

Company Registration No. 06308595 (England and Wales)

THE BASILDON ACADEMIES
(A COMPANY LIMITED BY GUARANTEE)

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

THE BASILDON ACADEMIES

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THE BASILDON ACADEMIES

REFERENCE AND ADMINISTRATIVE DETAILS

Members

M Logan
N Luckock
D Patel
O Jagun
D O'Donoghue

Trustees

N Luckock (Chair of Trustees)
G Smith
A Gurney
K Bobbin
L Smith
T Montgomery
O South
D O'Donoghue (Appointed 2 October 2023)

Senior management team

G Smith - CEO
T Darker - Director of Finance & Operations
A Gurney - Headteacher
L Sherman - Head of School
V Oddy - Head of School

Company secretary

Schofield Sweeney LLP

Company registration number

06308595 (England and Wales)

Registered office

Wickford Avenue
Pitsea
Basildon
Essex
SS13 3HL

Independent auditor

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

THE BASILDON ACADEMIES

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2023

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

Constituted as a Multi Academy Trust the charitable company operates 2 schools the Basildon Lower Academy and Basildon Upper Academy. The Basildon Academies had a roll of 1651 in the October 2022 school census.

Structure, governance and management

Constitution

The Basildon Academies 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 The Basildon Academies are also directors of the Charitable Company for the purpose of company law.

The Charitable Company is known as the Basildon Academies.

Details of the trustees who served throughout the period are included in the Reference and Administrative details section.

The operation of the academies and employment of staff remain the responsibility of the Board of Trustees and the trust retains the control of budgets and finances, and monitors these through its Finance & Planning Committee.

Members' liability

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

Trustees' indemnities

The 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, Governors and Officers from claims arising from negligent acts, errors or omissions occurring whilst on Trust business, and provides cover up to £10,000,000.

Method of recruitment and appointment or election of trustees

It is the Chair's responsibility to consider the range and balance of skills required on the board of trustees. The arrangements for recruitment are set out in the Articles and Funding Agreement.

Policies and procedures adopted for the induction and training of trustees

The training and induction provided for new Trustees will depend on their existing experience. The Trust is committed to providing adequate opportunities for Trustees and Governors to receive suitable training in order to be able to perform their role effectively. Where necessary induction will provide training on charity, education, legal and financial matters.

All new trustees will be given a tour of the Academies and have the chance to meet with staff and students. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets and any other documents as appropriate to their role.

THE BASILDON ACADEMIES

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

Organisational structure

The Governance of the Trust is defined In the Memorandum and Articles of Association together with the funding agreement with the Department of Education.

The Articles of Association have appointed a Board of Trustees to be responsible for the statutory and constitutional affairs of the Charitable Company and the management of the Academy.



Accountability

The Basildon Academies Trust Board of Trustees delegates responsibility for delivery of the vision and strategy to the Chief Executive. The Basildon Academies Trust Trustees Board holds the Chief Executive to account for the performance of the Trust, including the performance of the academies within the Trust. The Chief Executive in turn holds the Headteacher and executive leaders to account.

The Scheme of Delegation also includes delegation to the Chief Executive, Headteacher and Academy Heads of School as well as to the committees of the Board of Trustees. The Board cannot delegate its responsibility or accountability, but delegates some of the detailed scrutiny, oversight and decision-making.

The Chief Executive, Headteacher and Executive Leaders will report to the trust board on the performance of the Trust including on the performance of the Trust's schools, although this may be supplemented by monitoring reports from the governing bodies.

The Basildon Academies Trust Board determines on a case by case basis whether to delegate some day to day decision making, actions and monitoring concerning the performance of each academy to the Full Governing Body.

The number of Trustees shall be not less than three but (unless otherwise determined by ordinary resolution) shall not be subject to any maximum.

7 Trustees are appointed by Members.

THE BASILDON ACADEMIES

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Trustees are appointed for their knowledge skills and/or experience in the following areas as required by the Board:

- Corporate and Business Strategy/Development
- Financial management
- Asset management
- Communication, Marketing and PR
- Legal Systems
- Education QA & standards
- Special Education Needs
- County and Local Council
- Chief Executive Officer (Trust Performance and Development)

The trustees are the charity trustees (within the terms of section 177(1) of the Charities Act

2011) and are responsible for the general control and management of the administration of the trust in accordance with the provisions set out in the memorandum and articles of association. The board of trustees is the accountable body for the performance of all schools within the trust and as such must:

- Ensure clarity of vision, ethos and strategic direction
- Hold the executive to account for the educational performance of the schools and their pupils, and the performance management of staff
- Oversee the financial performance of the trust and make sure its money is well spent

Because trustees are bound by both charity and company law, the terms 'trustees' and 'directors' are often used interchangeably. We use the term trustee as it avoids the possible confusion caused when executive leaders are called directors.

The Basildon Academies Trust board is permitted to exercise all the powers of the academy trust. The trust board will delegate to the Chief Executive responsibility for the day to day operations of the trust. The trustees can determine whether to delegate any governance functions.

The trust has the right to review and adapt its governance structure at any time which includes removing delegation.

The Academy Trust may also have any Co-opted Trustee appointed under Article 58. The total number of Trustees who are employees of BAT shall not exceed one third of the total number of Trustees.

The first Trustees shall be those persons named in the statement delivered pursuant to sections 9 and 12 of the Companies Act 2006. 49.

Future Trustees shall be appointed or elected, as the case may be, under these Articles. Where it is not possible for such a Trustee to be appointed or elected due to the fact that an Academy has not yet been established, then the relevant Article or part thereof shall not apply.

The Board will meet as often as is necessary to fulfil its responsibilities and not less than four times in every school year. Meetings will be called by the Chair of the Trust Board.

The trustees are the charity trustees (within the terms of section 177(1) of the Charities Act 2011) and are responsible for the general control and management of the administration of the trust in accordance with the provisions set out in the memorandum and articles of association. The board of trustees is the accountable body for the performance of all schools within the trust and as such must:

- Ensure clarity of vision, ethos and strategic direction
- Hold the executive to account for the educational performance of the schools and their pupils, and the performance management of staff
- Oversee the financial performance of the trust and make sure its money is well spent
- and to consider all matters relating to curriculum, staff and pay, finance, students and any general-purpose matters.

THE BASILDON ACADEMIES

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

The Role of the Chief Executive Officer

The Chief Executive has the delegated responsibility for the operation of the trust including the performance of the trust's academies and ensuring the performance management of the Executive Leaders and Heads of School is carried out.

The Chief Executive is the accounting officer so has overall responsibility for the operation of the academy trust's financial responsibilities and must ensure that the organisation is run with financial effectiveness and stability; avoiding waste and securing value for money.

The Chief Executive leads the executive leadership team of the academy trust.

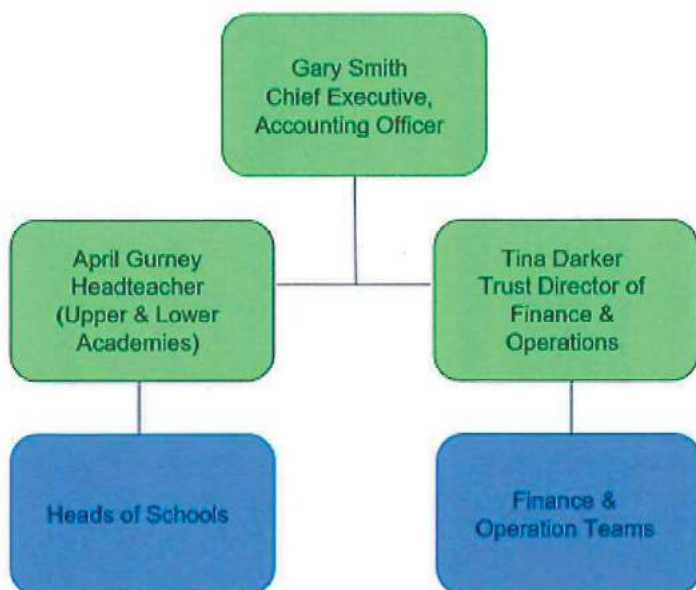
The Chief Executive will delegate executive leadership/management functions to the executive leadership team and is accountable to the trust board for the performance of the executive leadership team.

The Role of Executive Leaders

Executive Leaders will undertake leadership roles across all academies within the trust, as well as carrying out delegated executive leadership/management functions by the Chief Executive.

The core role of the Headteacher is to provide strategic leadership and professional management within their schools, securing success and improvement for the schools. Ensure high quality education and personalised learning for all its pupils and high standards and achievement in all areas of the school's work

The core role of the Director of Finance & Operations is to provide strategic leadership and oversee operational responsibility for the school finances, human resources, procurement, site, premises and facilities, health and safety, capital projects and income generation, catering and third-party contracts. To ensure that the systems in place provide the school with efficient and effective service delivery that support student progression, and compliance with statutory and legislative requirements.



THE BASILDON ACADEMIES

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Arrangements for setting pay and remuneration of key management personnel

Pay and remuneration of key management personnel is decided by a variety of contributory factors, such as pay scales, outcomes of Performance Management reviews and any nationally agreed pay awards that are recognised in accordance with the Trust's Pay Policy.

Performance Management reviews are carried out by Line Managers and signed off by the Headteacher. Performance Management review for the CEO is carried out by the Chair of Trustees. Trustees are not paid for their roles within the Academy.

Trade union facility time

The number of employees who were relevant union officials during the period was none.

During the Year there was no time spent on facility time and £nil spent on facility time.

Objectives and activities

Objects and aims

The objective of the Trust is to advance for the public benefit education in the UK, establishing, maintaining, carrying on, managing and developing schools providing high quality education to students from all backgrounds by offering a broad and balanced curriculum and fostering collaboration across the Trust schools, other schools, educational establishments, the wider community for the benefit of the community and in line with our ethos, vision and values.

Ethos

The Basildon Academies Trust's ethos 'Aspire – Believe – Achieve' is reflected in an uncompromising belief from all stakeholders that our students can and will achieve in our learning communities, which are inclusive and supportive.

Vision Statement

The trust's vision is to create and grow inclusive, cross-phase and key stage academies that provide equality of opportunity for young people to achieve academic excellence.

Strategic Goals for Review

1. Grow our academies model to incorporate EYFS (Early Years Foundation Stage), KS1 and KS2, expanding to an all-through provider within 3 years.
2. Ensure all students achieve their aspirational target grades by accessing quality first teaching in all key stages, with year-on-year progression against national outcome measures.
3. Become a first choice Sixth Form provider, with year-on-year growth in the percentage of students on academic pathways.
4. Increase, year on year, the percentage of post-18 students entering academic pathways, particularly at Russell Group universities.
5. Deliver a curriculum for all that is broad and balanced, providing a wide range of cultural capital opportunities for students.
6. Provide appropriate pathways that support inclusive education for all.
7. Maintain financial sustainability, incorporating effective systems & processes that enable a 3-year programme of growth and capital investment.
8. Invest in our academies, operational teams, and people; grow our own leaders and specialists valuing stakeholder wellbeing and managing workload.

THE BASILDON ACADEMIES

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Values

SMSC is at the heart of all of our academies.

All academies within the BAT set their development objectives under the following values:

S	Social Mobility:	Equality of opportunity for our young people to aspire and achieve
M	Moral Purpose:	Resilient active decision makers
S	Spiritual Awareness:	Reflective citizens & curious learners
C	Cultural Capital:	Equity of opportunity for our young people to aspire & achieve

Our success in fulfilling our aims can be measured by:

- Continued good or better teaching throughout the school
- Student attainment at the end of KS4 (Key Stage 4) and KS5 meets or exceeds national average (NA)
- The improvement in the gap between disadvantaged groups and other groups of students
- Increased pupil numbers (Year 7, year 12)
- Retention to Sixth Form
- % of students entering Academic pathway
- Retention to Sixth Form – 45%
- % of students entering Academic pathway
- Achieve endorsement for our curriculum model from:
 - Stakeholders
 - Regulator (Ofsted)
 - Achieve the DfE EBACC ambition
- Sustained decrease in student Persistent Absenteeism, Inc. PPG & SEND, by key stage - Termly \leq NA
- Maintain a 'no exclusion' ethos - Termly \leq NA
- Unqualified audit reports
- Balanced budget
- Trust growth

The Basildon Academies' strategy is encompassed in its strategic goals stated above. To this end it recognises the need to be innovative and challenging in the approach to:

- The subdivision of the two Academies' populations by age range (11-14 and 14-19)
- The grouping of students
- The organisation, management and governance of the Academies'
- The building design and organisation of the learning environments
- The organisation, management and development of staff
- The delivery of services that support individual pupils and families
- The way business is engaged, and how the two Academies can impact on the prosperity, effectiveness and development of the local community and future business
- The celebrating of success, the setting of targets and the robust monitoring of performance

Public benefit

The Trustees believe that by working towards the objectives and aims of the Trust as detailed above, they have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission.

The Academy serves the local community by providing resources and facilities for all people of a range of ages. Activities provided through the letting of the facilities are exercise classes, swimming lessons, football, netball and a range of other activities that can be accessed by the local community.

THE BASILDON ACADEMIES

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Strategic report

Achievements and performance

The Trust continued its mission to ensure that students achieved their potential in public examinations, encouraged a wide range of extra-curricular activities; developed and retained suitable staff and guided students in suitable progression when they left their school.

The Academies have completed their 13th year of operation and pupil numbers continue to grow.

The Basildon Academies Trust continued achievements during the year ending 31st August 2023 include:

- Increase in reserves to support future capital investment
- Continued growth in student numbers KS3,4,5 – including increase in mid-term admissions
- Uplift in academic attainment in KS4 & 5 across core subjects Vs 2019
- Increase the number of post-18 students entering academic pathways
- Exclusion and suspension rates below national averages
- UNICEF Rights Respecting Schools Gold Status
- Healthy Schools Enhanced Report status. Essex Child & Wellbeing Service
- Established links with PRUs & other local providers to support outreach & MTA transition
- Excellence in Personal Development Award (EPDA)
- Best Practice Teaching Assistants Award (BPTAA)
- Leading Parent Partnership Award (LPPA)
- Lower Academy good Ofsted judgment for Personal Development
- Capital investment - CIF funded projects completed at Lower Academy

Key performance indicators

The Trustees receive regular information from its sub committees to enable them to monitor the performance of the Trust compared to aims, strategies and financial budgets. The performance of the Academies is assessed through:

- Pupil numbers, retention and admissions
- Curriculum events
- Exam results
- Facilities
- Post 16 learning and students moving onto university
- Staff Performance Reviews
- Ofsted Rating
- Trust Performance Summary Review

Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the 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 going concern basis can be found in the Statement of Accounting Policies.

The Basildon Academies Executive Leadership Team have continued to review its staffing structure and during the year have continued to monitor the Teacher Contact Ratio, ensuring it falls within the recommended benchmark. This has contributed to continued savings against budget and increasing the reserves that will be used going forward on capital projects.

THE BASILDON ACADEMIES

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Financial review

The Academy's principal source of income is the General Annual Grant (GAG) and other grants that it receives from The Education Skills Funding Agency (ESFA). The grants received during the year ended 31st August 2023 and the associated expenditure are shown in the Statement of Financial Activities.

The Academy also received grants for Fixed Assets. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected life of the assets concerned. The Lower Academy has been successful in its bid for CIF funding for a further project works to both roof and electrical upgrades were completed.

As 31st August 2023 the net book value of fixed assets was £47,770,087. Movements in tangible fixed assets are shown in note 13 to the financial statements. The assets were used exclusively for providing education and associated support services to the pupils of the Academy.

For the year ending 31st August 2023 the Trust received £11,011,524 of GAG funding. The expenditure during the year ending 31st August 2023 equalled £12,790,083 and was covered by the recurrent grant from the ESFA together with other incoming resources.

Due to the accounting rules for the Local Government Pension Scheme under FRS102, the Trust recognises a pension fund deficit of £1,000 as at 31st August 2023.

Reserves policy

The Trustees are aware of the requirement to balance current and future needs and always aim to set a balanced budget with annual income balancing expenditure. The Trustees review the reserve levels annually and monitor any estimated year-end carry forward balances via the Monthly Management accounts received via the Director of Finance & Operations.

The Trust have determined that the appropriate level of free reserves should be equivalent to 2 weeks expenditure, approximately £492,000. The Academy have now been performing at a surplus for a number of years and as at year end 31st August 2023 have returned the Academy with increased reserves position to having a year-end carry forward reserve of £51,847,334.

The reserves will be used to support the expansion plan of the Trust and to continue with the 3 year capital investment plan. This plan focuses on upgrading both the IT infrastructure and facilities within both schools to support continued growth in student numbers.

Principal risks and uncertainties

The Academies principal goal is to safeguard its long-term ability to attract high calibre staff and deliver an excellent education to Academy pupils, and to maintain and renew its physical facilities whilst driving growth in current student numbers.

Key uncertainties are student number and the extent and impact of changes to Government funding and an uncertain economic and financial environment that puts pressure on enterprise, capital projects and operation expenditures.

The Executive Leadership Team maintain a central risk register that identifies the major risks to the major risks, to which the Trust is exposed. This register is approved and monitored via the Finance Committee with a formal review undertaken on an annual basis by the Director of Finance & Operations.

THE BASILDON ACADEMIES

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Financial and risk management objectives and policies

As a Multi Academy Trust operating two schools, the level of financial risk is low. Cash flows can be reliably forecast, monitored and reported. Staff costs make up the majority of the expenditure and are relatively stable with contingencies in place to cover such items such as sickness and maternity.

The Trust is exposed to a number of financial risks, including credit, cash flow and liquidity risks. The Directors, Governors and Senior Leaders are responsible for the administration and management of the Academy's affairs and ensuring that:

- Effective systems of internal control are in place and that accounting records are properly kept;
- Appropriate financial management controls are in place to safeguard the assets of the Academy and prevent and detect fraud; and
- The Academy secures economical, efficient and effective financial management of its resources and expenditure

Plans for future periods

Future Developments

The Academy will continue to strive to raise aspirations and achievement of all students within the Academy as well as those in the wider community of East Basildon through the use of the Academy's excellent facilities, curriculum materials and staff expertise and through the provision of excellent learning experiences.

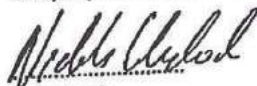
Our aim is to have high expectations and belief in every child and continue to bring about further and sustainable improvement in attendance, behaviour and attainment and make the Academy a place in which children, parents and stakeholders can be justifiably proud.

Auditor

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken as a trustee in order to be aware of any relevant audit information and to establish that the charitable company's 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 21.12.23 and signed on its behalf by:



N Luckock
Chair of Trustees

THE BASILDON ACADEMIES

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2023

Scope of responsibility

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

The Board of Trustees has delegated the day to day responsibilities to the Executive Head as Accounting Officer, for ensuring financial controls conform to the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between The Basildon Academies and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdown in internal control.

Governance

Board of Trustees

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The board of trustees has formally met 5 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustees	Meetings attended	Out of possible
N Luckock (Chair of Trustees)	4	5
G Smith	5	5
A Gurney	4	5
K Bobbin	5	5
L Smith	3	5
T Montgomery	4	5
O South	5	5
D O'Donoghue (Appointed 2 October 2023)		

THE BASILDON ACADEMIES

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Trust board meetings were held on:

29/09/22
07/12/22
08/02/23
25/05/23
13/07/23

The Board will meet as often as is necessary to fulfil its responsibilities and not less than four times in every school year. Meetings will be called by the Chair of the Trust Board.

The trustees are the charity trustees (within the terms of section 177(1) of the Charities Act 2011) and are responsible for the general control and management of the administration of the trust in accordance with the provisions set out in the memorandum and articles of association. The board of trustees is the accountable body for the performance of all schools within the trust and as such must:

- Ensure clarity of vision, ethos and strategic direction
- Hold the executive to account for the educational performance of the schools and their pupils, and the performance management of staff
- Oversee the financial performance of the trust and make sure its money is well spent
- and to consider all matters relating to curriculum, staff and pay, finance, students and any general-purpose matters.

The Executive Leadership of the trust provide the board with written data reports relevant to the agenda of the meeting and the data that is received is of a high standard that is acceptable to the board.

The Academy undertakes a programme of relevant and timely training to support trustees and governors. The Trust board and committees are constituted with relevant experience. Trustees are appointed for their knowledge skills and/or experience in the following areas as required by the Board:

- Corporate and Business Strategy/Development
- Financial management
- Asset management
- Communication, Marketing and PR
- Legal Systems
- Education QA & standards
- Special Education Needs
- County and Local Council
- Chief Executive Officer (Trust Performance and Development)

A review is made of skillsets/training requirements as part of self and group evaluations.

THE BASILDON ACADEMIES

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Sub-Committees

The Trustees have established committees (Local Governing Bodies and Finance & Planning Committee) either with delegated authority to make decisions or for the purpose of providing advice and support, informing the overall work of the Trust Board. However, these committees are not legally responsible or accountable for statutory functions – the Trust Board retains overall accountability and responsibility.

The responsibilities of board committees are set out in their terms of reference; The Trust Board will appoint committee members and Committee Chairs.

Delegation can be removed if trustees determine that a committee is unable to meet key performance indicators.

Finance & Planning Committee

The trustees have appointed a committee known as the Finance & Planning Committee to act on matters delegated by the Trust Board. The board delegates financial scrutiny and oversight, and which can support the board in maintaining the trust as a going concern.

Its terms of reference include:

- To review, adopt and monitor a Finance Policy which includes the local scheme of delegation for spending and budgetary adjustments (virements) for the committee, Executive Headteacher and other nominated staff.
- To review, adopt and monitor all additional financial policies, including a charging and remissions policy.
- To establish and maintain a three-year financial plan, taking into the account priorities of the Trust Strategic Development Plan and Academy Development Plan, roll projection and signals from central government and (if applicable) the LA regarding future years' budgets, within the constraints of available information.
- To draft and propose to the trust board for adoption an annual academies budget considering the priorities of the Trust Strategic Development Plan and Academy Development Plan.
- To ensure any pay increments as set out in the Pay Policy and as recommended by the CEO/Headteacher are included within the annual budget.
- Other areas of financial management, risk management, management of physical and human resources and management of health and safety issues.

The Finance & Planning Committee combines with the Audit & Risk Committee (in line with ATH para 3.6).

The trust board will determine how often the committee meets. The F&P Committee will meet at least 4 times per year.

F & P Committee Member	Meetings attended	Out of possible
Tom Montgomery (Chair F&P, Trustee)	4	4
Nick Luckock (Trustee)	3	4
Gary Smith (Trustee, Accounting Officer)	3	4
Tina Darker (DFO)	4	4

Conflict of interest

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

Governance reviews

The trust conducts a self-assessment of governance annually to identify how governance can be improved in subsequent years.

Review of value for money

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

THE BASILDON ACADEMIES

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

The Accounting Officer accepts responsibility and accountability for ensuring that the Trust delivers good value in the use of public resources during each academic year and reports to the board of trustees where value for money can be improved, including the use of benchmarking data where appropriate.

The Trust is committed to applying the four principles of best value; Challenge, Compare, Consult and Complete.

Improved value for money is delivered during the year by:

- Ensuring all SLA's are reviewed at point of renewal
- Obtaining 3 quotes for expenditure over 10k
- Maximising income from lettings
- Performance Management for all staff annually
- Reviewing staffing levels and continually streamline where possible and reviewing teacher contact ratio annually

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness.

The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

The system of internal control has been in place in The Basildon Academies for the year 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

The board of trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks.

The board of trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the year 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and accounts. This process is regularly reviewed by the board of trustees.

The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees;
- regular reviews by the finance and general purposes committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- Delegation of authority and segregation of duties; and
- identification and management of risks.

The Board of Trustees has appointed an internal auditor SBM Services and has had 3 additional area checks during the academic year 1st September 2022 to 31st August 2023.

The schedule of work was on the following areas;

- Governance
- GDPR
- SCR & Personnel Files

No material issues were identified.

THE BASILDON ACADEMIES

GOVERNANCE STATEMENT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

Review of effectiveness

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

- The work of the external auditor
- The financial management and governance self-assessment process
- The work of the executive leaders within the Academy who have responsibility for the development and maintenance of the internal control framework

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

Approved by order of the board of trustees on 21/12/23 and signed on its behalf by:



N Luckock
Chair of Trustees

THE BASILDON ACADEMIES

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

FOR THE YEAR ENDED 31 AUGUST 2023

As accounting officer of The Basildon Academies, I have considered my responsibility to notify the academy trust board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding 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's board of trustees are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academy Trust Handbook 2022.

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



G Smith
Accounting Officer

7/12/23

THE BASILDON ACADEMIES

STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 31 AUGUST 2023

The trustees (who are also the directors of The Basildon Academies for the purposes of company law) are responsible for preparing the trustees' report and the accounts in accordance with the Academies Accounts Direction 2022 to 2023 published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

In preparing these accounts, 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 judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts 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 accounts 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 that 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 accounts may differ from legislation in other jurisdictions.

Approved by order of the members of the board of trustees on 7/11/23 and signed on its behalf by:



N Luckcock
Chair of Trustees

THE BASILDON ACADEMIES

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE BASILDON ACADEMIES

FOR THE YEAR ENDED 31 AUGUST 2023

Opinion

We have audited the accounts of The Basildon Academies 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 academy 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 academy trust's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the annual report other than the accounts and our auditor's report thereon. The trustees 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.

THE BASILDON ACADEMIES

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE BASILDON ACADEMIES (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

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 academy 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 academy trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the 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.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

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

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

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

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

THE BASILDON ACADEMIES

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE BASILDON ACADEMIES (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

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

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

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

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

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

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

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with International Auditing Standards (UK). For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the procedures that we are required to undertake would identify it. In addition, as with any audit, there remains a high risk of non-detection of irregularities, as these might involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal controls. We are not responsible for preventing non-compliance with laws and regulations or fraud, and cannot be expected to detect non-compliance with all laws and regulations or every incidence of fraud.

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

THE BASILDON ACADEMIES

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE BASILDON ACADEMIES (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Use of our report

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



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

12/12/2023

Chartered Accountants
Statutory Auditor

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

THE BASILDON ACADEMIES

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE BASILDON ACADEMIES AND THE EDUCATION & SKILLS FUNDING AGENCY

FOR THE YEAR ENDED 31 AUGUST 2023

In accordance with the terms of our engagement letter dated 11 April 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 The Basildon Academies 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 The Basildon Academies and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to The Basildon Academies 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 The Basildon Academies and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of The Basildon Academies's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of The Basildon Academies's funding agreement with the Secretary of State for Education dated 1 May 2013 and the Academy Trust Handbook, extant from 1 September 2022, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

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

The work undertaken to draw to our conclusion includes:

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

THE BASILDON ACADEMIES

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE BASILDON ACADEMIES AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Conclusion

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

Rickard Luckin 

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

Dated: 12/12/2023

THE BASILDON ACADEMIES

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	Unrestricted funds £	Restricted funds: General Fixed asset £ £		Total 2023 £	Total 2022 £
Income and endowments from:						
Donations and capital grants	3	1,780	-	1,212,966	1,214,746	1,259,028
Charitable activities:						
- Funding for educational operations	4	-	13,172,599	-	13,172,599	12,482,220
Other trading activities	5	28,126	329,262	-	357,388	342,178
Investments	6	384	-	-	384	311
Total		30,290	13,501,861	1,212,966	14,745,117	14,083,737
Expenditure on:						
Charitable activities:						
- Educational operations	8	-	13,014,958	698,721	13,713,679	12,790,083
Total	7	-	13,014,958	698,721	13,713,679	12,790,083
Net income		30,290	486,903	514,245	1,031,438	1,293,654
Transfers between funds	18	-	(442,217)	442,217	-	-
Other recognised gains/(losses)						
Actuarial gains on defined benefit pension schemes	25	-	1,724,000	-	1,724,000	7,764,000
Net movement in funds		30,290	1,768,686	956,462	2,755,438	9,057,654
Reconciliation of funds						
Total funds brought forward		450,684	502,907	48,138,305	49,091,896	40,034,239
Total funds carried forward		480,974	2,271,593	49,094,767	51,847,334	49,091,893

THE BASILDON ACADEMIES

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

FOR THE YEAR ENDED 31 AUGUST 2023

Comparative year information Year ended 31 August 2022	Notes	Unrestricted	Restricted funds:		Total
		funds	General	Fixed asset	2022
		£	£	£	£
Income and endowments from:					
Donations and capital grants	3	7,452	-	1,251,576	1,259,028
Charitable activities:					
- Funding for educational operations	4	-	12,482,220	-	12,482,220
Other trading activities	5	56,890	285,288	-	342,178
Investments	6	311	-	-	311
Total		64,653	12,767,508	1,251,576	14,083,737
Expenditure on:					
Charitable activities:					
- Educational operations	8	-	12,194,037	596,046	12,790,083
Total	7	-	12,194,037	596,046	12,790,083
Net income		64,653	573,471	655,530	1,293,654
Transfers between funds	18	-	(674,923)	674,923	-
Other recognised gains/(losses)					
Actuarial gains on defined benefit pension schemes	25	-	7,764,000	-	7,764,000
Net movement in funds		64,653	7,662,548	1,330,453	9,057,654
Reconciliation of funds					
Total funds brought forward		386,028	(7,159,641)	46,807,852	40,034,239
Total funds carried forward		450,681	502,907	48,138,305	49,091,893

THE BASILDON ACADEMIES

BALANCE SHEET

AS AT 31 AUGUST 2023

	Notes	2023		2022	
		£	£	£	£
Fixed assets					
Tangible assets	13		47,770,087		46,783,263
Current assets					
Stocks	14	11,217		7,114	
Debtors	15	1,541,480		1,263,460	
Investments		750,000		-	
Cash at bank and in hand		2,514,251		3,520,494	
			4,816,948		4,791,068
Current liabilities					
Creditors: amounts falling due within one year	16	(738,701)		(854,438)	
Net current assets			4,078,247		3,936,630
Net assets excluding pension liability			51,848,334		50,719,893
Defined benefit pension scheme liability	25		(1,000)		(1,628,000)
Total net assets			51,847,334		49,091,893
Funds of the academy trust:					
Restricted funds	18				
- Fixed asset funds			49,094,767		48,138,305
- Restricted income funds			2,272,593		2,130,907
- Pension reserve			(1,000)		(1,628,000)
Total restricted funds			51,366,360		48,641,212
Unrestricted income funds	18		480,974		450,681
Total funds			51,847,334		49,091,893

The accounts on pages 24 to 46 were approved by the trustees and authorised for issue on 7/12/23 and are signed on their behalf by:



G Smith
Trustee and Accounting officer

Company registration number 06308595

THE BASILDON ACADEMIES

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Net cash provided by operating activities	22		537,995		1,358,435
Cash flows from investing activities					
Dividends, interest and rents from investments		384		311	
Capital grants from DfE Group		890,920		520,668	
Purchase of tangible fixed assets		(1,685,542)		(571,457)	
Purchase of investments		(750,000)		-	
Net cash used in investing activities			<u>(1,544,238)</u>		<u>(50,478)</u>
Net (decrease)/increase in cash and cash equivalents in the reporting period			(1,006,243)		1,307,957
Cash and cash equivalents at beginning of the year			<u>3,520,494</u>		<u>2,212,537</u>
Cash and cash equivalents at end of the year			<u><u>2,514,251</u></u>		<u><u>3,520,494</u></u>

THE BASILDON ACADEMIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

The Basildon Academies is a charitable company. The address of its principal place of business is given on page 1 and the nature of its operations are set out in the trustees' report.

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

1.1 Basis of preparation

The accounts 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.

1.2 Going concern

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

1.3 Income

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

Grants

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

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

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

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.

THE BASILDON ACADEMIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

(Continued)

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 accounts until they are sold. This income is recognised within 'Income from other trading activities'.

Donated fixed assets

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

1.4 Expenditure

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

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

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Charitable activities

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

1.5 Tangible fixed assets and depreciation

The trust increased its capitalisation limit in the year. Assets costing £1,500 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.

THE BASILDON ACADEMIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

(Continued)

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

Land and buildings	Up to 125 years or useful life of improvement
Computer equipment	3-10 years straight line
Fixtures, fittings & equipment	5-10 years straight line

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

1.6 Liabilities

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

1.7 Leased assets

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

1.8 Investments

Investments include cash on deposit with a maturity date of less than one year.

1.9 Financial instruments

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

Financial assets

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

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

Financial liabilities

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

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

1.10 Stock

Stock is 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.

1.11 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.

THE BASILDON ACADEMIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

(Continued)

1.12 Pensions benefits

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

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

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

1.13 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 Department for Education Group.

1.14 Agency arrangements

The academy trust acts as an agent in distributing 16-19 bursary funds from the ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the academy trust does not have control over the charitable application of the funds. The funds received and paid any balances held are disclosed in note 27.

2 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

THE BASILDON ACADEMIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

2 Critical accounting estimates and areas of judgement

(Continued)

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 25, 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 2016 has been used by the actuary in valuing the pensions liability at 31 August 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement

In the application of the company's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. The only case whereby this arises is in respect of the depreciation policies relating to the fixed assets held by the academy, which are based on the estimated useful lives of the assets.

3 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Capital grants	-	1,212,966	1,212,966	1,251,576
Other donations	1,780	-	1,780	7,452
	<u>1,780</u>	<u>1,212,966</u>	<u>1,214,746</u>	<u>1,259,028</u>

4 Funding for the academy trust's charitable activities

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
DfE/ESFA grants				
General annual grant (GAG)	-	11,502,462	11,502,462	11,011,524
Other DfE/ESFA grants:				
- Pupil premium	-	636,998	636,998	800,420
- Others	-	624,567	624,567	233,792
	<u>-</u>	<u>12,764,027</u>	<u>12,764,027</u>	<u>12,045,736</u>
Other government grants				
Local authority grants	-	45,197	45,197	188,681
	<u>-</u>	<u>45,197</u>	<u>45,197</u>	<u>188,681</u>
COVID-19 additional funding				
DfE/ESFA				
Other DfE/ESFA COVID-19 funding	-	363,375	363,375	247,803
	<u>-</u>	<u>363,375</u>	<u>363,375</u>	<u>247,803</u>
Total funding	<u>-</u>	<u>13,172,599</u>	<u>13,172,599</u>	<u>12,482,220</u>

THE BASILDON ACADEMIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

4 Funding for the academy trust's charitable activities (Continued)

The academy trust has been eligible to claim additional funding in the year from government support schemes to recover from the coronavirus outbreak. The funding received is shown above under "Covid-19 additional funding".

The academy received £217,901 for Covid Recovery Premium and £131,544 for School Led Tutoring. Costs incurred in respect of this funding totalled £363,375.

5 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Hire of facilities	28,126	-	28,126	56,890
Catering income	-	193,208	193,208	181,101
Other income	-	94,388	94,388	103,174
Trips and activities	-	41,666	41,666	1,013
	<u>28,126</u>	<u>329,262</u>	<u>357,388</u>	<u>342,178</u>

6 Investment income

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Short term deposits	384	-	384	311
	<u>384</u>	<u>-</u>	<u>384</u>	<u>311</u>

7 Expenditure

	Staff costs £	Non-pay expenditure		Total 2023 £	Total 2022 £
		Premises £	Other £		
Academy's educational operations					
- Direct costs	6,896,670	-	1,242,514	8,139,184	7,465,686
- Allocated support costs	2,510,136	1,882,834	1,181,525	5,574,495	5,324,397
	<u>9,406,806</u>	<u>1,882,834</u>	<u>2,424,039</u>	<u>13,713,679</u>	<u>12,790,083</u>

Net Income/(expenditure) for the year includes:

	2023 £	2022 £
Fees payable to auditor for:		
- Audit	20,190	15,950
- Other services	1,500	1,390
Operating lease rentals	34,929	23,814
Depreciation of tangible fixed assets	698,721	596,046
Net interest on defined benefit pension liability	57,000	139,000
	<u>812,240</u>	<u>876,190</u>

THE BASILDON ACADEMIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

8 Charitable activities	2023	2022
	£	£
All from restricted funds:		
Direct costs		
Educational operations	8,139,184	7,465,686
Support costs		
Educational operations	5,574,495	5,324,397
	<u>13,713,679</u>	<u>12,790,083</u>
Analysis of costs	2023	2022
	£	£
Direct costs		
Teaching and educational support staff costs	6,903,395	6,301,360
Staff development	57,767	79,448
Technology costs	121,022	123,888
Educational supplies and services	497,435	479,005
Examination fees	219,576	182,987
Educational consultancy	339,449	283,880
Other direct costs	540	15,118
	<u>8,139,184</u>	<u>7,465,686</u>
Support costs		
Support staff costs	2,510,136	2,608,393
Depreciation	698,721	596,046
Recruitment and support	61,160	28,192
Maintenance of premises and equipment	560,717	619,642
Cleaning	69,958	62,145
Energy costs	407,167	470,034
Rent, rates and other occupancy costs	69,763	95,761
Insurance	76,508	34,583
Security and transport	54,274	12,904
Catering	297,044	205,194
Finance costs	57,000	139,000
Other support costs	667,493	419,728
Governance costs	44,554	32,775
	<u>5,574,495</u>	<u>5,324,397</u>

THE BASILDON ACADEMIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

9 Staff

Staff costs

Staff costs during the year were:

	2023 £	2022 £
Wages and salaries	7,172,106	6,367,808
Social security costs	649,676	593,015
Pension costs	1,407,448	1,783,693
Staff costs - employees	9,229,230	8,744,516
Agency staff costs	177,576	159,722
	9,406,806	8,904,238
Staff development and other staff costs	64,492	84,963
Total staff expenditure	9,471,298	8,989,201

Staff numbers

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

	2023 Number	2022 Number
Teachers	66	81
Administration and support	180	153
Management	17	1
	263	235

Higher paid staff

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

	2023 Number	2022 Number
£60,001 - £70,000	3	2
£70,001 - £80,000	1	1
£90,001 - £100,000	1	1

Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £505,989 (2022: £461,376).

THE BASILDON ACADEMIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

10 Central services

No central services were provided by the academy trust to its academies during the year and no central charges arose.

11 Trustees' remuneration and expenses

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

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

G Smith (CEO and trustee) (appointed 11 February 2022):

- Remuneration £95,000 - £100,000
- Employer's pension contributions £20,000 - £25,000

A Gurney (staff trustee) (appointed 11 February 2022):

- Remuneration £75,000 - £80,000
- Employer's pension contributions £15,000 - £20,000

During the year ended 31 August 2023, no trustees received any reimbursement of expenses (2022 - £nil).

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

12 Trustees' and officers' insurance

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 trustees and officers indemnity element from the overall cost of the RPA scheme.

THE BASILDON ACADEMIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

13 Tangible fixed assets

	Land and buildings	Computer equipment	Fixtures, fittings & equipment	Total
	£	£	£	£
Cost				
At 1 September 2022	48,146,422	970,187	1,449,874	50,566,483
Additions	-	332,655	1,352,887	1,685,542
At 31 August 2023	48,146,422	1,302,842	2,802,761	52,252,025
Depreciation				
At 1 September 2022	2,478,159	442,211	862,850	3,783,220
Charge for the year	384,928	127,894	185,896	698,718
At 31 August 2023	2,863,087	570,105	1,048,746	4,481,938
Net book value				
At 31 August 2023	45,283,335	732,737	1,754,015	47,770,087
At 31 August 2022	45,668,263	527,976	587,024	46,783,263

14 Stocks

	2023	2022
	£	£
Stock	11,217	7,114

15 Debtors

	2023	2022
	£	£
Trade debtors	1,607	4,914
VAT recoverable	124,854	100,793
Other debtors	-	86,230
Prepayments and accrued income	1,415,019	1,071,523
	1,541,480	1,263,460

THE BASILDON ACADEMIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

16 Creditors: amounts falling due within one year

	2023	2022
	£	£
Trade creditors	220,257	384,326
Other taxation and social security	168,477	142,301
Other creditors	2,379	16,184
Accruals and deferred income	347,588	311,627
	<u>738,701</u>	<u>854,438</u>

17 Deferred income

	2023	2022
	£	£
Deferred income is included within:		
Creditors due within one year	146,231	79,549
	<u>146,231</u>	<u>79,549</u>
Deferred income at 1 September 2022	79,549	75,285
Released from previous years	(79,549)	(75,285)
Resources deferred in the year	146,231	79,549
	<u>146,231</u>	<u>79,549</u>
Deferred income at 31 August 2023	146,231	79,549

At the balance sheet date the academy trust was holding funds received in advance for the catering card, Jack Petchey, Pupil Premium grant, bursary income, and rates relief.

THE BASILDON ACADEMIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

18 Funds

	Balance at 1 September 2022 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2023 £
Restricted general funds					
General Annual Grant (GAG)	2,130,907	11,502,462	(10,918,559)	(442,217)	2,272,593
Pupil premium	-	636,998	(636,998)	-	-
Other DfE / ESFA grants	-	624,567	(624,567)	-	-
Other government grants	-	408,572	(408,572)	-	-
Other restricted funds	-	329,262	(329,262)	-	-
Pension reserve	(1,628,000)	-	(97,000)	1,724,000	(1,000)
	502,907	13,501,861	(13,014,958)	1,281,783	2,271,593
Restricted fixed asset funds					
Inherited on conversion	45,668,263	-	(384,928)	-	45,283,335
DfE group capital grants	2,426,542	1,212,966	(270,293)	442,217	3,811,432
Donated assets	43,500	-	(43,500)	-	-
	48,138,305	1,212,966	(698,721)	442,217	49,094,767
Total restricted funds	48,641,212	14,714,827	(13,713,679)	1,724,000	51,366,360
Unrestricted funds					
General funds	450,684	30,290	-	-	480,974
Total funds	49,091,896	14,745,117	(13,713,679)	1,724,000	51,847,334

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

General Annual Grant

The Academy is not subject to a restriction via its Funding Agreement on the amount of General Annual Grant (GAG) that it can carry forward.

Other DfE/ESFA and government grants

Other grants include grants received from the DfE and Local Education Authorities for specific purposes.

Fixed asset fund

The fixed asset fund includes grants received from the DfE and other sources to finance the purchase of tangible fixed assets.

Pension reserve

The pension reserve is the element of the local government pension fund liability attributable to the Trust.

Transfers

£228,187 was transferred from GAG to DfE capital grants to cover the cost of fixed asset additions. £214,030 was transferred from GAG to DfE capital grants for the contribution for the CIF bid.

THE BASILDON ACADEMIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

18 Funds

(Continued)

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

	Balance at 1 September 2021 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2022 £
Restricted general funds					
General Annual Grant (GAG)	1,163,051	11,011,524	(9,368,745)	(674,923)	2,130,907
Pupil premium	-	800,420	(591,634)	-	208,786
Other DfE / ESFA grants	360,878	233,792	(803,456)	-	(208,786)
Other government grants	-	436,484	(436,484)	-	-
Other restricted funds	430	285,288	(285,718)	-	-
Pension reserve	(8,684,000)	-	(708,000)	7,764,000	(1,628,000)
	<u>(7,159,641)</u>	<u>12,767,508</u>	<u>(12,194,037)</u>	<u>7,089,077</u>	<u>502,907</u>
Restricted fixed asset funds					
Transfer on conversion	46,053,191	-	(384,928)	-	45,668,263
DfE group capital grants	667,661	1,251,576	(167,618)	674,923	2,426,542
Private sector capital sponsorship	87,000	-	(43,500)	-	43,500
	<u>46,807,852</u>	<u>1,251,576</u>	<u>(596,046)</u>	<u>674,923</u>	<u>48,138,305</u>
Total restricted funds	<u>39,648,211</u>	<u>14,019,084</u>	<u>(12,790,083)</u>	<u>7,764,000</u>	<u>48,641,212</u>
Unrestricted funds					
General funds	386,028	64,653	-	-	450,681
Total funds	<u>40,034,239</u>	<u>14,083,737</u>	<u>(12,790,083)</u>	<u>7,764,000</u>	<u>49,091,893</u>

Total funds analysis by academy

	2023 £	2022 £
Fund balances at 31 August 2023 were allocated as follows:		
Basildon Upper Academy	1,376,784	1,290,794
Basildon Lower Academy	1,376,783	1,290,794
Total before fixed assets fund and pension reserve	<u>2,753,567</u>	<u>2,581,588</u>
Restricted fixed asset fund	49,094,767	48,138,305
Pension reserve	(1,000)	(1,628,000)
Total funds	<u>51,847,334</u>	<u>49,091,893</u>

THE BASILDON ACADEMIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

18 Funds (Continued)

Total cost analysis by academy

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

	Teaching and educational support staff	Other support staff costs	Educational supplies	Other costs excluding depreciation	Total 2023	Total 2022
	£	£	£	£	£	£
Basildon Upper Academy	3,451,697	774,152	295,166	1,579,396	6,100,411	5,812,032
Basildon Lower Academy	3,451,698	1,695,984	202,269	1,467,599	6,817,550	5,674,005
	<u>6,903,395</u>	<u>2,470,136</u>	<u>497,435</u>	<u>3,046,995</u>	<u>12,917,961</u>	<u>11,486,037</u>

19 Analysis of net assets between funds

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
Fund balances at 31 August 2023 are represented by:				
Tangible fixed assets	-	-	47,770,087	47,770,087
Current assets	480,974	3,011,294	1,324,680	4,816,948
Current liabilities	-	(738,701)	-	(738,701)
Pension scheme liability	-	(1,000)	-	(1,000)
Total net assets	<u>480,974</u>	<u>2,271,593</u>	<u>49,094,767</u>	<u>51,847,334</u>

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
Fund balances at 31 August 2022 are represented by:				
Tangible fixed assets	-	-	46,783,263	46,783,263
Current assets	450,681	2,985,345	1,355,042	4,791,068
Current liabilities	-	(854,438)	-	(854,438)
Pension scheme liability	-	(1,628,000)	-	(1,628,000)
Total net assets	<u>450,681</u>	<u>502,907</u>	<u>48,138,305</u>	<u>49,091,893</u>

20 Capital commitments

	2023 £	2022 £
Expenditure contracted for but not provided in the accounts	<u>1,417,419</u>	<u>1,355,040</u>

The capital commitment relates to a CIF projects for the full replacement of boilers totalling £1,417,419.

THE BASILDON ACADEMIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

21 Long-term commitments

Operating leases

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

	2023 £	2022 £
Amounts due within one year	34,244	34,244
Amounts due in two and five years	31,996	66,241
	<u>66,240</u>	<u>100,485</u>

22 Reconciliation of net income to net cash flow from operating activities

	Notes	2023 £	2022 £
Net income for the reporting period (as per the statement of financial activities)		1,031,438	1,293,654
Adjusted for:			
Capital grants from DfE and other capital income		(1,212,966)	(1,251,576)
Investment income receivable	6	(384)	(311)
Defined benefit pension costs less contributions payable	25	40,000	569,000
Defined benefit pension scheme finance cost	25	57,000	139,000
Depreciation of tangible fixed assets		698,721	596,046
(Increase)/decrease in stocks		(4,103)	2,611
Decrease/(increase) in debtors		44,026	(154,837)
(Decrease)/increase in creditors		(115,737)	164,848
Net cash provided by operating activities		<u>537,995</u>	<u>1,358,435</u>

23 Analysis of changes in net funds

	1 September 2022 £	Cash flows £	31 August 2023 £
Cash	3,520,494	(1,006,243)	2,514,251

24 Members' liability

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

THE BASILDON ACADEMIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

25 Pension and similar obligations

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

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2016, and that of the LGPS related to the period ended 31 March 2019.

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

Teachers' Pension Scheme

Introduction

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

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

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% employer administration charge)
- 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. The 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 the TPS in the period amounted to £807,643 (2022: £771,728).

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

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

THE BASILDON ACADEMIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

25 Pension and similar obligations

(Continued)

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 25% for employers and 5.5-12.5% for employees.

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

Total contributions made	2023 £	2022 £
Employer's contributions	570,000	432,000
Employees' contributions	142,000	110,000
Total contributions	712,000	542,000

Principal actuarial assumptions	2023 %	2022 %
Rate of increase in salaries	3.9	3.95
Rate of increase for pensions in payment/inflation	2.9	2.95
Discount rate for scheme liabilities	5.35	4.25
Inflation assumption (CPI)	2.9	2.95

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

	2023 Years	2022 Years
Retiring today		
- Males	20.7	21
- Females	23.2	23.5
Retiring in 20 years		
- Males	22	22.3
- Females	24.6	24.9

THE BASILDON ACADEMIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

25 Pension and similar obligations

(Continued)

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

	+0.1%	0.0%	-0.1%
Adjustment to discount rate	£	£	£
Present value of total obligation	9,336,000	9,500,000	9,670,000
Projected service cost	1,423,000	1,467,000	1,513,000

	+0.1%	0.0%	-0.1%
Adjustment to long term salary increase	£	£	£
Present value of total obligation	9,506,000	9,500,000	9,494,000
Projected service cost	1,469,000	1,467,000	1,466,000

	+0.1%	0.0%	-0.1%
Adjustment to pension increases and deferred revaluation	£	£	£
Present value of total obligation	9,666,000	9,500,000	9,338,000
Projected service cost	1,514,000	1,467,000	1,422,000

	+1 Year	None	-1 Year
Adjustment to life expectancy assumptions	£	£	£
Present value of total obligation	9,785,000	9,500,000	9,223,000
Projected service cost	1,520,000	1,467,000	1,417,000

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

	2023	2022
	Fair value	Fair value
	£	£
Equities	5,528,000	4,723,000
Bonds	-	372,000
Gilts	121,000	161,000
Cash	278,000	251,000
Property	743,000	794,000
Other assets	2,829,000	2,091,000
Total market value of assets	<u>9,499,000</u>	<u>8,392,000</u>

The actual return on scheme assets was £590,000 (2022: £21,000).

Amount recognised in the statement of financial activities

	2023	2022
	£	£
Current service cost	610,000	1,001,000
Interest cost	57,000	139,000
Total operating charge	<u>667,000</u>	<u>1,140,000</u>

THE BASILDON ACADEMIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

25 Pension and similar obligations (Continued)

Changes in the present value of defined benefit obligations	2023 £
At 1 September 2022	10,020,000
Current service cost	605,000
Interest cost	425,000
Employee contributions	142,000
Actuarial gain	(1,502,000)
Benefits paid	(190,000)
At 31 August 2023	9,500,000

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

	2023 £
At 1 September 2022	8,392,000
Interest income	368,000
Actuarial (gain)/loss	222,000
Employer contributions	570,000
Employee contributions	142,000
Benefits paid	(190,000)
Effect of non-routine settlements and administration expenses	(5,000)
At 31 August 2023	9,499,000

26 Related party transactions

Owing to the nature of the academy trust and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Academy Trust Handbook and in accordance with the academy trust's financial regulations and normal procurement procedures relating to connected and related party transactions. The following related party transactions took place in the financial period.

T Smith, spouse of G Smith, the CEO, is employed by the academy trust as a staff member. T Smith's appointment was made in open competition and G Smith was not involved in the decision-making process regarding appointment. T Smith is paid within the normal pay scale for her role and receives no special treatment as a result of her relationship to the Head Teacher.

27 Agency arrangements

The academy trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ending 31 August 2023 the academy trust received £35,673 and distributed £19,715 from the fund. An amount of £25,767 (2022: £9,808) is included in other creditors relating to undistributed funds that is repayable to ESFA.