

Company Registration Number: 07844587 (England & Wales)

Townley Grammar School Trust
(A company limited by guarantee)

Annual report and financial statements
for the year ended 31 August 2024

Townley Grammar School Trust
(A company limited by guarantee)

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Townley Grammar School Trust
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REFERENCE AND ADMINISTRATIVE DETAILS

Members

John Paterson
Carol Strevens
Andrew Threadgould
Pradeep Thatai (appointed 28 September 2023)

Trustees

D Rouse (resigned 11 November 2024)
M Hancock-Jones (resigned 22 February 2024)
RT Wijesena, Acting Chair
J Takpimivbiomo
K Maxwell (resigned 20 February 2024)
A Hunter-Wainwright
C Halai
A Addo (resigned 3 June 2024)
A Brako-Raja (resigned 22 February 2024)
N Pandya, Chief Executive
Sir D Evennett (appointed 8 July 2024)
S Cummins (appointed 1 July 2024)
H Curtis
F Squire, Acting Vice Chair
J Kandasamy
P Thatai

Company registered number

07844587

Company name

Townley Grammar School Trust

Principal and registered office

Townley Grammar School Trust
Townley Road
Bexleyheath
Kent
DA6 7AB

Chief executive officer/Accounting Officer

N Pandya
S Totty - Acting CEO/Interim Accounting Officer (appointed 26 November 2024)

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REFERENCE AND ADMINISTRATIVE DETAILS (continued)
for the year ended 31 August 2024

Executive Team

N Pandya, CEO
L Rackstraw, Finance Officer
S Totty, Acting CEO & Interim Accounting Officer
H Mitchem, Deputy Head
F Gupta-De-Fabiani, Senior Assistant Head
M Franz, Senior Assistant Head
L Butler, Assistant Head
H Ronan, Assistant Head
D Rouse, Assistant Head

Independent auditor

Kreston Reeves LLP
Chartered Accountants
Maritime Place
Quayside
Chatham Maritime
Chatham
Kent
ME4 4QZ

Bankers

NatWest
1 Townley Road
Bexleyheath
Outer London
DA6 7JG

Solicitors

Stone King LLP
Boundary House
91 Charterhouse
Barbican
London
EC1M 6HR

Browne Jacobson
15th Floor
6 Bevis Marks
London
EC3A 7BA

Townley Grammar School Trust
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Trustees' report
for the year ended 31 August 2024

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year/period ended 31 August 2024. The annual report serves the purposes of both a Trustees' report, and a directors' report under company law.

Townley Grammar School Trust for Education (TGST) operates as a single academy, Townley Grammar School is a high performing selective girls grammar school in Bexleyheath with a total roll of 1605 in the 2023 census.

Structure, governance and management

a. Constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Academy Trust. The Trustees of Townley Grammar School Trust are also the directors of the charitable company for the purposes of company law. The charitable company is known as Townley Grammar School Trust.

Details of the Trustees who served during the year and to the date these accounts are approved are included in the Reference and Administrative Details on page 13.

b. 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.

c. Trustees' indemnities

Subject to the provisions of the Companies Act 2006, the Academy Trust maintains Trustees and Officers' liability insurance which gives appropriate cover for any liability incurred or legal action brought against them in connection with their acting in capacity as trustees of the Academy Trust.

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

Structure, governance and management (continued)

d. Method of recruitment and appointment or election of Trustees

The Master Funding Agreement with the Secretary of State states that the academy trust must appoint charity trustees to a Board of Charity Trustees and, whereas it must have Articles of Association, the MFA states that articles may not be amended or removed without the Secretary of State's consent. The Articles of Association set out the rules of the company and are those adopted by trustees on 2 May 2018. These do not deviate from the model published by the Department for Education at the time of adoption. The Articles of Association state the objects of the academy trust. Under these documents, the governance of the academy trust rests with the trustees.

The Articles of Association state that there must be a minimum of five members. Members may make such appointments by special resolution. Following a new appointment, the number of members is now five. The names of members in office (all of whom were entitled to vote to nominate or to appoint people as trustees) during the year is below.

Carol Strevens
John Paterson
Andrew Threadgould
Pradeep Kumar Thatai (appointed 28 September 2023)
Nina Harrison Bell (appointed 16 September 2024)

The members may appoint up to eight people by ordinary resolution to be trustees and those trustees who are not co-opted trustees may co-opt any number of people to be co-opted trustees. The term of office for all trustees except the Headteacher is four years. The Headteacher became a trustee on 20 April 2023 and her term of office aligns with her appointment as Headteacher. There may not be fewer than three trustees and the quorum for a meeting is four of them.

During the year, the trustees had in place several committees for Education, Curriculum and Standards; Finance, Audit and Risk; Pay Progression. Following the auditor's recommendations, the Finance and Resources and the Audit and Risk were established as separate committees from February 2024. Members appointed one staff member as a Trustee.

The academy trust's approach to recruiting members and trustees is to advertise through a range of websites, inviting applications. For elected positions, nominations are first sought from the parent or staff body, as appropriate. Interest is then assessed by all members for member appointments, by a panel of trustees who then make recommendations to members. At all stages for trusteeships, consideration is given to how far applicants meet needs, including the competency framework for governance published by the Department for Education.

Since the beginning of the academic year, the number of trustees has decreased from thirteen, to eleven. Five trustees have resigned and three have been recruited following a recruitment drive during the year.

e. Policies adopted for the induction and training of Trustees

The training and induction provided for new Trustees will depend on their individual experience and expertise. Where necessary an induction will provide training on charity and educational, legal and financial matters.

All new Trustees are given a tour of the School and the chance to meet with staff and students. All Trustees are provided with copies of policies, procedures, minutes, budgets, plans and other documents that they will need to understand their role as trustees and directors of the trust.

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

Structure, governance and management (continued)

f. Organisational structure

The Trust consists of the Members, the Board of Trustees, and the Headteacher and her Senior Leadership Team. The Trust Board has considered its role thoughtfully and decided that the role of the Trustees is to approve the strategic direction and objectives of the school and monitor its progress towards these objectives. The Trust Board has approved a scheme of delegation which sets out a statement on the system of internal control, responsibilities, financial matrix and terms of reference. The Headteacher is directly responsible for the day-to-day operation of the academy, assisted by a senior leadership team.

Trustees are responsible for the strategic vision, agreeing an annual plan and budget, monitoring the academy by use of budgets and making major decisions about the direction of the Trust, including capital expenditure and senior staff appointments.

The Headteacher assumes the accounting officer role.

Daniel Rouse stepped down as The Chair in April 2023, following his employment as a Senior Leader. He continued until November 2024 as a Trustee to support the Board and Team whilst they embedded and re-established itself. Pradeep Thatai was appointed Chair of Trustees in April 2023 and also became a Member in September 2023 and a Chair of the Finance, Audit and Risk Committee. Separate Audit and Finance Committees were established in February 2024. Three Trustees resigned in February 2024 and another in June 24.

g. Arrangements for setting pay and remuneration of key management personnel

Executive pay is based on improving the educational and financial performance of the Trust. This is reviewed annually in line with performance review and meeting of set objectives. The Trust consults with Capita and Browne Jacobson in determining the appropriate pay range for the Headteacher.

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

Structure, governance and management (continued)

h. Trade union facility time

Relevant union officials

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

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	-
1%-50%	-
51%-99%	-
100%	-
Percentage of pay bill spent on facility time	£
Total cost of facility time	-
Total pay bill	-
Percentage of total pay bill spent on facility time	- %

Paid trade union activities

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

The school permitted, until 31 December 2024, the Yog Foundation to use 10 classrooms, free of charge, on Sunday mornings, (and has done for a number of years). A charity that C Halai, a trustee and B Pathak, Brother of N Pandya, CEO and Accounting officer, are also trustees.

The Headteacher has links with a number of other schools and trusts to enable collaboration and sharing of good practice with schools which have shared characteristics with Townley Grammar School.

j. Engagement with employees (including disabled persons)

Where appropriate the Trust consults on matters such as policy, pay, health, safety and welfare with the relevant support staff and teaching trade unions. The Trust provides information to employees generally by way of email, memoranda and staff meetings. Information is channelled via the SLT meetings. Employees are encouraged to familiarise themselves with Ofsted reports, available from the Trust website and student progress and attainment statistics when they are made available.

It is the Trust's policy to ensure equality of opportunities is afforded to staff, students and other stakeholders. Training, career development and promotion opportunities are available to all employees.

Applications for employment by disabled persons are given full and fair consideration for all vacancies in accordance with their particular aptitude and abilities. In the event of employees becoming disabled then every effort is made to retain them, providing reasonable adaptations to the working environment in order that their employment within the school may continue.

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

Structure, governance and management (continued)

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

Our suppliers are important to the trust to ensure continuity of the trust operational line through the provision of supplies need to support education delivery and operational needs. The Board's approach includes ensuring that all supply and procurement process were fair, transparent and in line with statutory provisions. This allows for suppliers to be dealt with evenly through the development of policy and processes which facilitates this approach.

l. Regulators

Regulators ensure the trust is operating within the confines of the law in the delivery of its educational provision. The Board's approach is that the Accounting Officer and designated staff retain direct operational responsibility for ensuring compliance and effective communication with the trust regulators.

Objectives and activities

Objectives, strategies and activities

The principal object and activity of Townley Grammar School Trust is to provide a broad and balanced education for pupils of all abilities. The Trustees have referred to the guidance issued by the Charity Commission in respect of public benefit when reviewing the aims and objectives of the Trust.

In accordance with the articles of association, the trust has adopted a "Scheme of Government" approved by the Secretary of State. The Scheme of Government is part of the wider 'Master Funding Agreement' between the Company and the Secretary of State and 'Supplemental Funding Agreements'. The Scheme of Government specifies, amongst other things, that the Academy will be at the heart of its community, promoting community cohesion and sharing facilities, that the curriculum should be broad and balanced; there will be an emphasis on the needs of individual pupils including pupils with SEN; and the basis for charging pupils.

Strategic aims 2024-2025

The school's long-term strategic aims are continuing to innovate, with a clear purpose to ensure our current, future students and stakeholders are part of an exceptional school with exceptional outcomes inside and outside of the classroom. Our vision for education is not transactional, but transformational. It focuses on continuous, positive connections, meaningful relationships and intellectual excellence.

The specific improvement projects for the academic year 2024-2025 are:

- Consistently improve student outcomes at KS3, KS4 and KS5, ensuring strong academic progress and attainment for all students, particularly at Grade 8/9 and A*/A
- Empower teaching and learning through effective edtech and AI integration
- Successful implementation and embedding of the KS3 Baccalaureate and KS4 Advantage programme
- Ensure consistent high-quality Teaching & Learning practices
- Enhancing the Sixth Form experience through rigorous curriculum, standardised practices and a thriving student culture
- Embedding systemic and structural enhancements for school wide academic and pastoral excellence
- Ensure Long-Term Financial Sustainability.

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

Objectives and activities (continued)

Public benefit

The Trustees confirm that they have complied with the duty set out in Section 4 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit.

Strategic report

Achievements and performance

The Summer 2024 Exam results for GCSEs and A Levels are a testament to our students' hard work and dedication, as well as the effectiveness of our teaching and support systems.

At A-Level, there was a 6.5% increase of A*s and Bs compared to last year and 11 subjects improved their A*/A grades.

The gender gap has been closed with boys outperforming girls overall.

75% of students got their first choice offer at university and 59% of students are going to a Russell group university, the highest we have ever seen.

At GCSE, there was a 3.5% increase in 9-7 grades; these have been Townley's best results since the GCSE grading changes. 19 subjects improved their percentage of 9s and our progress 8 score is 0.74, an increase from last year.

We are particularly pleased to note the increase in A* and A grades and the narrowing of the gender gap and the high proportion of students securing their first-choice university offers.

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

Strategic report (continued)

Achievements and performance (continued)

GCSE

	2018	2019	2020	2021	2022	2023	2024
Cohort	209	210	209	220	223	222	219
Attainment 8 Score	73.67	73.20	75.90	78.20	76.75	75.38	76.1
Progress 8 Score	0.81	0.84	1.10	0.75	0.62	0.41	0.75
% of Cohort							
9-4 English	100	99.52	100	100	100	100	99.5
9-4 Maths	99.52	99.05	100	100	100	100	99.5
9-5 English	98.09	99.05	100	100	99.55	97.75	99.1
9-5 Maths	98.09	93.33	98.56	99.55	98.21	98.65	96.8
9-7 English	89.47	86.67	93.84	97.73	87.44	73.87	85.4
9-7 Maths	61.72	59.52	72.25	73.64	67.26	77.03	72.1
9-4 English & Maths	100	99	99	100	100	100	99.5
9-5 English & Maths	96	93	98	99.55	97.76	98.2	96.3
5 Grade 5+ 5 Grade 5+ Inc Eng & Maths	98.09 95.69	96.67 92.86	98.58 97.16	99.55 99.09	100 97.76	100 100	99.1 96.3
APS	6.85	6.74	7.01	7.61	7.11	6.96	7.29
Ebacc Entry	83.25	77.14	83.47	82.73	77.58	75.68	60.7
Ebacc Standard Pass	79.9	70.48	82.46	82.27	73.54	70.27	55.7
Ebacc Strong Pass	70.33	61.43	76.78	77.73	65.02	61.26	49.8
9 – 8	38.8	42.37	48.04	59.04	52.83	45.21	49.95
9 – 7	63.99	63.55	72.94	82.46	74	68.35	71.1
9 – 4	94.86	97.71	99.82	99.79	98.73	98.59	98.74

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

Strategic report (continued)

Achievements and performance (continued)

A Level							
	2018	2019	2020	2021	2022	2023	2024
Cohort	250	208	284	243	251	243	210
Female	199	164	223	202	199	193	174
Male	51	44	61	41	52	50	36
Total No. of Entries	652	533	861	759	793	773	651
Total Pass	643	527	861	758	785	768	636
% Pass	98.62	98.87	100	99.87	98.99	99.35	98
A Level APS	37.71	40.19	44.18	47.92	42.24	39.14	41.11
A*/A Grades	202	203	440	501	361	273	265
A*/ A %	31.03	38.09	51.1	66.01	45.52	36.99	41
A* - B Grades	391	363	686	666	579	476	464
A* - B %	60.06	68.11	79.67	87.75	73.01	64.5	71
A* - C Grades	546	470	816	731	701	631	592
A* - C %	83.87	88.18	94.77	96.31	88.4	85.5	91
Cohort Score	32.68	33.91	44.05	47.12	41.37	38.63	40.95
	C+	C+	B+	A-	B	B	B

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

Strategic report (continued)

Achievements and performance (continued)

a. Going concern

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy Trust to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation of the financial statements.

In forming their assessment, the Trustees have considered the financial position of the Academy Trust together with the financial forecasts including plans for future investment in the Trust's infrastructure and estates. Whilst the financial climate remains challenging, the Trustees are satisfied that the Trust is in good financial health, and the budgeted in year surplus receivable from government and other sources, together with the availability of brought forward reserves, will allow the Academy Trust to meet its financial obligations as they fall due for a period of at least 12 months from the date of approval of this report.

The Trustees have also considered non-financial factors which may have an impact on the Academy Trusts ability to continue to operate for the a period of at least 12 months from the date of approval of this report. As referenced within the Governance statement and the Statement of Regularity, Propriety and Compliance accompanying the Annual report and the Financial Statements and note 31, Events after the reporting period, the Trustees have become aware of breaches to the Academy Trust Handbook and ESFA requirements and the Trustees and Management are taking appropriate action. This and the other governance shortcomings mean that there is uncertainty as to the ESFA's proposed recourse.

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

Strategic report (continued)

Achievements and performance (continued)

b. Promoting the success of the Trust

Townley Grammar School Trust is governed by its charitable objects as set out in its Articles of Association; these also set the purpose of the trust.

All decisions and activities of the trust take into account how we best deliver our long-term goals and are driven by our strategic aims. All decisions we make as a trust, from our operational teams through to the Trust Board, are made in the best interests of our pupils who are our main beneficiaries, and in the knowledge, we are accountable to them, their parents, regulators and our staff.

The Board considers that they have adhered to the requirements of section 172 of the Companies Act 2006 (the "Act") and have, in good faith, acted in a way that they consider would be most likely to promote the success of the trust for the benefit of its key stakeholders and, in doing so, have had regard to and recognised the importance of considering all stakeholders and other matters (as set out in s.172(1)(a-f) of the Act) in its decision-making.

The Board have approved a number of policies that help to ensure the safety of our pupils and staff, as well as those that ensure the integrity of our business conduct.

Upon appointment, trustees are briefed on their duties and responsibilities under the Companies Act and the trust's Articles of Association and Scheme of Delegation. The Trust Board is entitled to request from the Headteacher all such information it may reasonably require in order to be able to perform its duties. On-going training is available to trustees, as required, to ensure that their knowledge remains up to date and they continue to be able to discharge their duties.

For all decision making at Board level, discussion takes place around employee impact and impact on other stakeholders, such as pupils, parents and the local community. The relevance of each stakeholder group may vary by reference to the issue in question, so the Board seeks to understand the needs of each stakeholder group and any potential conflicts as part of its decision-making. The Headteacher and Senior Leaders ensure the Trust Board is fully focused on the impacts to each stakeholder group

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

Strategic report (continued)

Achievements and performance (continued)

Financial review

Results for the year

The majority of the Academy Trusts income arises in the form of recurrent grants from the ESFA. The use of this income is restricted to the particular purpose of the grant. The grants received from the ESFA in the year to 31 August 2024 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

During the year total income was £11,511,420 of which £1,194,453 was unrestricted income. Total expenditure was £11,432,192 of which:

Staff employment costs of £8,451,373 which represented 74% of total expenditure

Premises related costs of £1,007,438 which represented 9% of total expenditure

Energy related costs of £291,265 which represented 2.5% of total expenditure

The operating profit, excluding the pension reserves adjustments, for the year ended 31 August 2024, was £79,228. This includes a depreciation charge for the year of £424,045.

The Academy Trust's level of free reserves is £1,089,655 as at 31 August 2024 which is all unrestricted funds. The Trust also has £39,733 of free capital reserves.

a. Reserves Policy

A minimum of 3% of recurring government revenue grants, held in total between total unrestricted and restricted revenue funds should be deemed appropriate as minimum level of funds retained for these purposes. The financial position of the trust has continued to improve, with revenue reserves (both restricted and unrestricted) rising from an opening position of £860,778 to a closing position of £1,089,655 as at 31 August 2024, representing 9.5% of total income.

The Board of Trustees' and Key Management Personnel have continued to manage budgets closely in order to achieve budget surpluses after a series of deficit years which had depleted the trust's financial reserves.

b. Investment policy

The Trust policy is to invest surplus funds in low-risk short term bank deposits with its Bank for example Reserves accounts. This is most prudent and risk averse considering the budget constraints.

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

c. Principal risks and uncertainties

Principal risks and uncertainties identified that concern the Trust are:

- Governance – board of trustees and committee attendance is still an issue and five have resigned and three are newly recruited. Related Party activities should be declared in full.
- Finance – Trustees need to verify that all staff are following procedures.
- Key Personnel– SLT restructure and Senior Deputy acting as Headteacher.
- Health and safety risk - Site security needs investment and Trips policy to be adhered to.
- Risk of failure of IT infrastructure - Wifi/connectivity and capacity issues
- Risk of cyber attacks - Constant threat
- Inflation risk– increase in costs exceeds increase in funding from government, particularly in relation to staff pay and energy costs

Fundraising

The Trust does not work with professional fundraisers or companies who carry out fundraising on its behalf. The Trust has reviewed income generation strategies such as increasing lettings and sports facilities.

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

Streamlined energy and carbon reporting

The academy trust's greenhouse gas emissions and energy consumption are as follows:

	2024	2023
Energy consumption used to calculate emissions (kWh)	1,926,784	3,925,405
Scope 1 emissions (in tonnes of CO2 equivalent):		
Gas consumption	254	534
Owned transport	1	1
Total scope 1	255	535
Scope 2 emissions (in tonnes of CO2 equivalent):		
Purchased electricity	126	238
Total gross emissions (in tonnes of CO2 equivalent):	381	773
Intensity ratio:		
Tonnes of CO2 equivalent per pupil	0.24	0.25

- We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2023 UK Government's Conversion Factors for Company Reporting.

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

We have installed smart meters across all sites and increased video conferencing technology for staff meetings, to reduce the need for travel between sites.

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

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

Plans for future periods

We are conscious of the competitive and somewhat turbulent educational landscape nationally and seek to maintain and grow additional financial streams of income through maintaining 6th form student numbers, developing global partnerships and harnessing the power of parent/carer fundraising.

Our staff and student body are the beating heart of our community and are our greatest strength, so we commit to ensuring the wellbeing of both groups.

A strong focus will be placed on enhancing school facilities, making their maintenance and improvement a top priority. This will include regular upkeep and modernisation to meet the evolving needs of students, staff, and the wider school community. Particular attention will be given to upgrading sports facilities to support physical education, extracurricular activities, and overall student well-being. These improvements will aim to create an environment that fosters athletic excellence while encouraging participation for all skill levels. Additionally, site security will be a critical area of focus, with plans to implement advanced safety measures, such as updated surveillance systems, secure access controls, and improved perimeter fencing, ensuring a safe and secure learning environment for everyone on campus.

Long term 2024-2027 Priorities

- To Facilitate Exceptional Experiences in and Beyond the Classroom
- To Embed a Culture Empowering Students to Become Effective Change Makers in our Communities
- To Sustain Exceptional Professional Standards in Support of our Vision & Values
- To develop innovative, agile and distributed Leadership and Management structures

Our long-term priorities are translated to specific improvement projects across the school.

Funds held as custodian on behalf of others

No funds were held as Custodian Trustee on behalf of others.

Political donations

No political donations were made by the Trust.

Disclosure of information to auditor

As far as the Trustees are aware:

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

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

Disclosure of information to auditor (continued)

Auditor

The auditor, Kreston Reeves LLP, has indicated its willingness to continue in office. The Trustees will propose a motion re-appointing the auditor at a meeting of the Members.

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 4 April 2025 and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'RT Wijesena', with a horizontal line extending from the end of the signature.

RT Wijesena
Acting Chair of Trustees

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Governance Statement

Scope of responsibility

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

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

The board of Trustees has delegated the day-to-day responsibility to the Interim CEO and acting accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Townley Grammar School Trust and the Secretary of State for Education. They are also responsible for reporting to the governing body any material weaknesses or breakdowns in internal control.

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Governance Statement (continued)

Governance

The information on governance included here supplements that described in the Trustees' report and in the statement of trustees' responsibilities. The Board of Trustees has formally met 4 times during the year.

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

Trustee	Meetings attended	Out of a possible
F Squire, Acting Vice Chair	2	4
RT Wijesena, Acting Chair	2	4
J Takpimivbiomo	3	4
K Maxwell	2	4
A Hunter-Wainwright	1	4
C Halai	1	4
N Pandya, CEO	4	4
A Brako-Raja (Resigned 22 February 2024)	0	2
M Hancock-Jones (Resigned 22 February 2024)	1	2
K Maxwell (Resigned 22 February 2024)	2	2
A Addo (Resigned 03 June 2024)	1	4
D Rouse (Resigned 07 November 2024)	4	4
Professor S Cummins (Appointed 01 July 2024)	0	0
Sir D Evennett (Appointed 08 July 2024)	0	0
H Curtis (Appointed 11 September 2024)	0	0
J Kandasamy	1	4
P Thatai	3	4

Conflicts of interest

We maintain an up-to-date and complete register of interests and trustees make a declaration at the beginning of every meeting which is recorded on Governor Hub. Before entering a contract with new suppliers, they declare any connections with stakeholders at Townley Grammar School. This is recorded and kept on the New Supplier file.

Governance reviews

During the year, changes were made to the Board of Trustees following the resignation of three trustees. Three committees were formed as sub-committees to the Board: Education, Curriculum and Standards; Finance, Audit and Risk; and Pay Committee. Attendance for committees was as follows In February, the Finance and Audit committees were separated.

After the year-end the trustees were made aware of potential transactions within the academy trust that could be in breach of the Academy Trust Handbook as a result an independent investigation was commissioned into allegations of potential breaches of ESFA requirements. The Trustees are taking advice on appropriate actions to resolve these and the ESFA have been notified. For more details see Statement of Regularity, propriety and compliance on page 24.

The Audit, Finance and Risk Committee is a sub-committee of the main Board of Trustees. Its purpose is to monitor and have oversight of responsibility for all financial matters and procedures within the Trust. Its wider remit is set out in its Term of Reference

Townley Grammar School Trust
(A company limited by guarantee)

Governance Statement (continued)

Governance (continued)

Attendance during the year at meetings was as follows:

Governor	Meetings attended	Out of a possible
A Brako Raja (resigned February 2024)	0	5
C Halai	5	5
M Hancock-Jones (resigned February 2024)	1	1
N Pandya	5	5
D Rouse (resigned November 2024)	2	3
J Takpimivbiomo	4	5
F Squire	2	5
P Thatai	4	5

The Education Committee is a sub-committee of the main Board of Trustees. Its purpose is to monitor and have oversight of responsibility for educational standards and progress across the Trust. Its wider remit is set out in its Term of Reference.

Attendance during the year at meetings was as follows:

Governor	Meetings attended	Out of a possible
A Addo	1	3
A Brako-Raja	0	3
A Hunter-Wainwright	1	3
K Maxwell	1	1
N Pandya	3	3
D Rouse	3	5
R Wijesena	3	3
J Kandasamy	2	3

The Pay Committee is also a sub-committee of the main Board of Trustees.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
C Halai	2	2
A Hunter-Wainwright	2	2
K Maxwell	2	2
N Pandya	1	1
F Squire	0	0

Governance Statement (continued)

Review of value for money

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

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

- The trust operates robust financial controls with a clear scheme of delegation, requiring orders over £5000 to be supported by three competitive quotes and Headteacher approval. Higher value orders require approval from the CFO, or Trust Board in the case of large value contracts which are competitively tendered.
- The trust benefits from funding received from lettings and participation in a global integration programme which involves hosting international students within the Trust day for a fixed number of days.

Value for money is about achieving the best possible educational and wider societal outcomes through the economic, efficient and effective use of all the resources in the trust's charge. The accounting officer, ensures that Townley Grammar School Trust is accountable for 'taxpayers' money and achieves 'value for money' by:

- Avoiding waste and extravagance.
- Ensuring the organisation is carefully structured.
- Ensuring the organisation has sound systems of financial governance.
- Ensuring that there are sound financial controls in place for income and expenditure and that all goods and services are procured in an open and transparent way.
- Ensuring that financial records are up to date and that management accounts are prepared on a regularly basis.
- Ensuring that Trustees receive management accounts regularly
- Ensuring that there are robust controls for payroll arrangements and segregation of duties for all involved in the process.
- Ensuring that segregation of duties applies within the finance department.
- Ensuring that all financial transactions represent value for money and procurement procedures are followed with particular attention paid to areas of large spending and capital projects.
- Ensuring that we have arrangements for internal audit to carry out a service that further safeguards the trustees.
- Ensuring that our building is let to the local community and raises additional funds in support of the development of the Trust

The accounting officer's responsibilities include ensuring that the Trust's finances have been managed in a transparent and effective way and that financial records have been monitored, evaluated, reviewed and audited by our internal and external auditors.

Governance Statement (continued)

The purpose of the system of internal control

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

Capacity to handle risk

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

The risk and control framework

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

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

The Board of Trustees has decided to employ Bishop Fleming LLP as internal auditor.

The scope of the internal review includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems as follows:

- review of Expenditure and Procurement
- review of Income
- review of Fixed assets
- review of Budgets and financial monitoring
- review of payroll system
- review of Compliance
- review of bank, credit cards and other control account reconciliations
- review of balance sheet and month end procedures

On a semi-annual basis, the auditor reports to the board of Trustees, through the Finance, Audit and Risk Committee on the operation of the systems of control and on the discharge of the board of Trustees' financial responsibilities and annually prepares an annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

Governance Statement (continued)

Review of effectiveness

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

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

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

Conclusion

Conclusion

Based on the advice of the audit and risk committee and the accounting officer, the board of trustees is of the opinion that the academy trust does not have an adequate and effective framework for governance, risk management and control.

The reason for this conclusion is the continued poor attendance at board meetings, high turnover of trustees and the failures stated within the Statement of regularity, propriety and compliance.

The plan for improvement is being structured by the Trustees and the Interim Accounting Officer.

Approved by order of the members of the Board of Trustees on 4 April 2025 and signed on their behalf by:



RT Wijesena
Acting Chair of Trustees



Sarina Totty
Interim Accounting Officer

Townley Grammar School Trust
(A company limited by guarantee)

Statement of Regularity, Propriety and Compliance

As interim accounting officer, appointed on 26th November 2024, of Townley Grammar School Trust, I have considered my responsibility to notify the Academy Trust board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA terms and conditions of all funding, under the funding agreement in place between the Academy Trust and the Secretary of State. As part of my consideration, I have had due regard to the requirements of the Academies Financial Handbook 2023.

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

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

During the 2023-2024 academic year the following failure's in the oversight and management of the Academy Trust and the robustness of the processes in place to manage risk, were identified:

- The Trust failed to ensure oversight and management of financial decisions
- The Trust failed to have robust processes in place to manage risk
- The Trust failed to include all mandatory information on the Trust's website
- The Trust have experienced continued levels of poor attendance at committee meetings
- The Trust failed to fulfil its responsibilities for good estates safety and management due to a lack of appropriate risk assessments and oversight of lettings arrangements
- The Trust failed to manage related party transactions and demonstrate independence and transparency when managing conflicts of interest
- The trust failed to report to the ESFA related party transactions and obtain ESFA prior approval for potentially novel, contentious and repercussive agreements.
- The Trust failed to adhere to internal policies and procedures for management of trips and school events.
- The Trust failed to adhere to good practice procurement procedures and in the making of gifts.
- The Trusts failed to submit financial statements to the ESFA by 31 December 2024 and failed to publish these on their website by 31 January 2025, due to ongoing investigations into the above failures.

Since my appointment on 26th November 2024 as Interim Accounting Officer, an independent third party investigation has been commissioned into allegations of potential breaches of ESFA requirements. The Trustees are taking advice on appropriate actions.

As Interim accounting officer I am fully aware of my obligations to comply with recommendations but cannot be held accountable for the 2023-2024 accounts for Townley Grammar School.



Sarina Totty
Interim Accounting Officer
Date: 4 April 2025

Townley Grammar School Trust
(A company limited by guarantee)

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

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

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

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

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

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

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

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



RT Wijesena
Acting Chair of Trustees
Date: 4 April 2025

Townley Grammar School Trust
(A company limited by guarantee)

Independent auditor's Report on the financial statements to the Members of Townley Grammar School Trust

Opinion

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

In our opinion the financial statements:

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

Basis for opinion

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

Material uncertainty related to going concern

We draw attention to note 2.2 in the financial statements, which indicates that the Trust has experienced governance failures.

As stated in note 2.2, these shortcomings in governance, along with the other matters as set forth in note 2.2, indicate that a material uncertainty exists that may cast significant doubt on the academy trust's ability to continue as a going concern.

Our opinion is not modified in respect of this matter.

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. Our evaluation of the Trustees' assessment of the academy trust's ability to continue to adopt the going concern basis of accounting included a review of the correspondence between the Trust, Ofsted and the ESFA, discussions with management and discussions with the Board of Trustees.

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

Townley Grammar School Trust
(A company limited by guarantee)

Independent auditor's Report on the financial statements to the Members of Townley Grammar School Trust (continued)

Other information

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

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

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

Independent auditor's Report on the financial statements to the Members of Townley Grammar School Trust (continued)

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 financial statements.

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

Capability of the audit in detecting irregularities, including fraud

Based on our understanding of the Academy Trust and the sector as a whole, and through discussion with the Trustees and other management (as required by auditing standards), we identified that the principal risks of noncompliance with laws and regulations related to child protection and safeguarding, health and safety and employment law. We considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, Statement of Recommended Practice, Academies Accounts Direction, Academies Financial Handbook, taxation and pension legislation. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to increase revenue or reduce expenditure, management bias in accounting estimates and judgemental areas of the financial statements such as the valuation of land and buildings and revenue and non-compliance with financial management and governance requirements which are consistent with the obligations of public funded bodies. Audit procedures performed by the engagement team included:

- Discussions with management and assessment of known or suspected instances of non-compliance with and regulations (including child protection and safeguarding, health and safety and employment law) and fraud, and review of the reports made by management and internal audit; and
- Assessment of identified fraud risk factors; and
- Identifying and assessing the design effectiveness of controls that management has in place to prevent and detect fraud; and
- Consideration of income streams, completeness of income and compliance with the obligations of funders including the ESFA
- Testing of internal controls procedures relating to expenditure potentially more susceptible to fraud and other irregularities including the misuse of public funding in areas such as cash, payroll and credit card expenditure; and
- Review of cash and credit card expenditure to confirm no evidence of personal benefit; and
- Challenging assumptions and judgements made by management in its significant accounting estimates; and
- Checking and reperforming the reconciliation of key control accounts; and
- Performing analytical procedures to identify any unusual or unexpected relationships, including related party transactions, that may indicate risks of material misstatement due to fraud; and
- Confirmation of related parties with management, and review of transactions throughout the period to identify any previously undisclosed transactions with related parties outside the normal course of business; and

Independent auditor's Report on the financial statements to the Members of Townley Grammar School Trust (continued)

- Performing analytical procedures with automated data analytics tools to identify any unusual or unexpected relationships, including related party transactions, that may indicate risks of material misstatement due to fraud; and
- Reading minutes of meetings of those charged with governance, reviewing internal audit reports and reviewing correspondence with relevant tax and regulatory authorities; and
- Review of corporate governance arrangements; and
- Review of internal controls and physical inspection of tangible assets susceptible to fraud or irregularity; and
- Review of significant and unusual transactions and evaluation of the underlying financial rationale supporting the transactions; and
- Identifying and testing journal entries, in particular any manual entries made at the year end for financial statement preparation.

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

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the academy trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the academy trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the academy trust to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Townley Grammar School Trust
(A company limited by guarantee)

Independent auditor's Report on the financial statements to the Members of Townley Grammar School Trust (continued)

Use of our report

This report is made solely to the academy trust's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the academy trust's members those matters we are required to state to them in an 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 academy trust and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Kreston Reeves LLP

Peter Manser FCA DChA (Senior statutory auditor)

for and on behalf of

Kreston Reeves LLP

Chartered Accountants

Statutory Auditor

Chatham Maritime

4 April 2025

Townley Grammar School Trust
(A company limited by guarantee)

Independent Reporting Accountant's Assurance Report on Regularity to Townley Grammar School Trust and the Education and Skills Funding Agency

In accordance with the terms of our engagement letter dated 12 August 2024 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2023 to 2024, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Townley Grammar School Trust during the year 1 September 2023 to 31 August 2024 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Townley Grammar School Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Townley Grammar School Trust's funding agreement with the Secretary of State for Education dated 3 March 2011 and the Academy Trust Handbook, extant from 1 September 2023, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

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 conclusions includes:

Conclusion

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

Townley Grammar School Trust
(A company limited by guarantee)

Independent Reporting Accountant's Assurance Report on Regularity to Townley Grammar School Trust and the Education & Skills Funding Agency (continued)

During the 2023-2024 academic year the Members identified a failure in the oversight and management of the Academy Trust and the robustness of the processes in place to manage risk. The following issues were identified:

- The Trust failed to ensure oversight and management of financial decisions
- The Trust failed to have robust processes in place to manage risk
- The Trust failed to include all mandatory information on the Trust's website
- The Trust have experienced continued levels of poor attendance at committee meetings
- The Trust failed to fulfil its responsibilities for good estates safety and management due to a lack of appropriate risk assessments and oversight of lettings arrangements
- The Trust failed to manage related party transactions and demonstrate independence and transparency when managing conflicts of interest
- The trust failed to report to the ESFA related party transactions and obtain ESFA prior approval for potentially novel, contentious and repercussive agreements.
- The Trust failed to adhere to internal policies and procedures for management of trips and school events.
- The Trust failed to adhere to good practice procurement procedures and in the making of gifts.
- The Trusts failed to submit financial statements to the ESFA by 31 December 2024 and failed to publish these on their website by 31 January 2025, due to ongoing investigations into the above failures.

Since the appointment on 26th November 2024 of an Interim Accounting Officer, an independent third party investigation has been commissioned concerning allegations of potential breaches of ESFA requirements. The Trustees are taking advice on appropriate actions. The ESFA have been notified.

Kreston Reeves LLP

Kreston Reeves LLP
Chartered Accountants
Reporting Accountant

Date: 4 April 2025

Townley Grammar School Trust
(A company limited by guarantee)

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

	Note	Unrestricted funds 2024 £	Restricted funds 2024 £	Restricted fixed asset funds 2024 £	Total funds 2024 £	Total funds 2023 £
Income from:						
Donations and capital grants	4	14,734	-	32,487	47,221	136,795
Other trading activities	6	1,159,238	-	-	1,159,238	987,223
Investments	7	8,950	6,000	-	14,950	41
Charitable activities	5	-	10,278,480	-	10,278,480	18,806,516
Other income	8	11,531	-	-	11,531	3,628
Total income		1,194,453	10,284,480	32,487	11,511,420	19,934,203
Expenditure on:						
Charitable activities	9	482,415	10,525,733	424,044	11,432,192	19,540,763
Transfer of existing academy out of trust	10	-	-	-	-	24,297,348
Total expenditure		482,415	10,525,733	424,044	11,432,192	43,838,111
Net income/ (expenditure)		712,038	(241,253)	(391,557)	79,228	(23,903,908)
Transfers between funds	21	(483,161)	310,253	172,908	-	-
Net movement in funds before other recognised gains/(losses)		228,877	69,000	(218,649)	79,228	(23,903,908)
Other recognised gains/(losses):						
Actuarial (losses)/gains on defined benefit pension schemes		-	59,000	-	59,000	739,000
Pension surplus not recognised	27	-	(79,000)	-	(79,000)	-
Net movement in funds		228,877	49,000	(218,649)	59,228	(23,164,908)
Reconciliation of funds:						
Total funds brought forward		860,778	(49,000)	22,996,737	23,808,515	46,973,423
Net movement in funds		228,877	49,000	(218,649)	59,228	(23,164,908)
Total funds carried forward		1,089,655	-	22,778,088	23,867,743	23,808,515

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

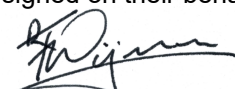
The notes on pages 36 to 63 form part of these financial statements.

Townley Grammar School Trust
(A company limited by guarantee)
Registered number: 07844587

Balance sheet
as at 31 August 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	16	22,738,370	22,933,279
Current assets			
Stocks	17	3,450	1,784
Debtors	18	345,136	473,450
Cash at bank and in hand		1,771,480	1,451,560
		2,120,066	1,926,794
Creditors: amounts falling due within one year	19	(990,693)	(1,002,558)
Net current assets		1,129,373	924,236
Net assets excluding pension asset / liability		23,867,743	23,857,515
Defined benefit pension scheme asset / liability	27	-	(49,000)
Total net assets		23,867,743	23,808,515
Funds of the academy trust			
Restricted funds:			
Fixed asset funds	20	22,778,088	22,996,737
Restricted funds excluding pension asset	20	22,778,088	22,996,737
Pension reserve	20	-	(49,000)
Total restricted funds	20	22,778,088	22,947,737
Unrestricted income funds	20	1,089,655	860,778
Total funds		23,867,743	23,808,515

The financial statements on pages 33 to 63 were approved and authorised for issue by the Trustees and are signed on their behalf, by:



T Wijesena
 (Acting Chair of Trustees)
 Date: 4 April 2025

The notes on pages 36 to 63 form part of these financial statements.

Townley Grammar School Trust
(A company limited by guarantee)

Statement of cash flows
for the year ended 31 August 2024

	Note	2024 £	2023 £
Cash flows from operating activities			
Net cash provided by operating activities	22	507,619	529,775
Cash flows from investing activities	24	(187,699)	(466,997)
Cash flows from financing activities	23	-	(64,482)
Change in cash and cash equivalents in the year		319,920	(1,704)
Cash and cash equivalents at the beginning of the year		1,451,560	1,453,264
Cash and cash equivalents at the end of the year	25, 26	1,771,480	1,451,560

The notes on pages 36 to 63 form part of these financial statements

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

1. General information

Odyssey Trust for Education is a charitable company limited by guarantee and an exempt charity incorporated in England and Wales. The registered office is Townley Grammar School, Townley Road, Bexleyheath, DA6 7AB. The principal activity of the Academy Trust is to provide an education for pupils that satisfies the requirements of the Education Act 2002.

2. Accounting policies

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

2.1 Basis of preparation of financial statements

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

Townley Grammar School Trust meets the definition of a public benefit entity under FRS 102.

The presentation currency is £ sterling. The figures in the financial statements have been rounded to the nearest £1.

2.2 Going concern

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy Trust to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation of the financial statements.

In forming their assessment, the Governors have considered the financial position of the Academy Trust together with the financial forecasts including plans for future investment in the Trust's infrastructure and estates. Whilst the financial climate remains challenging, the Trustees are satisfied that the Trust is in good financial health, and the budgeted in year surplus receivable from government and other sources, together with the availability of brought forward reserves, will allow the Academy Trust to meet its financial obligations as they fall due for a period of at least 12 months from the date of approval of this report.

The Trustees have also considered non-financial factors which may have an impact on the Academy Trust's ability to continue to operate for a period of at least 12 months from the date of approval of this report. As reference within the Governance statement and the Statement of Regularity, Propriety and Compliance accompanying the Annual report and the Financial Statements and note 31, Events after the reporting period, the Trustees have become aware of breaches to the Academy Trust Handbook and ESFA requirements. This and the other governance shortcomings mean that there is uncertainty as to the ESFA's proposed recourse.

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

2. Accounting policies (continued)

2.3 Fund accounting

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

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

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

2.4 Income

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

- **Grants**

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

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

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

- **Donations**

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

- **Other income**

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

2.5 Expenditure

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

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

2. Accounting policies (continued)

2.5 Expenditure (continued)

• Charitable activities

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

All expenditure is inclusive of irrecoverable VAT.

2.6 Interest receivable

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

2.7 Taxation

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

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

2.8 Tangible fixed assets

Assets costing £5,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

Leasehold land and buildings	- 15 - 125 years straight line basis
Furniture and equipment	- 4 - 10 years straight line basis
Computer equipment	- 3 years straight line basis
Motor vehicles	- 4 - 5 years straight line basis

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.

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

2. Accounting policies (continued)

2.9 Stocks

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

2.10 Operating leases

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

2.11 Debtors

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

2.12 Cash at bank and in hand

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

2.13 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.

2.14 Provisions

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

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

2.15 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 18. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 19. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

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

2. Accounting policies (continued)

2.16 Pensions

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

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

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

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

2.17 Agency arrangements

The Academy Trust acts as an agent in distributing 16-19 bursary funds from the ESFA. Payments are received from the ESFA and subsequent disbursements to students are not excluded from the Statement of financial activities as the Academy Trust has control over the charitable application of the funds. The Academy Trust can use up to 5% of the allocation towards its own administrative costs and this is recognised in the Statement of financial activities.

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

3. Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions:

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

Multi-employer benefit pension scheme

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

Tangible fixed assets

The Academy Trust has recognised tangible fixed assets with a carrying value of £22,738,370 at the reporting date (see note 16). These assets are stated at their cost less provision for depreciation and impairment. The Academy Trust's accounting policy sets out the approach to calculating depreciation for immaterial assets acquired. For material assets such as land and buildings the Academy Trust determines at acquisition reliable estimates for the useful life of the asset, its residual value and decommissioning costs. These estimates are based upon such factors as the expected use of the acquired asset and market conditions. At subsequent reporting dates the Trustees consider whether there are any factors such as technological advancements or changes in market conditions that indicate a need to reconsider the estimates used.

Where there are indicators that the carrying value of tangible assets may be impaired the Academy Trust undertakes tests to determine the recoverable amount of assets. These tests require estimates of the fair value of assets less cost to sell and of their value in use. Wherever possible the estimate of the fair value of assets is based upon observable market prices less incremental cost for disposing of the asset. The value in use calculation is based upon a discounted cash flow model, based upon the Academy Trusts' forecasts for the foreseeable future which do not include any restructuring activities that the Academy Trust is not yet committed to or significant future investments that will enhance the asset's performance. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well expected future cash flows and the growth rate used for extrapolation purposes.

Critical areas of judgement:

Lease commitments

The Academy Trust has entered into a range of lease commitments in respect of plant and equipment. The classification of these leases as either financial or operating leases requires the Trustees to consider whether the terms and conditions of each lease are such that the Academy Trust has acquired the risks and rewards associated with the ownership of the underlying assets.

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

3. Critical accounting estimates and areas of judgement (continued)

Multi-employer defined benefit pension scheme

Certain employees participate in a multi-employer defined benefit pension scheme with other Academy Trusts. In the judgement of the Trustees, the Academy Trust does not have sufficient information on the plan assets and liabilities to be able to reliably account for its share of the defined obligation and plan assets. Therefore the scheme is accounted for as a defined contribution scheme, see note 25 for further details.

As set out in note 27, the plan surplus as at 31 August 2024 was £79,000 (2023: liability £49,000). The trustees, are not expecting to recover the surplus through reduced contributions and they do not anticipate receiving any refunds from the plan and therefore the net surplus recognised within the financial statements has been restricted to £NIL.

4. Donations and capital grants

	Unrestricted funds 2024 £	Restricted fixed asset funds 2024 £	Total funds 2024 £	Total funds 2023 £
Donations	14,734	-	14,734	22,451
Capital Grants	-	32,487	32,487	114,344
	<u>14,734</u>	<u>32,487</u>	<u>47,221</u>	<u>136,795</u>
Total 2023	<u>22,451</u>	<u>114,344</u>	<u>136,795</u>	

Townley Grammar School Trust
(A company limited by guarantee)

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

5. Funding for the academy trust's charitable activities

	Restricted funds 2024 £	Total funds 2024 £	As restated Total funds 2023 £
DfE/ESFA grants			
General Annual Grant	6,698,684	6,698,684	14,073,029
Other DfE/ESFA grants			
Other DfE/ESFA grants	2,721,092	2,721,092	3,512,834
Higher Value Premium	163,800	163,800	185,400
Mainstream Schools Additional Grant	235,882	235,882	189,058
Teachers Pension Grant	121,490	121,490	735
Pupil premium	113,886	113,886	541,506
Teachers Pay Grant	188,700	188,700	148,150
	<u>10,243,534</u>	<u>10,243,534</u>	<u>18,650,712</u>
Other Government grants			
Local authority grants	34,946	34,946	155,804
	<u>10,278,480</u>	<u>10,278,480</u>	<u>18,806,516</u>
	<u><u>18,806,516</u></u>	<u><u>18,806,516</u></u>	
Total 2023 as restated			

6. Income from other trading activities

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Hire of facilities	164,813	164,813	301,067
Catering income	24,637	24,637	-
Trip income	479,378	479,378	322,084
Other income	326,995	326,995	364,072
Chromebook rental income	163,415	163,415	-
	<u>1,159,238</u>	<u>1,159,238</u>	<u>987,223</u>
	<u><u>987,223</u></u>	<u><u>987,223</u></u>	
Total 2023			

Townley Grammar School Trust
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Notes to the financial statements
for the year ended 31 August 2024

7. Investment income

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Bank interest receivable	8,950	-	8,950	41
Pension income	-	6,000	6,000	-
	<u>8,950</u>	<u>6,000</u>	<u>14,950</u>	<u>41</u>
	<u>41</u>	<u>-</u>	<u>41</u>	
Total 2023				

8. Other incoming resources

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Income from Insurance claims	11,531	11,531	3,628
	<u>11,531</u>	<u>11,531</u>	<u>3,628</u>

9. Expenditure

	Staff Costs 2024 £	Premises 2024 £	Other 2024 £	Total 2024 £	Total 2023 £
Direct costs	7,298,206	-	506,052	7,804,258	12,463,456
Allocated support costs	1,153,167	1,007,438	1,467,329	3,627,934	7,077,307
Other expenditure	-	-	-	-	24,297,348
	<u>8,451,373</u>	<u>1,007,438</u>	<u>1,973,381</u>	<u>11,432,192</u>	<u>43,838,111</u>
	<u>13,554,632</u>	<u>25,944,597</u>	<u>4,338,882</u>	<u>43,838,111</u>	
Total 2023					

Townley Grammar School Trust
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Notes to the financial statements
for the year ended 31 August 2024

10. Other expenditure

	Restricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Transfer of academy out of trust	-	-	24,297,348
	<u> </u>	<u> </u>	<u> </u>
Total 2023	24,297,348	24,297,348	
	<u> </u>	<u> </u>	

11. Analysis of expenditure by activities

	Direct costs 2024 £	Support costs 2024 £	Total funds 2024 £	Total funds 2023 £
Educational operations	7,804,258	3,627,934	11,432,192	19,540,763
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total 2023	12,463,456	7,077,307	19,540,763	
	<u> </u>	<u> </u>	<u> </u>	

Analysis of direct costs

	Educational operations 2024 £	Total funds 2024 £	Total funds 2023 £
Staff costs	7,298,206	7,298,206	11,130,290
Depreciation	20,600	20,600	10,959
Educational supplies	165,876	165,876	248,525
Technology costs	-	-	159,822
Examination fees	223,840	223,840	390,189
Educational consultancy	95,736	95,736	523,671
	<u> </u>	<u> </u>	<u> </u>
	7,804,258	7,804,258	12,463,456
	<u> </u>	<u> </u>	<u> </u>
Total 2023	12,463,456	12,463,456	
	<u> </u>	<u> </u>	

Townley Grammar School Trust
(A company limited by guarantee)

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

11. Analysis of expenditure by activities (continued)

Analysis of support costs

	Educational operations 2024 £	Total funds 2024 £	Total funds 2023 £
Pension interest cost	-	-	26,000
Staff costs	1,153,167	1,153,167	2,424,342
Depreciation	403,444	403,444	1,126,762
Staff development and recruitment costs	74,879	74,879	215,951
Building maintenance	217,975	217,975	453,335
Rent and rates	96,343	96,343	149,096
Light and heat	282,022	282,022	523,196
Cleaning costs	291,265	291,265	539,038
Catering costs	44,523	44,523	183,452
Computer costs	382,957	382,957	526,263
Other occupancy costs	13,991	13,991	35,094
Security and travel costs	2,493	2,493	12,638
Legal and professional fees	102,328	102,328	244,589
Insurance	38,457	38,457	64,595
Other support costs	524,090	524,090	552,956
	<u>3,627,934</u>	<u>3,627,934</u>	<u>7,077,307</u>
Total 2023	<u>7,077,307</u>	<u>7,077,307</u>	

12. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2024 £	2023 £
Operating lease rentals	180,120	31,792
Depreciation of tangible fixed assets	424,045	366,416
Fees paid to auditor for:		
- audit	22,550	23,745
- other services	1,745	2,570

Townley Grammar School Trust
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Notes to the financial statements
for the year ended 31 August 2024

13. Staff

a. Staff costs and employee benefits

Staff costs during the year were as follows:

	2024	2023
	£	£
Wages and salaries	6,315,621	9,816,177
Social security costs	676,592	1,049,843
Pension costs	1,391,539	2,158,603
	8,383,752	13,024,623
Agency staff costs	-	414,874
Staff restructuring costs	67,621	115,135
	8,451,373	13,554,632

Staff restructuring costs comprise:

	2024	2023
	£	£
Redundancy payments	-	108,532
Severance payments	67,621	6,604
	67,621	115,136

b. Severance payments

The academy trust paid 2 severance payments in the year (2023 - 3), disclosed in the following bands:

	2024	2023
	No.	No.
£0 - £25,000	1	3
£50,001 - £100,000	1	-

c. Special staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £58,999 (2023: £6,604). Individually the payments were £9,000 and £49,999 (2023: £6,602, £1 and £1).

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

13. Staff (continued)

d. Staff numbers

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

	2024	2023
	No.	No.
Teachers	95	155
Administration and support	58	103
Management	11	4
	<hr/> 164 <hr/>	<hr/> 262 <hr/>

e. Higher paid staff

The number of employees whose employee benefits exceeded £60,000 was:

	2024	2023
	No.	No.
In the band £60,001 - £70,000	12	20
In the band £70,001 - £80,000	2	8
In the band £80,001 - £90,000	1	-
In the band £90,001 - £100,000	1	1
In the band £100,001 - £110,000	-	1
In the band £130,001 - £140,000	1	-
In the band £140,001 - £150,000	-	2
	<hr/> <hr/>	<hr/> <hr/>

f. Key management personnel

The key management personnel of the academy trust comprise the Trustees and senior management team as listed on page 1. The total amount of key management personnel benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £1,086,268 (2023 - £343,355).

Townley Grammar School Trust
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Notes to the financial statements
for the year ended 31 August 2024

14. Trustees' remuneration and expenses

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

		2024	2023
		£	£
Desmond Deehan (Trustee, resigned 31 December 2022)	Remuneration		45,000 -
	Pension contributions paid		50,000
			5,000 -
			10,000
Navita Pandya (CEO, Trustee from 20 April 2023)	Remuneration	130,000 -	50,000 -
		135,000	55,000
	Pension contributions paid	30,000 -	10,000 -
		35,000	15,000
Daniel Rouse (Staff Trustee)	Remuneration	65,000 -	20,000 -
		70,000	25,000
	Pension contributions paid	15,000 -	5,000 -
		20,000	10,000

During the year, retirement benefits were accruing to 2 Trustees (2023 - 2) in respect of defined benefit pension schemes.

During the year ended 31 August 2024, expenses totalling £149 were reimbursed or paid directly to one Trustee (2023 - £1,850 to one Trustee), for expenditure incurred during their role.

15. Trustees' and Officers' insurance

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

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

16. Tangible fixed assets

	Long-term leasehold property £	Furniture and equipment £	Computer equipment £	Motor vehicles £	Total £
Cost or valuation					
At 1 September 2023	25,462,173	776,970	415,966	28,770	26,683,879
Additions	8,545	40,461	180,130	-	229,136
At 31 August 2024	<u>25,470,718</u>	<u>817,431</u>	<u>596,096</u>	<u>28,770</u>	<u>26,913,015</u>
Depreciation					
At 1 September 2023	2,630,562	748,688	342,580	28,770	3,750,600
Charge for the year	301,565	20,600	101,880	-	424,045
At 31 August 2024	<u>2,932,127</u>	<u>769,288</u>	<u>444,460</u>	<u>28,770</u>	<u>4,174,645</u>
Net book value					
At 31 August 2024	<u>22,538,591</u>	<u>48,143</u>	<u>151,636</u>	<u>-</u>	<u>22,738,370</u>
At 31 August 2023	<u>22,831,611</u>	<u>28,282</u>	<u>73,386</u>	<u>-</u>	<u>22,933,279</u>

Included within leasehold land and buildings is land at a value of £6,728,000 (2023: £6,728,000)

Leasehold land and buildings comprise land and buildings occupied on a 125 year lease granted from the London Borough of Bexley.

17. Stocks

	2024 £	2023 £
Finished goods and goods for resale	<u>3,450</u>	<u>1,784</u>

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

18. Debtors

	2024	2023
	£	£
Due within one year		
Trade debtors	2,150	5,989
Other debtors	100,052	48,963
Prepayments and accrued income	242,934	418,498
	345,136	473,450

19. Creditors: Amounts falling due within one year

	2024	2023
	£	£
Trade creditors	262,501	155,512
Other taxation and social security	158,319	154,725
Other creditors	347,613	452,395
Accruals and deferred income	222,260	239,926
	990,693	1,002,558

	2024	2023
	£	£
Deferred income at 1 September 2023	31,712	71,113
Resources deferred during the year	128,744	31,712
Amounts released from previous periods	(31,712)	(71,113)
	128,744	31,712

At the balance sheet date the Academy Trust was holding funds received in advance for trips and exam remarks.

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

20. Statement of funds

	Balance at 1 September 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2024 £
Unrestricted funds						
General Funds	860,778	1,194,453	(482,415)	(483,161)	-	1,089,655
Restricted funds						
General Annual Grant	-	6,698,684	(7,008,937)	310,253	-	-
Pupil Premium	-	113,886	(113,886)	-	-	-
Other DfE/EFSA Grants	-	97,138	(97,138)	-	-	-
16-19 Allocation	-	2,658,900	(2,658,900)	-	-	-
16-19 Higher Value Premium	-	163,800	(163,800)	-	-	-
Mainstream Schools Additional Grant	-	235,882	(235,882)	-	-	-
Teachers Pay Additional Grant	-	121,490	(121,490)	-	-	-
Teachers Pension Grant	-	188,700	(188,700)	-	-	-
Pension reserve	(49,000)	6,000	63,000	-	(20,000)	-
	(49,000)	10,284,480	(10,525,733)	310,253	(20,000)	-
Restricted fixed asset funds						
Restricted fixed asset fund	22,933,279	-	(424,044)	229,135	-	22,738,370
DfE/ESFA capital grant	-	32,487	-	(32,487)	-	-
Other capital	63,458	-	-	(23,740)	-	39,718
	22,996,737	32,487	(424,044)	172,908	-	22,778,088
Total Restricted funds	22,947,737	10,316,967	(10,949,777)	483,161	(20,000)	22,778,088
Total funds	23,808,515	11,511,420	(11,432,192)	-	(20,000)	23,867,743

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

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

20. Statement of funds (continued)

Unrestricted funds are applied to the general work of the Academy Trust to support activities inside and outside the curriculum.

GAG represents funds to be used to cover the normal running costs of the Academy Trust.

Pupil premium funding is provided in order to be used to support disadvantaged pupils and to assist them in decreasing the attainment gap between those pupils and their peers.

The Mainstream school additional grant is a one off grant for the period 2023 - 2024, and is additional funding to schools allocations through the school national funding formula schools through the cost of living crisis.

Teachers' pay and pension grants are to provide support to schools in respect of the teachers' pay awards.

Other DfE/ESFA grants represents grants provided for specific purposes, such as rates relief.

Other government grants represent those grants provided for specific purposes to provide additional support to the pupils where required.

The Restricted Fixed Asset Fund represents the net book value of tangible fixed assets. Transfers within this section were made to ensure the analysis correctly reflected tangible fixed assets and capital grants available to spend.

The DfE/ESFA capital grants fund is to provide the Academy Trust with its own capital money to address improvements to buildings and other facilities.

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

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

20. Statement of funds (continued)

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

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
Unrestricted funds						
General Funds	534,285	1,013,343	(493,357)	(193,493)	-	860,778
Restricted general funds						
General Annual Grant	64,904	13,169,301	(12,240,470)	(993,735)	-	-
Pupil Premium	-	541,506	(541,506)	-	-	-
Bursary fund	-	36,011	(36,011)	-	-	-
Other DfE/EFSA Grants	-	1,197,658	(1,197,658)	-	-	-
Other Government Grants	-	155,804	(155,804)	-	-	-
16-19 Allocation	-	3,706,236	(3,706,236)	-	-	-
Transfer out of academy trust	-	-	(517,908)	517,908	-	-
Pension reserve	(1,653,000)	-	(32,000)	897,000	739,000	(49,000)
	(1,588,096)	18,806,516	(18,427,593)	421,173	739,000	(49,000)
Restricted fixed asset funds						
Restricted fixed asset fund	47,542,101	-	(1,137,721)	(23,471,101)	-	22,933,279
Transfer out of academy trust	-	-	(23,779,440)	23,779,440	-	-
Other capital	485,133	114,344	-	(536,019)	-	63,458
	48,027,234	114,344	(24,917,161)	(227,680)	-	22,996,737
Total Restricted funds	46,439,138	18,920,860	(43,344,754)	193,493	739,000	22,947,737
Total funds	46,973,423	19,934,203	(43,838,111)	-	739,000	23,808,515

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Notes to the financial statements
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20. Statement of funds (continued)

Total funds analysis by academy

Fund balances for each academy at 31 August 2024 and 31 August 2023 were zero, hence a breakdown by academy is not included in these accounts.

Total cost analysis by academy

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2024 £	Total 2023 £
Townley Grammar school Trust	-	-	-	-	-	228,718
Townley Grammar School	7,298,206	1,153,167	485,452	2,071,323	11,008,148	9,556,369
King Henry School	-	-	-	-	-	32,915,303
Academy trust	7,298,206	1,153,167	485,452	2,071,323	11,008,148	42,700,390

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Notes to the financial statements
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21. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2024 £	Restricted fixed asset funds 2024 £	Total funds 2024 £
Tangible fixed assets	-	22,738,370	22,738,370
Current assets	2,080,348	39,718	2,120,066
Creditors due within one year	(990,693)	-	(990,693)
Total	1,089,655	22,778,088	23,867,743

Analysis of net assets between funds - prior period

	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £
Tangible fixed assets	-	-	22,933,279	22,933,279
Current assets	1,281,741	581,595	63,458	1,926,794
Creditors due within one year	(420,963)	(581,595)	-	(1,002,558)
Provisions for liabilities and charges	-	(49,000)	-	(49,000)
Total	860,778	(49,000)	22,996,737	23,808,515

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Notes to the financial statements
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22. Reconciliation of net income/(expenditure) to net cash flow from operating activities

	2024 £	2023 £
Net income/(expenditure) for the period (as per statement of financial activities)	79,228	(23,903,908)
Adjustments for:		
Depreciation	424,045	1,137,721
Capital grants from DfE and other capital income	(32,487)	(114,344)
Interest receivable	(8,950)	(41)
Defined benefit pension scheme cost less contributions payable	(63,000)	26,000
Defined benefit pension scheme finance cost	(6,000)	6,000
(Increase)/decrease in stocks	(1,666)	432
Decrease in debtors	128,314	868,653
Decrease in creditors	(11,865)	(646,221)
Transfer of fixed assets from existing academy out of trust	-	24,052,483
Transfer of LGPS pension obligation from existing academy out of trust	-	(897,000)
Net cash provided by operating activities	507,619	529,775

23. Cash flows from financing activities

	2024 £	2023 £
Repayments of borrowing	-	(64,482)
Net cash provided by/(used in) financing activities	-	(64,482)

24. Cash flows from investing activities

	2024 £	2023 £
Dividends, interest and rents from investments	8,950	41
Purchase of tangible fixed assets	(229,136)	(581,382)
Capital grants from DfE Group	32,487	114,344
Net cash used in investing activities	(187,699)	(466,997)

**Notes to the financial statements
for the year ended 31 August 2024**

25. Analysis of cash and cash equivalents

	2024 £	2023 £
Cash in hand and at bank	1,771,480	1,451,560
Total cash and cash equivalents	1,771,480	1,451,560

26. Analysis of changes in net debt

	At 1 September 2023 £	Cash flows £	At 31 August 2024 £
Cash at bank and in hand	1,451,560	319,920	1,771,480
	1,451,560	319,920	1,771,480

27. Pension commitments

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

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

Contributions amounting to £172,387 were payable to the schemes at 31 August 2024 (2023 - £144,421) and are included within creditors.

Teachers' Pension Scheme

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

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

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

27. Pension commitments (continued)

Valuation of the Teachers' Pension Scheme

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

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

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

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

The employer's pension costs paid to TPS in the year amounted to £1,188,286 (2023 - £1,709,181).

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

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The academy trust is unable to identify its share of the underlying assets and liabilities of the plan. Accordingly, the academy trust has taken advantage of the exemption in FRS102 and has accounted for its contributions to the scheme as if it were a defined contribution scheme. The academy trust has set out above the information available on the scheme.

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2024 was £378,000 (2023 - £397,000), of which employer's contributions totalled £304,000 (2023 - £308,000) and employees' contributions totalled £74,000 (2023 - £89,000). The agreed contribution rates for future years are 22.3 per cent for employers and 5.5 to 12.5 per cent for employees.

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

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

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27. Pension commitments (continued)

Principal actuarial assumptions

	2024	2023
	%	%
Rate of increase in salaries	4.1	4.3
Rate of increase for pensions in payment/inflation	2.7	2.9
Discount rate for scheme liabilities	5.0	5.4
Inflation assumption (CPI)	2.6	2.8

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

	2024	2023
	Years	Years
Retiring today		
Males	21.4	21.4
Females	23.7	23.6
Retiring in 20 years		
Males	22.3	22.3
Females	25.4	25.4

Sensitivity analysis

	2024	2023
	£000	£000
Discount rate +0.1%	(930)	(83,000)
Discount rate -0.1%	950	84,000
Mortality assumption - 1 year increase	133,000	116,000
Mortality assumption - 1 year decrease	130,000	(114,000)
CPI rate +0.1%	950	85,000
CPI rate -0.1%	(930)	(83,000)

Share of scheme assets

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Notes to the financial statements
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27. Pension commitments (continued)

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

	At 31 August 2024 £	At 31 August 2023 £
Equities	2,546,000	1,810,000
Other bonds	1,751,000	542,000
Government bonds	-	711,000
Property	469,000	760,000
Cash and other liquid assets	74,000	104,000
Other assets	1,325,000	1,543,000
Total market value of assets	6,165,000	5,470,000

The actual return on scheme assets was £505,000 (2023 - £423,000).

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

	2024 £	2023 £
Current service cost	201,000	298,000
Interest income	(301,000)	(227,000)
Interest cost	295,000	253,000
Administrative expenses	15,000	16,000
Total amount recognised in the Statement of financial activities	210,000	340,000

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

	2024 £	2023 £
At 1 September 2023	5,519,000	16,589,000
Transferred out on existing academies leaving the trust	-	(10,664,000)
Interest cost	295,000	253,000
Employee contributions	74,000	89,000
Actuarial losses/(gains)	145,000	(873,000)
Benefits paid	(173,000)	(173,000)
Current service cost	201,000	298,000
Plan introductions, benefit changes, curtailments and settlements	25,000	-
Asset ceiling restriction	79,000	-
At 31 August 2024	6,165,000	5,519,000

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Notes to the financial statements
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27. Pension commitments (continued)

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

	2024	2023
	£	£
At 1 September 2023	5,470,000	14,936,000
Transferred out on existing academies leaving the trust	-	(9,767,000)
Interest income	301,000	227,000
Actuarial gains/(losses)	204,000	(134,000)
Employer contributions	304,000	308,000
Employee contributions	74,000	89,000
Benefits paid	(173,000)	(173,000)
Administrative expenses	(15,000)	(16,000)
At 31 August 2024	6,165,000	5,470,000

As set out in note 3, the plan surplus as at 31 August 2024 was £79,000 (2023: liability £49,000). The trustees, are not expecting to recover the surplus through reduced contributions and they do not anticipate receiving any refunds from the plan and therefore the net surplus recognised within the financial statements has been restricted to £NIL.

28. Operating lease commitments

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

	2024	2023
	£	£
Not later than 1 year	60,717	25,794
Later than 1 year and not later than 5 years	34,639	21,078
	95,356	46,872

29. Members' liability

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

Notes to the financial statements
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30. Related party transactions

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

During the year the school donated the hire of 10 classrooms and use of land to The YOG foundation, a charity which C Halai, a trustee, and B Pathak, brother of N Pandya, CEO/Accounting officer, are also trustees. Under normal trading arrangements the charge for this letting would amount to equivalent fees of £18,750.

During the year Mr R Hancock-Jones, the Husband of Mr M Hancock-Jones, a Trustee, was employed at Townley Grammar School Trust. Mr R Hancock-Jones was employed by the Trust prior to Mr M Hancock-Jones appointment. R Hancock-Jones is paid within the normal pay scale for his role and receives no special treatment as a result of his relationship to a trustee.

31. Post balance sheet events

After the year end the Trustees commissioned an investigation by a third party into allegations of potential breaches of ESFA requirements. The findings of which identified potential instances of non-compliance with the Academy Trust Handbook, the Trustees are taking advice on appropriate actions and draw your attention to the Statement of regularity, propriety and compliance on page 24.

32. Agency arrangements

The Academy Trust distributes 16-19 bursary funds as an agent for ESFA. In the accounting period ending 31 August 2024 the academy trust received £46,729 (2023: £41,212) and disbursed £22,040 (2023: £19,070) from the fund. An amount of £128,744 (2023: £150,813) is included in other creditors. Any remaining undistributed funds at the end of the following year will be repayable to ESFA.

33. Controlling party

The academy trust is run by the management team on a day to day basis. Strategic decisions are made by the Board of Trustees. There is no ultimate controlling party.