority from the Board who authorized it to do all things, take all steps and approve and execute (or procure to be executed) all such documents, acts and things, as considered necessary or desirable in connection with a whole organisation restructure that is connected to and enables REAch2's aim for equity for every child.

During the year 2022–2023, the Academy Trust had five sub committees reporting into the Board of Trustees:

- Finance & Resources
- Risk and Audit
- Educational Standards & Performance
- Remuneration
- Executive Nominations
- Change

Each sub-committee comprises at least three trustees, one of whom is the committee chair. Each committee meets at least termly, except for the Executive Nominations Committee which only meets when required and presents a report of key findings and actions to take to the Board of Trustees.

The **Finance & Resources Committee** is a sub-committee of the main Board of Trustees. Its duties include:

- To develop a financial strategy for the Academy Trust and consider policies, procedures or plans required to realise such strategy,
- To receive financial monitoring reports for each academy,
- To consider individual academy budget proposals for authorisation,
- To consider exceptional requests for expenditure,
- To oversee significant investment and capital financing decisions
- To oversee the financial position of the trust
- Ensure that the operation and asset management of the Trust's estate is delivered appropriately.
- Ensure that the Free Schools programme is delivered appropriately.
- Ensure that effective processes are in place for the quality assurance of the Executive's work on Estates and capital management and on overall project management of the Free Schools programme
- Ensure that capital requirements are considered in the development, implementation and review of any Trust policies, programmes for reserves and investment and funding decisions.
- Identify, initiate, consider and keep under review the fullest range of external sources and avenues for capital funding and to ensure an appropriate pursuit by the executive of options with the best potential
- Scrutinise and review the estates teams' role in terms of reporting into the Health, Safety and Wellbeing function along with the expedient resolution of estates related health and safety defects and/or implementation of appropriate risk control measures.
- To monitor pensions arrangements and contributions across the Trust
- Consider the details of restructuring programmes of the central team.
- Monitor the effectiveness of health, safety and wellbeing policy and procedure in ensuring that children and staff are safeguarding.
- To ensure process and procedures are in place to achieve compliance with health & safety, HR and financial regulation and reporting.
- Review and monitor strategies for development, procurement, implementation of ICT across the Trust

Attendance at **Finance & Resources Committee** meetings during the year was as follows which included a joint meeting with the Risk & Audit Committee and External Auditors:

Trustee	Meetings attended	Out of a possible
Jonathan Lewis	6	6
Wade Newmark (Chair)	6	6
David Walker	5	6
Tony O'Dwyer	2	3
James Penny	2	2
Cathie Paine	6	6

The **Risk & Audit Committee** is a sub-committee of the main Board of Trustees. Its purpose is to:

- To ensure that the Trust has procedures in place to manage risk appetite and tolerance
- To ensure that risks are aligned with strategic priorities and improvement plans
- To ensure that appropriate interventions and strategies are in place and risk management is embedded at every level
- To provide assurance to the board that the Trust is managing risk effectively

Attendance at **Risk & Audit** Committee meetings in the year was as follows which included a joint meeting with the Risk & Audit Committee and External Auditors and one joint meeting with the Education, Standards and Performance Committee:

Trustee	Meetings Attended	Out of a possible
Gavin Robert	8	8
Teresa Beach (Chair)	7	8
Marc Doyle	7	8
James Penny	3	3
Tracey Harrison	2	2
Cathie Paine	8	8

The **Education, Standard & Performance Committee**, a sub-committee of the main Board of Trustees. Its purpose is to:

- Ensure that the highest possible standards are set and maintained across the Academy Trust
- Receive a termly report from the Executive Team regarding standards and performance of the Academy Trust against key performance indicators.
- Identify any areas of concern in respect of standards and performance and to implement an action plan with the Executive Team
- Ensure that the Academy Trust's curriculum is balanced and broadly based.
- Scrutinise and review Academy Trust policies for recommendation to the Trust Board
- Ensure that effective processes are in place for the quality assurance and self-evaluation of teaching and learning, the curriculum, inclusion, and the sharing of good practice across the Academy Trust
- Support the Chief Executive Officer in the creation, implementation and monitoring of the Academy Trust's self-evaluation development plan and any post-Ofsted action plan.
- Advise the Trust Board with respect to targets for student achievement across the Academy Trust
- Ensure that effective arrangements are in place across the Academy Trust for pupil support and representation, for monitoring pupil attendance and for pupil discipline.

Attendance at the **Education, Standard and Performance** meetings in the year was as follows which included a joint meeting with the Risk & Audit Committee:

Trustee	Meetings attended	Out of a possible
Jonathan Lewis (Chair)	5	5
Ralph Kugler	4	5
Rosalind Cordner	3	5
Marc Doyle	4	5
Khadeem Duncan-Banerjee	1	1
Cathie Paine	4	5

The **Remuneration Committee**, a sub-committee of the main Board of Trustees. Its purpose is to:

- Consider, determine and keep under review a framework or policy for the remuneration, benefits and incentives of the Chief Executive Officer and such other members of the Senior Executive Team as the Trust Board shall from time to time direct
- In determining that framework, to seek evidence of the remuneration, benefits and incentives paid to senior executives in comparable employment within the commercial and voluntary sectors
- To consider the outcome of every appraisal of the performance of the Chief Executive Officer and such other senior executives as the Board shall from time to time direct
- To make recommendations to the Trust Board as to the remuneration, benefit and incentives that

should be paid to the Chief Executive Officer and such other senior executives as the Trust Board shall from time to time direct with a view to ensuring that they are encouraged to enhance their performance and are, in a fair and responsible manner, rewarded for their individual contributions to the success of the Academy Trust and its progress towards fulfilling its objectives

- To make recommendations to the Trust Board as to the remuneration, benefits and incentives of newly appointed senior executives
- To determine the policy for and scope of pension arrangements, service agreements, termination payments and compensation commitments for the Chief Executive Officer and such other senior executives as the Trust Board shall from time to time direct.
- To consider other topics, as defined by the Trust Board from time to time.

Attendance at the **Remuneration** Committee meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Ralph Kugler (Chair)	2	2
Gavin Robert	2	2
Wade Newmark	2	2
Khadeem Duncan-Banerjee	1	1
Cathie Paine	2	2

The **Executive Nominations Committee**, a sub-committee of the main Board of Trustees. Its purpose is to:

- Determine the approach and process for the recruitment of a new CEO and carry out a public search
- Review and recommend a job and person specification for a new CEO
- Determine the approach to communications throughout the CEO recruitment process
- Consider applications and interview candidates for the position of CEO
- Consult the Remuneration Committee on Executive pay ranges and final appointment packages for recommending to the Trust Board
- Recommend an appointment to the Trust Board
- Oversee the induction of a new CEO
- Oversee the recruitment and induction of any new Trustees, making recommendations for appointment to the Trust Board

The Executive Nominations Committee did not sit during the 2022-23 academic year.

Trustee	Meetings attended	Out of a possible
Teresa Beach (Chair)	0	0
Gavin Robert	0	0
Jonathan Lewis	0	0

The **Change Committee**, a sub-committee of the main Board of Trustees. Its purpose is to, in relation to the Trust Program of Change for Equity and Efficiency:

- approve the action to consult.
- To receive, consider and approve the business case ahead of submission to the relevant bodies
- To receive regular updates from the Executive members and to consider and approve recommendations made.
- To refer to the Trust Board any matter which the Committee believes is divergent from the scope of the Project as already agreed by the Trust Board.
- To receive details of the Review and Consultation feedback and consider recommendations made by the Executive members.
- To determine tolerance levels for the project (cost and time) and then to agree any variances to those pre-agreed tolerance levels and notify the Trust Board accordingly.

Attendance at the **Change** Committee meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Wade Newmark (Chair)	5	5
Jonathan Lewis	4	5
Gavin Robert	5	5
Teresa Beach	5	5
Cathie Paine	4	5

### Review of Value for Money

As Accounting Officer, the Chief Executive has responsibility for ensuring that the Academy Trust deliver good value in the use of public resources. The Accounting Officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayers' resources received.

During 2022/23, the Trust continued to use the benchmarking information provided by government, and Trustees were included within this process. We also use internal benchmarking of schools.

During the year, one of the Trust's schools had a School Resource Management Advisor (SRMA) visit, as part of the programme offered by the Department for Education, with a follow-up visit being scheduled for 2023/24.

The Trust

The Accounting Officer considered how the Academy 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 or by using a framework where appropriate. The Accounting Officer for the Academy Trust has delivered improved value for money during the year by:

- Continuing to support close working relationship within clusters to enable proactive support and challenge across our academies, including the identification of synergies. Transparency and clarity of spending academies' budgets is scrutinised and ratified across all tiers of governance, with academy budget submissions subject to deep-dive reviews by the central finance team, and Trust Execs. Academies are also able to challenge the Trust in how it spends money.
- Providing a greater level of transparency and challenge on academy budgets, including longer term planning around academies with investment needs, and those with financial challenges, using benchmarks from other academies as a model for improvement. During the year, these challenges included using the metrics and findings from the SRMA visit to one of our schools being extended across all our schools.
- Continuing review of the procurement of services across our academies to achieve better quality, economies of scale and consistent outcomes across the academies, including a better understanding of the benefits of in-house service provision, vs outsourcing key deliverables, such as cleaning and catering. The Trust also increased the number of centrally procured services in the year to achieve better outcomes and increased the use of Public Sector Buying Organisations, and the support services which are available from them. This included the ongoing Trust approval of projects across Estates and IT to ensure the safety, maintenance and compliance of our estate and equipment. The Trust will invest further in Procurement during the 2023/24 academic year.
- Educational outcomes have improved by ongoing support from the Trust including receiving regular data reviews and moderation of the academies' self-evaluation and school development plans. These are reviewed and challenged at all levels of Governance across the Trust.
- Ongoing review both external and internal of our academies to ensure that the expected outcome of the academies during Ofsted are in line with Trust expectations. Intervention is delivered where required.

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all

risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of the 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 REAch2 Academy Trust for the period 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements.

### **Capacity to Handle Risks**

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 on-going process for identifying, evaluating, and managing the Academy Trust's significant risks that has been in place for the period 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board 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. 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 programs
- Setting targets to measure financial and other performance
- Clearly defined purchasing (assets purchase or capital investment) guidelines
- Identification and management of risk

The Board of Trustees considered the need for a specific internal audit function and decided to appoint an in-house internal Auditor. Given the large size of the Trust and the scale of the internal audit function, it was felt that an in-house function was the most effective way of delivering the Trust's internal audit scrutiny. The work plan for the Internal Auditor is driven and agreed by the Audit and Risk Committee and is informed by risk.

The internal auditor's role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial and other systems and undertaking Responsible Officer visits. In particular, the checks carried out in the current period included:

- Testing of the policies in place
- Testing of financial controls at school level
- Testing of grant funding, specifically pupil and sports premium
- Testing of the Risk Management within the Trust
- On a termly basis, the internal auditor reports to the Board of Trustees, through the risk and audit committee on the operation of the system of control and on the discharge of the board of trustee's financial responsibilities and annually prepares an annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.
- The work completed in the plan was sufficient to confirm that there were no material control issues and thus no remedial action was required to be taken.

### **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 School Resource Management Self-Assessment Tool

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 results of their review of the system of internal control by the Risk and Audit committee and a plan to ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on 14 December 2023 and signed on its behalf.

**Signed:**



**Gavin Robert**  
**Chair of Trustees**

**Signed:**



**Cathie Paine**  
**Chief Executive Officer**

## STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

For the Year Ended 31 August 2023

As Accounting Officer of REAch2 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 ESFA terms and conditions of funding received by the Academy Trust, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration, I have had due regard to the requirements of the Academy Trust Handbook 2022.

I confirm that I and the Academy Trust Board of Trustees can 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 2022.

I confirm that no instances of material irregularity and 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.

A handwritten signature in black ink, appearing to read 'Cathie S. Paine'.

**Cathie Paine, Chief Executive Officer & Accounting Officer**  
**13 December 2023**



## STATEMENT OF TRUSTEES' RESPONSIBILITIES

For the year ended 31 August 2023

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 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 in the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023.
- make judgments and accounting estimates that are reasonable and prudent.
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006.

They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

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

Approved by order of the members of the Board of Trustees on 14 December 2023.



**Gavin Robert Chair of Trustees**  
**14 December 2023**

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF REACH2 ACADEMY TRUST

For The Year Ended 31 August 2023

### Opinion

We have audited the accounts of REACH2 Academy Trust for the year ended 31 August 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the accounts, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023 issued by the Education and Skills Funding Agency.

In our opinion the accounts:

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

### Basis for opinion

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

### Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the 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.

### Other information

The other information comprises the information included in the annual report other than the accounts and our auditor's report thereon. The Directors are responsible for the other information contained within the annual report. Our opinion on the accounts 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 accounts 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 accounts 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.

## **Opinions on other matters prescribed by the Companies Act 2006**

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

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

## **Matters on which we are required to report by exception**

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

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

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

## **Responsibilities of Trustees**

As explained more fully in the statement of Trustees' responsibilities, the Trustees are responsible for the preparation of the accounts 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 accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the Trustees are responsible for assessing the 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 charitable company, or have no realistic alternative but to do so.

## **Auditor's responsibilities for the audit of the accounts**

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

## **Extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of senior leadership, Governors/Trustees and those charged with governance around

- actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the company through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations including compliance with the Academies Accounts Direction 2022 to 2023 issued by the Education and Skills Funding Agency;
- Performing audit work over the recognition of grant income and the allocation of expenditure to funds;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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

#### **Use of our report**

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



18 December 2023

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**Tracey Richardson BSc (Hons) FCA (Senior Statutory Auditor)**  
**for and on behalf of Azets Audit Services**  
**Chartered Accountants**  
**Statutory Auditor**

Azets Audit Services  
 Ruthlyn House  
 90 Lincoln Road  
 Peterborough  
 United Kingdom  
 PE1 2SP

# **INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO REACH2 ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY**

For The Year Ended 31 August 2023

In accordance with the terms of our engagement letter dated 15 August 2023 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2022 to 2023, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by REAch2 Academy Trust during the period 1 September 2022 to 31 August 2023 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to REAch2 Academy Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the REAch2 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 REAch2 Academy Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

## **Respective responsibilities of REAch2 Academy Trust's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of REAch2 Academy Trust's funding agreement with the Secretary of State for Education and the Academy Trust Handbook, extant from 1 September 2021, for ensuring that expenditure disbursed, and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

## **Approach**

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

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

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

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

The work undertaken to draw to our conclusion includes:

- a review of the activities of the academy, by reference to sources of income and other information available to us;
- sample testing of expenditure, including payroll;
- a review of minutes of trustees' meetings.

## Conclusion

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



### Reporting Accountant

Azets Audit Services  
Ruthlyn House  
90 Lincoln Road  
Peterborough  
United Kingdom  
PE1 2SP

Dated: 18 December 2023 .....

**STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2023 (INCLUDING INCOME AND EXPENDITURE ACCOUNT)**

		Unrestricted Funds	Restricted General Funds	Restricted Fixed Asset Funds	Total 2023	Total 2022
	Note	£'000	£'000	£'000	£'000	£'000
<b>Income and endowments from:</b>						
Donations and capital grants	2	-	-	4,742	4,742	4,145
Transfer of donated fixed assets	2	-	-	-	-	7,257
<i>Charitable activities:</i>						
- Funding for educational operations	3	6,049	120,374	-	126,423	117,381
Other trading activities	4	850	-	-	850	743
Investment income	5	261	-	-	261	8
<b>Total income</b>		<b>7,160</b>	<b>120,374</b>	<b>4,742</b>	<b>132,276</b>	<b>129,534</b>
<b>Expenditure on:</b>						
<i>Charitable activities:</i>						
- Trust's educational operations	6, 7	7,160	123,187	12,395	142,742	141,810
<b>Total resources expended</b>	6, 7	<b>7,160</b>	<b>123,187</b>	<b>12,395</b>	<b>142,742</b>	<b>141,810</b>
<b>Net income / (expenditure) before transfers</b>		<b>-</b>	<b>(2,813)</b>	<b>(7,653)</b>	<b>(10,466)</b>	<b>(12,276)</b>
<b>Transfers</b>						
Transfers between funds	18	-	(785)	785	-	-
<b>Net income / (expenditure) before other recognised gains and losses</b>		<b>-</b>	<b>(3,598)</b>	<b>(6,868)</b>	<b>(10,466)</b>	<b>(12,276)</b>
<b>Other recognised gains / (losses):</b>						
Actuarial (losses) / gains on defined benefit pension schemes	20	-	8,749	-	8,749	75,099
<b>Net movement in funds</b>		<b>-</b>	<b>5,151</b>	<b>(6,868)</b>	<b>(1,717)</b>	<b>62,823</b>
<b>Reconciliation of funds</b>						
Total funds brought forward	18	3,574	(14,294)	275,560	264,840	202,017
<b>Total funds carried forward</b>		<b>3,574</b>	<b>(9,143)</b>	<b>268,692</b>	<b>263,123</b>	<b>264,840</b>

The deficit restricted general reserve includes surplus restricted general funds of £850,000 offset by deficit pension reserves of £9,993,000 (See Note 18)

# **BALANCE SHEET AS AT 31 AUGUST 2023**

	Notes	2023 £'000	2023 £'000	2022 £'000	2022 £'000
<b>Fixed assets</b>					
Tangible assets	12		271,159		279,155
Total fixed assets			<u>271,159</u>		<u>279,155</u>
<b>Current assets</b>					
Stock	13	3		11	
Debtors	14	4,833		4,371	
Cash at bank and in hand		<u>13,968</u>		<u>16,979</u>	
Total current assets		<u>18,804</u>		<u>21,361</u>	
<b>Liabilities:</b>					
<b>Creditors:</b> Amounts falling due within one year	15	<u>(14,375)</u>		<u>(14,776)</u>	
<b>Net current assets</b>			<u>4,429</u>		<u>6,585</u>
<b>Total assets less current liabilities</b>			275,588		285,740
<b>Creditors:</b> Amounts falling due after more than one year	17		<u>(2,472)</u>		<u>(3,068)</u>
<b>Net assets excluding pension asset / (liability)</b>			273,116		282,672
Defined benefit pension scheme asset / (liability)	20		<u>(9,993)</u>		<u>(17,832)</u>
<b>Total net assets</b>			<u>263,123</u>		<u>264,840</u>
<b>Funds of the academy trust:</b>					
<b>Restricted funds</b>					
. Fixed asset fund	18		268,692		275,560
. Restricted income fund	18		850		3,538
. Pension reserve	18, 20		<u>(9,993)</u>		<u>(17,832)</u>
<b>Total restricted funds</b>			<u>259,549</u>		<u>261,266</u>
<b>Unrestricted funds</b>					
. Unrestricted income fund(s)	18		<u>3,574</u>		<u>3,574</u>
<b>Total unrestricted funds</b>			<u>3,574</u>		<u>3,574</u>
<b>Total Funds</b>			<u>263,123</u>		<u>264,840</u>

The financial statements as set out on pages 47 to 77 were approved and authorised for issue by the Board of Trustees on 14th December 2023 and signed on it's behalf by:



Gavin Robert  
Chair of Trustees – REAch2 Academy Trust (Company Reg: 08452281)



# STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 AUGUST 2023

	Note	2023 Total £'000	2022 Total £'000
<b>Cash flows from operating activities</b>			
Net cash provided by / (used in) operating activities	21	<u>(3,019)</u> <b>(3,019)</b>	<u>2,583</u> <b>2,583</b>
<b>Cash flows from investing activities</b>			
Dividends, interest and rents from investments		261	8
Capital funding from sponsors and others		4,742	4,145
Payments to acquire fixed assets		<u>(4,329)</u>	<u>(4,629)</u>
		<b>674</b>	<b>(476)</b>
<b>Cash flows from financing activities</b>			
Cash net inflows/(outflows) from borrowing	22	<u>(666)</u> <b>(666)</b>	<u>(666)</u> <b>(666)</b>
<b>Change in cash and cash equivalents in the reporting period</b>		<u><b>(3,011)</b></u>	<u><b>1,441</b></u>
Cash and cash equivalents at 1 September 2022		16,979	15,538
Cash and cash equivalents at 31 August 2023		<u><b>13,968</b></u>	<u><b>16,979</b></u>

**Notes to the Financial Statements  
For the year ended 31 August 2023**

**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**

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

REAch2 Academy Trust meets the definition of a public benefit entity under FRS 102.

**1.2 Going Concern**

The financial statements have been prepared on a going concern basis which the trustees consider to be appropriate for the following reasons.

The trust receives funding from the Secretary of State for Education under the Academies Act 2010 in the form of a grant towards the normal running costs and capital expenditure of each of its Academies, based on projected student numbers. The amount of grant funding is determined annually by the Secretary of State.

The trustees have prepared cash flow forecasts for a period of 12 months from the date of approval of these financial statements. After reviewing these forecasts, the Trust has adequate resources to continue to meet its liabilities over the period of 12 months from the date of approval of the financial statements (the going concern assessment period).

Consequently, the trustees are confident that the Trust will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

**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 receivable

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

General Annual Grant is recognised in full in the Statement of Financial Activities in the period for which it is receivable, and any abatement in respect of the period is deducted

## Notes to the Financial Statements For the year ended 31 August 2023

from income and recognised as a liability.

Capital grants are recognised in full when there is unconditional entitlement to the grant. Unspent amounts of capital grant 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 period in which it is receivable (where there are no performance-related conditions), where the receipt is probable and it can be measured reliably.

### Donations

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

### Other income

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

### Donated goods, facilities and services

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

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 a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the Academy Trust's accounting policies.

## 1.4 Expenditure

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

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

• **Expenditure on raising funds** This includes all expenditure incurred by the academy trust to raise funds for its charitable purposes and includes costs of all fundraising

## Notes to the Financial Statements For the year ended 31 August 2023

activities events and non-charitable trading.

• **Charitable activities** These are costs incurred on the academy trust's educational operations, including support costs and costs relating to the governance of the academy trust apportioned to charitable activities. All resources expended are inclusive of irrecoverable VAT.

### 1.5 Tangible fixed assets and depreciation

Assets costing £500 or more, are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

Depreciation is provided on all tangible fixed assets other than freehold land 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:

Freehold buildings	50 years
Leasehold land and buildings whichever is lower	50 years or Useful Economic Life,
Leasehold improvements	50 years
Furniture and equipment	4 years
Plant and machinery	4 years
Computer equipment	3 years
Motor vehicles	4 years

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 leasehold land and buildings.

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

### 1.6 Liabilities

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

**Notes to the Financial Statements  
For the year ended 31 August 2023**

**1 Accounting policies (Continued)**

**Provisions**

Provisions are recognised when the academy trust has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

**1.7 Leasing and hire purchase commitments**

Rentals payable under operating leases are charged against income on a straight line basis over the period of the lease.

**1 Accounting policies (Continued)**

**1.8 Stock**

Unsold uniform and catering stocks are valued at the lower of cost and net realisable value. Net realisable value is based on estimated selling price less further costs to completion and disposal. Provision is made for obsolete and slow moving stock.

**1.9 Taxation**

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

**1.10 Pensions benefits**

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 20, the TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently the TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions are recognised in the period to which they relate.

The LGPS is a funded scheme and the assets are held separately from those of the Academy Trust in separate trustee administered funds. Pension scheme assets are

## **Notes to the Financial Statements**

### **For the year ended 31 August 2023**

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.

#### **1.11 Fund accounting**

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

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

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

#### **1.12 Financial instruments**

The academy trust only holds basic financial instruments as defined in FRS102. The financial assets and financial liabilities of the academy trust and their measurement basis are as follows:

##### **Trade and other debtors / creditors**

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

Prepayments are not financial instruments. Amounts due to the charity's wholly owned subsidiary are held at face value less any impairment.

Taxation and social security are not included in the financial statements 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. Amounts due to the charity's wholly owned subsidiary are held at face value less any impairment.

Interest-bearing borrowings classified as basic financial instruments

**Notes to the Financial Statements  
For the year ended 31 August 2023**

**1 Accounting policies (Continued)**

Interest-bearing borrowings are recognised initially at the present value of future payments discounted at a market rate of interest. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

**Cash and cash equivalents**

Is classified as a basis financial instrument and is measured at face value. Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose only of the cash flow statement.

**1.13 Critical accounting estimates and areas of judgement**

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

Critical accounting estimates and assumptions

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

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 20, 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 2019 has been used by the actuary in valuing the pensions liability at 31 August 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

The Academy Trust included properties transferred on conversion at fair value, being recognised in the Statement of Financial Activities in the year of conversion. The Trust engages independent valuation specialists to determine fair value. The valuer used a valuation technique based on the depreciated replacement cost (DRC) model as there is a lack of comparable market data because of the nature of the properties.

**Notes to the Financial Statements**  
**For the year ended 31 August 2023**

<b>2 Donations and Capital Grants</b>	<b>Unrestricted Funds £'000</b>	<b>Restricted Funds £'000</b>	<b>2023 Total £'000</b>	<b>2022 Total £'000</b>
Donated Fixed Assets	-	-	-	7,257
Capital Grants – DfE / ESFA	-	4,593	4,593	4,094
Capital Grants – Local Authority	-	136	136	-
Capital Grants – Non Government	-	13	13	51
	<u>-</u>	<u>4,742</u>	<u>4,742</u>	<u>11,402</u>

Capital grants relate to ESFA Devolved Capital and School Conditioning Funding

<b>3 Funding For Educational Operations</b>	<b>Unrestricted Funds £'000</b>	<b>Restricted Funds £'000</b>	<b>2023 Total £'000</b>	<b>2022 Total £'000</b>
<b>DfE / ESFA Grants</b>				
General Annual Grant (GAG)	-	90,440	90,440	87,256
Other DfE / ESFA Grants				
-Universal Infant Free School Meals (UIFSM)	-	2,456	2,456	2,301
-Pupil Premium	-	8,842	8,842	8,339
-Other	-	7,357	7,357	4,827
	<u>-</u>	<u>109,095</u>	<u>109,095</u>	<u>102,723</u>
<b>Other Government Grants</b>				
Local authority grants		11,216	11,216	9,476
	<u>-</u>	<u>11,216</u>	<u>11,216</u>	<u>9,476</u>
<b>Other Income</b>				
School Trips	858	-	858	747
Catering Income	1,119	-	1,119	1,023
Music Lessons	-	63	63	59
Clubs	1,844	-	1,844	1,616
Other	2,199	-	2,199	1,706
Uniform Sales	29	-	29	31
	<u>6,049</u>	<u>63</u>	<u>6,112</u>	<u>5,182</u>
	<u>6,049</u>	<u>120,374</u>	<u>126,423</u>	<u>117,381</u>

The master funding agreement of the Trust is not subject to limits on the amount of GAG that it could carry forward at 31 August 2023.

Other government revenue grants includes £4,717,264 of Early Years Foundation funding and £5,435,130 of SEN funding.

<b>4 Other Trading Activities</b>	<b>Unrestricted Funds £'000</b>	<b>Restricted Funds £'000</b>	<b>2023 Total £'000</b>	<b>2022 Total £'000</b>
Lettings	457	-	457	427
Other income	393	-	393	316
	<u>850</u>	<u>-</u>	<u>850</u>	<u>743</u>



## Notes to the Financial Statements

### For the year ended 31 August 2023

## 5 Investment Income

	Unrestricted Funds £'000	Restricted Funds £'000	2023 Total £'000	2022 Total £'000
Bank interest	261	-	261	8
Pension	-	-	-	-
	<u>261</u>	<u>-</u>	<u>261</u>	<u>8</u>

## 6 Other trading expenses

	Staff Costs	Non Pay Expenditure		Total	Total
	Premises	Other Costs			
	£'000	£'000	£'000	£'000	£'000
Educational operations					
. Direct costs (note 7)	88,637	2,046	12,877	103,560	103,818
. Allocated support costs (note 7)	17,609	8,456	13,117	39,182	37,992
				-	
	106,246	10,502	25,994	142,742	141,810

No unrestricted reserves have been expended in the year.

**Net income / (expenditure) for the period includes:**

Net income / (expenditure) for the period includes:	2023 £'000	2022 £'000
Fees payable to auditor – audit	60	60
– other services	37	37
Operating lease rentals – plant, machinery and equipment	471	472
Depreciation	12,325	12,358

**Notes to the Financial Statements**  
**For the year ended 31 August 2023**

**7 Charitable Activities – Educational Operations**

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
<b>Direct costs</b>		
Teaching staff costs	61,154	55,339
Other direct staff costs	21,361	19,739
Direct supply costs	4,654	3,196
Pension costs – deficit repayment contributions & net service costs	1,013	10,986
Educational supplies	2,997	2,831
Technology costs	1,440	1,298
Staff development	455	487
Recruitment	182	238
School uniform	85	65
Free school meals	709	832
Catering	3,959	3,459
Staff transport and travel	342	224
Telephones	175	181
Printing, postage and stationary	247	268
Legal costs – other	157	102
Professional fees	41	149
Insurance	200	178
Licences and subscriptions	55	57
Marketing and advertising	56	122
Educational visits	1,231	1,027
Educational consultancy	893	729
Music services	389	270
Hire of equipment	606	541
Other educational services	617	764
Government Loan Interest	80	82
Other direct costs	462	654
	<u>103,560</u>	<u>103,818</u>

**Notes to the Financial Statements**  
**For the year ended 31 August 2023**

**7 Charitable Activities – Educational Operations (continued)**

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
<b>Support costs</b>		
Support staff costs	17,609	16,441
Depreciation & impairment	12,325	12,358
Maintenance of premises and equipment	3,048	3,338
Cleaning	1,778	1,669
Insurance	412	374
Utilities	2,468	1,738
Security	116	126
Rent and rates	259	748
Health and safety	96	99
Other occupancy costs	279	279
Other support costs	695	725
	<u>39,085</u>	<u>37,895</u>
 Audit		
– audit of financial statements	60	60
– other	37	37
	<u>97</u>	<u>97</u>
 Total Support Costs	<u>39,182</u>	<u>37,992</u>
  Total Costs	<u>142,742</u>	<u>141,810</u>

**8 Staff Costs**

**a) Staff costs**

Staff costs during the year were:

	<b>Total</b>	<b>Total</b>
	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Wages and salaries	75,987	69,938
Social security costs	7,030	6,062
Pension costs	16,686	15,298
Apprenticeship levy	375	326
	<u>100,078</u>	<u>91,624</u>
Supply staff costs	4,654	3,196
Staff development and other staff costs	455	487
	<u>105,187</u>	<u>95,307</u>
 Staff restructuring costs comprise:		
– Redundancy Payments	–	60
– Severance Payments costs	29	36
	<u>29</u>	<u>96</u>

**Notes to the Financial Statements**  
**For the year ended 31 August 2023**

**b) Staff severance payments**

The Trust paid 9 severance payments in the year, disclosed in the following bands:

0 – £25,000	9
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Included within the staff restructuring costs are special severance payments totalling £28,588 (2022: £36,193). Individually, the payments were £14,964, £6,553, £5,397, £1,171, £500, £1, £1, £1.

**c) Staff numbers**

The average number of persons (including senior management team) employed by REAch2 Academy Trust during the year expressed as full time equivalents were as follows:

	2023 No.	2022 No.
<b>Charitable Activities</b>		
Teachers	821	811
Admin and support	1,194	1,174
Management and central team	242	215
	2,257	2,200

The average number of persons (including senior management team) employed by REAch2 Academy Trust during the year were as follows:

	2023 No.	2022 No.
<b>Charitable Activities</b>		
Teachers	910	887
Admin and support	1,889	1,880
Management and central team	252	230
	3,051	2,997

**d) Higher paid staff**

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

	2023 No.	2022 No.
£60,001 – £70,000	42	50
£70,001 – £80,000	34	16
£80,001 – £90,000	14	17
£90,001 – £100,000	9	6
£100,001 – £110,000	6	4
£110,001 – £120,000	1	3
£120,001 – £130,000	3	2
£140,001 – £150,000	–	1
£150,001 – £160,000	1	–
£180,001 – £190,000	–	1
£200,001 – £210,000	1	–
£210,001 – £220,000	–	1

**e) Key management personnel**

The key management personnel of REAch2 Academy Trust comprise the Trustees and the Senior Management Team as listed on page 4 (2022 – 3 people). 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 Trust was £1,257,700 (2022:£650,169).

**Notes to the Financial Statements**  
**For the year ended 31 August 2023**

**9 Trustees' remuneration and expenses**

One trustee has been paid remuneration or has received other benefits from employment with the academy trust. The Chief Executive Officer only receives remuneration in the respect of services they provide undertaking the role of the Chief Executive under their contract of employment.

Catherine Paine (Chief Executive Officer and Accounting Officer effective from 19.04.2022)  
£200,000 – £210,000 (2022: £70,000 – £80,000)

The above employee participated in the LGPS Pension Scheme this year. During the year ended 31 August 2023 pension contributions amounted to £50,000 – £60,000 (2022: £20,000 – £30,000).

Sir Steve Lancashire (Chief Executive Officer and Accounting Officer) – until 18.04.2022  
£nil (2022: £150,000 – £160,000)

The above employee participated in the Teachers' Pension Scheme this year. During the year ended 31 August 2023 pension contributions paid £nil (2022: £30,000 – £40,000).

Payments made to Trustees of The Board relating to travel and subsistence were £1,941 (2022: £568).

Other related party transactions involving the Trustees are set out within the related parties note.

**Trustees' and Officers' Insurance**

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

**11 Central Services**

The academy trust has provided the following central services to its academies during the year:

- Accountancy and financial planning systems;
- Accountancy support;
- Procurement support;
- HR support;
- Payroll & Pensions;
- Estates strategic management and capital improvement;
- Governance support;
- Policy development;
- Executive Principals and Associate School Leaders;
- School Performance Management;
- Risk Management;
- School leadership development and training;
- School leadership performance management;
- Trust leadership and networking;
- Liaison with regulators and policy makers (DfE, ESFA, Regional Schools' Commissioner, OFSTED, Charities Commission and Companies House)
- Media and publicity management;
- Crisis management.

The Trust charges for these services based on a percentage of GAG income excluding grants received towards rates and insurance. In 2023 this was 6.5% (2022: 6.5%).

**Notes to the Financial Statements**  
**For the year ended 31 August 2023**

**11 Central Services (continued)**

The amounts charged during the year were as follows:

	2023 £'000	2022 £'000
Aerodrome Primary Academy	159	156
Beccles Primary Academy	60	58
Brampton Primary Academy	105	96
Burrsville Infant Academy	58	56
Bushbury Lane Primary Academy	71	66
Camulos Primary Academy	114	108
Chapel End Junior Academy	96	106
Chigwell Primary Academy	67	67
Civitas Academy	105	103
Concordia Primary Academy	137	104
Copperfield Academy	112	116
Dorothy Barley Junior Academy	132	141
Eastbrook Primary Academy	116	114
Five Spires Academy	58	56
Garden City Academy	68	68
Greenridge Primary Academy	114	103
Green Park Village Primary Academy	47	37
Gunton Primary Academy	87	83
Heath Hayes Primary Academy	58	53
Henhurst Ridge Primary Academy	51	42
Kemsley Primary Academy	63	59
Kirby Primary Academy	65	62
Langtons Junior Academy	72	76
Lawley Village Academy	60	55
Lower Farm Academy	49	30
Manor Park Primary Academy	115	120
Martlesham Primary Academy	37	33
Phoenix St Peter	53	53
Milton Court Primary Academy	66	62
Moor Green Primary Academy	141	133
Newhall Primary Academy	81	63
Northfield St Nicholas Primary Academy	119	116
Norton Canes Primary Academy	66	62
Oakfield Primary Academy	109	105
Pemberley Academy	64	62
Purfleet Primary Academy	168	160
Racemeadow Primary Academy	101	90
Ranikhet Academy	61	59
Riverside Academy	64	63
Robert Fitzroy Academy	192	190
Scientia Academy	121	119
Silkmore Primary Academy	74	73
Sir Martin Frobisher Primary Academy	72	72
Springfield Primary Academy	149	142
Springhill Primary Academy	53	47
Sprites Primary Academy	98	100
St Margaret's Primary Academy	128	122
St Mark's Church of England Primary Academy	60	52
Summerside Primary Academy	134	121
The Globe Primary Academy	128	123
The Limes Primary Academy	65	51
The Palmer Primary Academy	121	113
The Woodside Primary Academy	378	358
Tidemill Academy	183	178
Tymberwood Academy	114	106
Unity Primary Academy	103	99
Veritas Primary Academy	113	111
Water Lane Primary Academy	61	57
White Meadows Primary Academy	170	162
Wilshire-Dacre Junior Academy	72	67
	<u>5,958</u>	<u>5,659</u>

**Notes to the Financial Statements**  
**For the year ended 31 August 2023**

**12 Tangible Fixed Assets**

	Freehold Land and Buildings £'000	Leasehold Land and Buildings £'000	Leasehold Improvements £'000	Furniture and Equipment £'000	Plant and Machinery £'000	Computer Equipment £'000	Assets under construction £'000	Motor Vehicles £'000	Total £'000
<b>Cost or Valuation</b>									
At 1 September 2022	5,719	321,057	18,508	5,782	4,687	8,786	-	39	364,578
Additions	-	-	2,087	547	489	1,083	123	-	4,329
At 31 August 2023	5,719	321,057	20,595	6,329	5,176	9,869	123	39	368,907
<b>Depreciation</b>									
At 1 September 2022	610	67,501	1,690	4,815	3,470	7,304	-	33	85,423
Charged in year	87	9,302	412	544	614	1,364	-	2	12,325
At 31 August 2023	697	76,803	2,102	5,359	4,084	8,668	-	35	97,748
<b>Net book values</b>									
At 31 August 2023	5,022	244,254	18,493	970	1,092	1,201	123	4	271,159
At 31 August 2022	5,109	253,556	16,818	967	1,217	1,482	-	6	279,155

Included in Freehold Land & Buildings is an amount of £1,367,500 in respect of land which is not depreciated.

Where fixed assets have transferred upon merger from existing Academy Trusts or from Local Authorities, the cost recognised in fixed asset additions is equal to the market value of fixed assets on the date of transfer. Upon transfer, management have considered the useful economic life of each asset at both the date of its initial recognition, when it was originally purchased, and at the date of transfer to the Trust. Accordingly depreciation has been charged over the reassessed useful economic life of the asset. Where the year ended 31 August 2022 would have represented the final year of an assets useful economic life prior to transferring to the Trust, should the assessment by management have identified no extension of useful economic life, the entire cost recognised in additions in year was depreciated in the year ended 31 August 2023. This will also have affected the charge made against assets with useful economic lives due to expire in 2023 and 2024.

**Notes to the Financial Statements**  
**For the year ended 31 August 2023**

**13 Stock**

	<b>2023</b> <b>£'000</b>	<b>2022</b> <b>£'000</b>
Clothing (Pupil Uniform for resale)	3	11
	<u>3</u>	<u>11</u>

**14 Debtors: amounts owed within one year**

	<b>2023</b> <b>£'000</b>	<b>2022</b> <b>£'000</b>
Trade debtors	610	264
Prepayments & accrued income	3,162	2,887
Accrued income		
Other debtors	88	73
Grant and other income		
VAT recoverable	973	1,147
	<u>4,833</u>	<u>4,371</u>

**15 Creditors: amounts falling due within one year**

	<b>2023</b> <b>£'000</b>	<b>2022</b> <b>£'000</b>
Trade creditors	3,815	5,692
Taxation and social security	1,685	1,783
Other creditors	1,845	1,105
Accruals and deferred income	6,326	5,409
ESFA Creditor: Abatement of GAG	39	122
Loan	665	665
	<u>14,375</u>	<u>14,776</u>

**16 Deferred income**

(Included in Accruals and deferred income above)

	<b>2023</b> <b>£'000</b>	<b>2022</b> <b>£'000</b>
Deferred Income brought forward	2,163	2,529
Amounts released from previous years	(2,163)	(2,529)
Resources deferred in the year	3,083	2,163
Deferred Income carried forward	<u>3,083</u>	<u>2,163</u>

Included in deferred income are amounts received in advance from the Local Authorities and the ESFA for Free School Meals, Early Years Funding and other pupil related income.

**17 Creditors: amounts falling due after more than one year**

	<b>2023</b> <b>£'000</b>	<b>2022</b> <b>£'000</b>
<b>Loan</b>		
Due 1 – 2 years	665	665
Due 2 – 5 years	1,807	2403
Due over 5 years	–	–
	<u>2,472</u>	<u>3,068</u>

Included within creditors is a loan with a balance of £3,137,000 (of which £665k is due within one year) from the Education and Skills Funding Agency, as part of the MAT Loan Pilot scheme. Interest is charged on the loan at 1.91%, and repayable in equal instalments over the next 5 years.



**Notes to the Financial Statements**  
**For the year ended 31 August 2023**

**18 Funds**

	Balance at 1 September 2022 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2023 £'000
<b>Restricted general funds</b>					
General Annual Grant (GAG)	2,647	90,440	(91,863)	(785)	439
UIFSM	-	2,456	(2,456)	-	-
Pupil Premium	53	8,842	(8,842)	-	53
Catch-up Premium	480	-	(480)	-	-
Other ESFA Grants	326	7,357	(7,357)	-	326
Other Government Grants	32	11,216	(11,216)	-	32
Other restricted income	-	63	(63)	-	-
	<b>3,538</b>	<b>120,374</b>	<b>(122,277)</b>	<b>(785)</b>	<b>850</b>
Pension reserve	(17,832)	-	(910)	8,749	(9,993)
	<b>(14,294)</b>	<b>120,374</b>	<b>(123,187)</b>	<b>7,964</b>	<b>(9,143)</b>
<b>Restricted fixed asset funds</b>					
Donated Assets	245,975	-	(9,389)	-	236,586
Capital Expenditure from GAG/DfE	33,180	-	(2,936)	4,329	34,573
	<b>279,155</b>	<b>-</b>	<b>(12,325)</b>	<b>4,329</b>	<b>271,159</b>
Government Loan	(3,733)	-	(70)	666	(3,137)
Capital Grants - DfE/ESFA	28	4,593	-	(4,087)	534
Capital Grants - Local Authority	-	136	-	-	136
Capital Grants - Non Government	110	13	-	(123)	-
	<b>275,560</b>	<b>4,742</b>	<b>(12,395)</b>	<b>785</b>	<b>268,692</b>
<b>Total restricted funds</b>	<b>261,266</b>	<b>125,116</b>	<b>(135,582)</b>	<b>8,749</b>	<b>259,549</b>
<b>Unrestricted funds</b>					
General Funds	3,043	7,160	(7,160)	-	3,043
Funds inherited on transfers from LA and mergers	531	-	-	-	531
<b>Total unrestricted funds</b>	<b>3,574</b>	<b>7,160</b>	<b>(7,160)</b>	<b>-</b>	<b>3,574</b>
<b>Total funds</b>	<b>264,840</b>	<b>132,276</b>	<b>(142,742)</b>	<b>8,749</b>	<b>263,123</b>

**Notes to the Financial Statements**  
**For the year ended 31 August 2023**

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

	Balance at 1 September 2021 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2022 £'000
<b>Restricted general funds</b>					
General Annual Grant (GAG)	4,444	87,256	(87,847)	(1,206)	2,647
UIFSM	-	2,301	(2,301)	-	-
Pupil Premium	53	8,339	(8,339)	-	53
Catch-up Premium	480	-	-	-	480
Other ESFA Grants	326	4,827	(4,827)	-	326
Other Government Grants	32	9,476	(9,476)	-	32
Other restricted income	-	2,422	(2,422)	-	-
Funds inherited on transfers from LA and mergers	531	-	-	(531)	-
	<u>5,866</u>	<u>114,621</u>	<u>(115,212)</u>	<u>(1,737)</u>	<u>3,538</u>
Pension reserve	(82,119)	-	(10,812)	75,099	(17,832)
	<u>(76,253)</u>	<u>114,621</u>	<u>(126,024)</u>	<u>73,362</u>	<u>(14,294)</u>
<b>Restricted fixed asset funds</b>					
Donated assets	248,607	7,257	(9,889)	-	245,975
DfE/EFA capital grants and expenditure from GAG	30,961	-	(2,387)	4,606	33,180
	<u>279,568</u>	<u>7,257</u>	<u>(12,276)</u>	<u>4,606</u>	<u>279,155</u>
Government Loan	(4,317)	-	(82)	666	(3,733)
Capital Grants - DfE / ESFA	-	4,094	-	(4,066)	28
Capital Grants - Non Government	59	51	-	-	110
	<u>275,310</u>	<u>11,402</u>	<u>(12,358)</u>	<u>1,206</u>	<u>275,560</u>
<b>Total restricted funds</b>	<u>199,057</u>	<u>126,023</u>	<u>(138,382)</u>	<u>74,568</u>	<u>261,266</u>
<b>Unrestricted funds</b>					
General Funds	2,960	3,511	(3,428)	-	3,043
Funds inherited on transfers from LA and mergers	-	-	-	531	531
<b>Total unrestricted funds</b>	<u>2,960</u>	<u>3,511</u>	<u>(3,428)</u>	<u>531</u>	<u>3,574</u>
<b>Total funds</b>	<u>202,017</u>	<u>129,534</u>	<u>(141,810)</u>	<u>75,099</u>	<u>264,840</u>

**18 Funds (continued)**

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

Restricted general funds must be used for the normal running costs of the Trust. In line with the Master Funding Agreement with the Secretary of State, the Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2023.

Restricted fixed asset funds are used solely for capital purposes in line with the strategic objectives of the Trust.

Unrestricted funds will be used towards meeting the charitable objectives of the Trust at the discretion of the Trustees.

Funds transfers relate to the pension scheme movements during the period, fixed assets purchased from unrestricted funds and recurrent expenditure purchased from non GAG funding.

18 Funds (continued)

Analysis of academies by fund balance

Fund balances at 31 August 2023 were allocated as follows:

	2023 £'000	2022 £'000
Aerodrome Primary Academy	401	363
Beccles Primary Academy	(160)	(53)
Brampton Primary Academy	(403)	(407)
Burrsville Infant Academy	135	107
Bushbury Lane Primary Academy	177	217
Camulos Primary Academy	455	383
Chapel End Junior Academy	149	359
Chigwell Primary Academy	198	221
Civitas Academy	463	535
Concordia Primary Academy	602	321
Copperfield Academy	(787)	(719)
Dorothy Barley Junior Academy	764	744
Eastbrook Primary Academy	228	183
Five Spires Academy	164	142
Garden City Academy	137	216
Greenridge Primary Academy	396	339
Green Park Village Primary Academy	212	179
Gunton Primary Academy	127	246
Heath Hayes Primary Academy	156	121
Henhurst Ridge Primary Academy	117	99
Kemsley Primary Academy	494	374
Kirby Primary Academy	245	308
Langtons Junior Academy	519	454
Lawley Village Academy	146	92
Lower Farm Academy	202	149
Manor Park Primary Academy	(12)	434
Martlesham Primary Academy	(207)	(153)
Milton Court Primary Academy	304	298
Moor Green Primary Academy	749	704
Newhall Primary Academy	9	1
Northfield St Nicholas Primary Academy	(95)	(204)
Norton Canes Primary Academy	183	197
Oakfield Primary Academy	547	772
Pemberley Academy	191	276
Phoenix St Peter Academy	(338)	(281)
Purfleet Primary Academy	691	510
Racemeadow Primary Academy	380	312
Ranikhet Academy	314	262
Reach2 Head Office	(9,048)	(7,455)
Riverside Academy	429	405
Robert Fitzroy Academy	487	440
Scientia Academy	604	592
Silkmore Primary Academy	516	487
Sir Martin Frobisher Primary Academy	(753)	(160)
Springfield Primary Academy	485	489
Springhill Primary Academy	(204)	(136)
Sprites Primary Academy	(65)	(104)
St Margaret's Primary Academy	231	249
St Mark's Church of England Primary Academy	12	20
Summerside Primary Academy	88	68
The Globe Primary Academy	111	146
The Limes Primary Academy	106	188
The Palmer Primary Academy	365	307
The Woodside Primary Academy	562	760
Tidemill Academy	712	891
Tymberwood Academy	269	174
Unity Primary Academy	416	381
Veritas Primary Academy	377	358
Water Lane Primary Academy	228	256
White Meadows Primary Academy	270	290
Wilshire-Dacre Junior Academy	373	365
	4,424	7,112
Fixed asset reserves	268,692	275,560
Pension reserve	(9,993)	(17,832)
	<b>263,123</b>	<b>264,840</b>

**Notes to the Financial Statements**  
**For the year ended 31 August 2023**

**18 Funds (continued)**

**Analysis of academies by cost**

	Teaching Staff Costs £'000	Other Support Staff Costs £'000	Educational Supplies £'000	Other Costs (excluding fixed asset expenses) £'000	Total 2023 £'000	Total 2022 £'000
Aerodrome Primary Academy	2,283	206	90	782	3,361	3,277
Beccles Primary Academy	933	172	16	184	1,305	1,224
Brampton Primary Academy	1,328	154	31	396	1,909	1,707
Burrsville Infant Academy	671	151	13	225	1,060	1,029
Bushbury Lane	909	128	36	384	1,457	1,202
Camulos Academy	1,317	138	71	439	1,965	1,861
Chapel End Junior Academy	1,304	189	42	445	1,980	2,019
Chigwell Primary Academy	697	152	40	266	1,155	1,073
Civitas Academy	1,149	137	41	567	1,894	1,598
Concordia Primary Academy	1,494	196	29	353	2,072	1,744
Copperfield Academy	1,682	260	52	413	2,407	2,403
Dorothy Barley Junior Academy	1,636	205	35	406	2,282	2,367
Eastbrook Primary Academy	1,495	178	34	370	2,077	2,045
Five Spires Academy	616	90	22	473	1,201	1,053
Garden City Academy	923	152	46	329	1,450	1,349
Greenridge Primary Academy	1,812	225	116	449	2,602	2,130
Green Park Village	466	30	47	204	747	541
Gunton Primary Academy	1,337	155	33	311	1,836	1,676
Heath Hayes Primary Academy	729	144	19	230	1,122	1,033
Henhurst Ridge Primary Academy	619	130	28	290	1,067	825
Kemsley Primary Academy	823	112	55	237	1,227	1,226
Kirby Primary Academy	797	113	44	274	1,228	1,121
Langtons Junior Academy	935	144	23	183	1,285	1,436
Lawley Village Academy	677	77	42	260	1,056	1,067
Lower Farm Academy	702	108	26	234	1,070	585
Manor Park Primary Academy	1,248	184	57	997	2,486	2,286
Martlesham Primary Academy	455	69	22	207	753	680
Milton Court Primary Academy	883	132	41	333	1,389	1,246
Moor Green Primary Academy	1,562	159	56	912	2,689	2,336
Newhall Primary Academy	1,290	158	25	437	1,910	1,539

**Notes to the Financial Statements**  
**For the year ended 31 August 2023**

	Teaching Staff Costs £'000	Other Support Staff Costs £'000	Educational Supplies £'000	Other Costs (excluding fixed asset expenses) £'000	Total 2023 £'000	Total 2022 £'000
Northfield St Nicholas Primary Academy	1,637	143	51	327	2,158	2,133
Norton Canes Primary Academy	929	183	29	269	1,410	1,294
Oakfield Primary Academy	1,391	128	56	714	2,289	1,913
Pemberley Academy	874	153	52	176	1,255	1,161
Phoenix St Peter Academy	597	129	35	247	1,008	924
Purfleet Primary Academy	2,182	266	60	621	3,129	2,912
Racemeadow Primary Academy	1,250	96	51	419	1,816	1,630
Ranikhet Academy	927	115	22	206	1,270	1,173
Reach2 Head Office	361	7,305	239	2,836	10,741	9,988
Riverside Academy	822	143	22	310	1,297	1,239
Robert Fitzroy Academy	2,401	343	54	934	3,732	3,629
Scientia Academy	1,587	214	46	519	2,366	2,105
Silkmore Primary Academy	1,076	97	41	331	1,545	1,398
Sir Martin Frobisher	1,123	193	28	380	1,724	1,546
Springfield Primary Academy	1,662	237	36	780	2,715	2,524
Springhill Primary Academy	730	89	27	339	1,185	1,034
Sprites Primary Academy	1,244	192	38	355	1,829	1,837
St Margaret's Primary Academy	1,587	240	62	629	2,518	2,339
St Mark's Church of England Primary Academy	642	94	27	397	1,160	1,147
Summerside Primary Academy	1,736	227	41	878	2,882	2,646
The Globe Primary Academy	1,540	195	24	536	2,295	2,116
The Limes Primary Academy	847	115	49	369	1,380	1,076
The Palmer Primary Academy	1,481	119	55	566	2,221	2,049
The Woodside Primary Academy	6,043	782	208	1,897	8,930	8,052
Tidemill Academy	2,583	242	106	905	3,836	3,402
Tymberwood Academy	1,489	247	58	468	2,262	2,195
Unity Primary Academy	1,362	192	61	466	2,081	1,852
Veritas Primary Academy	1,681	176	57	536	2,450	2,171
Water Lane Primary Academy	619	130	31	344	1,124	1,042
White Meadows Primary Academy	2,685	283	62	470	3,500	3,204
Wilshire-Dacre Junior Academy	905	93	37	312	1,347	1,233
	78,765	17,609	2,997	30,126	131,520	120,664

**Notes to the Financial Statements**  
**For the year ended 31 August 2023**

**19 Analysis of net assets between funds**

Fund balances at 31 August 2023 are represented by:

	Unrestricted General Fund £'000	Restricted General Fund £'000	Restricted Fixed Asset Fund £'000	Total 2023 £'000
Tangible fixed assets	-	-	271,159	271,159
Current assets	3,574	14,560	670	18,804
Current liabilities	-	(13,710)	(665)	(14,375)
Non-Current liabilities	-	-	(2,472)	(2,472)
Pension scheme liability	-	(9,993)	-	(9,993)
<b>Total net assets</b>	<b>3,574</b>	<b>(9,143)</b>	<b>268,692</b>	<b>263,123</b>

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

	Unrestricted General Fund £'000	Restricted General Fund £'000	Restricted Fixed Asset Fund £'000	Total 2022 £'000
Tangible fixed assets	-	-	279,155	279,155
Current assets	3,574	17,581	206	21,361
Current liabilities	-	(14,043)	(733)	(14,776)
Non-Current liabilities	-	-	(3,068)	(3,068)
Pension scheme liability	-	(17,832)	-	(17,832)
<b>Total net assets</b>	<b>3,574</b>	<b>(14,294)</b>	<b>275,560</b>	<b>264,840</b>

**20 Pension and Similar Obligations**

The 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. Both are multi-employer defined benefit schemes.

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

Contributions amounting to £1,036k (2022: £949k) were payable to the Teachers Pension Scheme at 31 August 2023 and are included within creditors.

Contributions amounting to £797k (2022: £127k) were payable to the Local Government Pension Scheme at 31 August 2023 and are included within creditors.

**Teachers' Pension Scheme**

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

## 20 Pension and Similar Obligations (continued)

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

### Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors.

The latest actuarial valuation of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

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

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

The employer's pension costs paid to TPS in the year ended 31 August 2023 amounted to £13,118,000 (2022: £11,902,000).

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

Under the definitions set out in Financial Reporting Standard (FRS102), the TPS is a multi-employer pension scheme. The trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The trust has set out above the information on the scheme.



## 20 Pension and Similar Obligations (continued)

### Local Government Pension Schemes

REAch2 is one of several employing bodies included within the Local Government Pension Scheme (LGPS).

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds; City of Westminster Pension Fund, Essex Pension Fund, Kent County Council Pension Fund, Royal County of Berkshire Pension Fund, West Midlands Pension Fund, Hertfordshire County Council Pension Fund, London Borough of Barking and Dagenham Pension Fund, London Borough of Croydon Pension Fund, London Borough of Havering Pension Fund, London Borough of Lewisham Pension Fund, Staffordshire Pension Fund, Suffolk Pension Fund, Warwickshire Pension Fund, West Sussex County Council Pension Fund, London Borough of Bexley Pension Fund, London Borough of Waltham Forest Pension Fund, Shropshire County Pension Fund, Barnet Council Pension Fund and Buckinghamshire County Council Pension Fund.

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

Where a pension fund valuation has resulted in an overall asset position, these assets have not been recognised as at the time of approving the accounts, the trustees have no indication that this will result in either a refund of contributions or a reduction in future contributions.

Principal actuarial assumptions (average)	2023	2022
	%	%
Rate of increase in salaries	3.8	3.8
Rate of increase for pensions in payment / inflation	3.0	3.0
Discount rate for scheme liabilities	5.2	4.2
Inflation assumption (CPI)	3.0	3.0

The current mortality assumptions include sufficient allowance for future improvements in mortality rates.

The average assumed life expectations on retirement age 65 are:

	2023	2022
<i>Retiring today</i>		
Males	20.7	21.7
Females	23.6	24.2
<i>Retiring in 20 years</i>		
Males	21.4	23.0
Females	25.1	25.9

## 20 Pension and Similar Obligations (continued)

<b>Sensitivity analysis</b>	<b>£'000</b>	<b>£'000</b>
Discount rate +0.1%	1,944	2,251
Discount rate -0.1%	(1,965)	(2,267)
Mortality assumption – 1 year increase	(2,769)	(2,927)
Mortality assumption – 1 year decrease	2,747	2,911
CPI rate +0.1%	(1,868)	(2,171)
CPI rate -0.1%	1,849	2,158

### The Trust's share of the assets in the schemes were:

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Equities	49,737	44,805
Gilts	413	467
Corporate bonds	13,897	12,970
Property	8,010	8,247
Cash and other liquid assets	2,025	1,969
Other	5,680	4,040
Asset ceiling adjustment	(4,770)	(1,528)
Total market value of assets	<u>74,992</u>	<u>70,969</u>

The return on scheme assets was (£4,315,000) (2022: (£3,269,000)).

### Amount recognised in the Statement of Financial Activities

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Current service cost (net of employer contributions)	181	9,371
Past service cost	21	10
Net interest cost	621	1,380
Benefit changes, gain/(loss) on curtailment and gain/(loss) on settlement	-	-
Admin expenses	87	51
Total amount recognised in the SOFA	<u>910</u>	<u>10,812</u>

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

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
At 1 September 2022	88,801	149,164
Current service cost	7,916	16,122
Past service cost	21	10
Interest cost	3,877	2,544
Employee contributions	1,933	1,658
Actuarial (gain)/loss	(16,320)	(79,532)
Benefits paid	(1,243)	(1,165)
At 31 August 2023	<u>84,985</u>	<u>88,801</u>

## 20 Pension and Similar Obligations (continued)

### Changes in the fair value of trust's share of schemes assets:

	2023 £'000	2022 £'000
At 1 September 2022	70,969	67,045
Interest on assets	3,256	1,164
Actuarial (loss)/gain	(2,801)	(2,905)
Employer contributions	7,735	6,751
Employee contributions	1,933	1,658
Benefits paid	(1,243)	(1,165)
Admin expenses	(87)	(51)
Asset ceiling adjustment	(4,770)	(1,528)
At 31 August 2023	74,992	70,969
Net defined benefit liability / (asset)	9,993	17,832

The estimated value of employer contributions for the year ended 31 August 2024 is £7,777,000

## 21 Reconciliation of net income / (expenditure) to net cash flow from operating activities

	2023 £'000	2022 £'000
Net income / (expenditure) for the reporting period (as per the statement of financial activities)	(10,466)	(12,276)
Adjusted for:		
Depreciation and impairment charges (note 12)	12,325	12,358
Donated Fixed Assets	-	(7,257)
Capital grants from DfE and other capital income	(4,742)	(4,145)
Interest receivable (note 5)	(261)	(8)
Interest payable on Government loan	70	82
Defined benefit pension scheme net finance cost/	910	10,812
(Increase) / decrease in stock	8	-
Decrease / (increase) in debtors	(462)	(251)
Increase / (decrease) in creditors	(401)	3,268
<b>Net cash provided by / (used in) operating activities</b>	<b>(3,019)</b>	<b>2,583</b>

**Notes to the Financial Statements**  
**For the year ended 31 August 2023**

<b>22 Cashflow from financing activities</b>	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Repayment of borrowing	(600)	(600)
Repayment of interest	(66)	(66)
<b>Net cash provided by/(used in) financing activities</b>	<b>(666)</b>	<b>(666)</b>

**23 Analysis of changes in net debt**

	<b>As at 1 September 2022 £'000</b>	<b>Cashflow £'000</b>	<b>Other non-cash changes £'000</b>	<b>As at 31 August 2023 £'000</b>
Cash	16,979	(3,011)		13,968
	16,979	(3,011)	-	13,968
Loans falling due within one year	(665)	-	-	(665)
Loans falling due after more than one year	(3,068)	-	596	(2,472)
	(3,733)	-	596	(3,137)
<b>TOTAL</b>	<b>13,246</b>	<b>- 3,011</b>	<b>596</b>	<b>10,831</b>

<b>24 Capital Commitments</b>	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Contracted for, but not provided in the financial statements	158	196

**25 Commitments under operating leases**

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

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Amounts due within one year	320	308
Amounts due within two and five years	629	845
Amounts due after five years	-	12
	<b>949</b>	<b>1,165</b>

**26 Related party transactions**

Owing to the nature of the organisation's operations and the composition of the Board of Directors being drawn from local public and private sector organisations, transactions may take place with organisations in which someone may have an interest. All transactions involving such organisations are conducted at arm's-length and in accordance with the organisations financial regulations and normal procurement procedures. The following related party transactions took place in the period of the accounts.

Income relating to services provided to Reach2 Inspiration Limited, a whole owned subsidiary of REAch2 Academy Trust amounted to £nil in the year, with a debtor balance of £nil and costs of £nil during the year with a creditor balance of £nil at the year end.

During the year the MAT purchased goods and services from Everything ICT which is part of an approved government framework. Jonathan Lewis, a Director, is also a Director of East of England Broadband Network which is an available supplier via that framework.

In entering into the transactions the trust has complied with the requirements of the Academies Trust Handbook 2022.

**Notes to the Financial Statements**  
**For the year ended 31 August 2023**

**27 Post balance sheet events**

There are no post balance sheet events

**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 Investments**

REAch2 Academy Trust owns 100% of the issued ordinary share capital of Reach2 Inspiration Limited, a company incorporated in England and Wales (Company Registration Number 08910718). The subsidiary has been dormant for the year ending 24 August 2023.

The accounts of the subsidiary do not justify consolidation, as Reach2 Inspiration Limited is not deemed to be material to the organisation as a whole. The materiality of the trading company will be reviewed on an annual basis, thus ensuring that the financial statements continue to be prepared using best accounting practice.