

Company Registration Number: 07652902 (England & Wales)

SOUTH FARNHAM EDUCATIONAL TRUST
(A company limited by guarantee)

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

SOUTH FARNHAM EDUCATIONAL TRUST
(A company limited by guarantee)

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REFERENCE AND ADMINISTRATIVE DETAILS

Members

F Bodenham
G Knights
C Lennard
L Ross
S Twiselton

Trustees

A Carter, (CEO and Accounting Officer)
A Abid
K Boyce
A Chester
C Handley (resigned 31 August 2024)
G Kendall
C Lennard, (Vice Chair)
S Patterson
J Pratt
L Ross, (Chair)
S Shoveller

Company registered number

07652902

Company name

South Farnham Educational Trust

Principal and registered office

South Farnham School
Menin Way
Farnham
Surrey
GU9 8DY

Company secretary

C Booth

Chief executive officer

A Carter

Senior management team

A Carter, Chief Executive Officer
C Harnden, Deputy Chief Executive Officer, Director of Teaching School Hub & Director of Surrey South Farnham SCITT
C Booth, Chief Financial & Operations Officer
A-M Bahaire, Director of ITT
C Donnachie, Deputy Director of Teaching School Hub
E Franks, Headteacher South Farnham School
G West, Headteacher Highfield South Farnham School
E C McQueen, Headteacher The Raleigh School

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

K Muir, Headteacher Wallace Fields Infant School & Nursery
D Heatley, Headteacher Busbridge Infant School
J Allen, Headteacher Great Bookham School
C Edwards, Headteacher Brighton Hill Community School
J Downing, Trust Headteacher
J Halsey (From 1st June 2024), Headteacher The Blue Coat School Basingstoke
J Franks (From 1st July 2024), Headteacher Normandy Village school
L Herring (From 1st September 2024), Headteacher Kings Furlong Infant School & Nursery

Independent auditors

James Cowper Kreston Audit
Chartered Accountants Statutory Auditors
Reading Bridge House
George Street
Reading
RG1 8LS

Bankers

HSBC
33 The Borough
Farnham
Surrey
GU9 7NJ

Solicitors

Browne Jacobson
Mowbray House
Castle Meadow Road
Nottingham
NG2 1BJ

SOUTH FARNHAM EDUCATIONAL 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 auditor's report of the charitable company for the period 1 September 2023 to 31 August 2024. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

Structure, Governance and Management

Constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust.

The Trustees of South Farnham Educational Trust are also the directors of the charitable company for the purposes of company law. The charitable company operates as South Farnham Educational Trust.

The Academy Trust was incorporated on 31st May 2011 and opened as an Academy on 1st July 2011 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.

Details of the trustees who served during the year are included in the Reference and Administrative Details on page 1.

The trust operates three infant academies, five primary academies and two secondary academies in the south-east of England. Its academies have a combined pupils on roll of 4,867 (excluding 155 nursery children) in the school census on 3 October 2024.

Members' Liability

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

Trustees' Indemnities

The Trust has joined the Department for Education's risk protection scheme that offers indemnity to cover Trustees and officers in respect of losses arising as a result of claims arising from negligent acts, errors or omissions occurring whilst on Trust business. The limit of the indemnity is £10,000,000.

Principal activities

The principal activity of the academy trust is to advance for the public benefit by establishing, maintaining and carrying on managing and developing the schools offering a broad and balanced curriculum and training teachers through the SCITT and Teaching School Hub.

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

Structure, Governance and Management (continued)

Method of Recruitment and Appointment or Election of Trustees

The members may appoint up to six directors through ordinary resolution. The Academy Trust may also appoint any Co-opted Trustee. Parent and staff representatives are within the local governing body at each individual school.

The Board of Trustees have overall responsibility and ultimate decision making authority for all work of the Trust including the establishing and running of the academies operated by the Trust. In order to assist with the discharge of their responsibilities, the Directors have established a Local Governing Body for each academy pursuant to Articles 100 to 104 of the Articles of Association of the Trust. This arrangement will be reviewed annually. The Trust has updated its articles to the latest model from the DfE with a minimum size of three and is not subject to any maximum.

Trustees and Local Governors are appointed for a 4 year period. Subject to remaining eligible to be a particular type of Governor, any Governors can be re-appointed or re-elected.

When appointing new Trustees, the Trust Board will give consideration to the skills and experience mix of existing Trustees in order to ensure the Trust Board has the necessary skills to contribute fully in the Trust's development.

Policies and Procedures Adopted for the Induction and Training of Trustees

Trustees are appointed based on the skills that they will bring to the Trust Board. Trustees receive information relating to the Trust and attend a briefing and receive an induction pack on the role and responsibilities of Trustees. There is a SFET Governance Portal on SharePoint providing access to information needed to undertake their Governance roles. The Trust has a service level agreement for Trustee support and training for Trustees and Local Governing Members is offered through this NGA training programme. All Trustees and Local Governors are members of the NGA and have access to the induction and other training courses on offer. Safeguarding, Health & Safety, Fire Safety and GDPR training is also offered though the Every training module and Cyber-Security training is provided via the NCSC training module.

During the period Trustees and Local Governors were offered all necessary training though a mixture of in-house and external courses and webinars. Training was a mixture of in person and online during 2023-24..

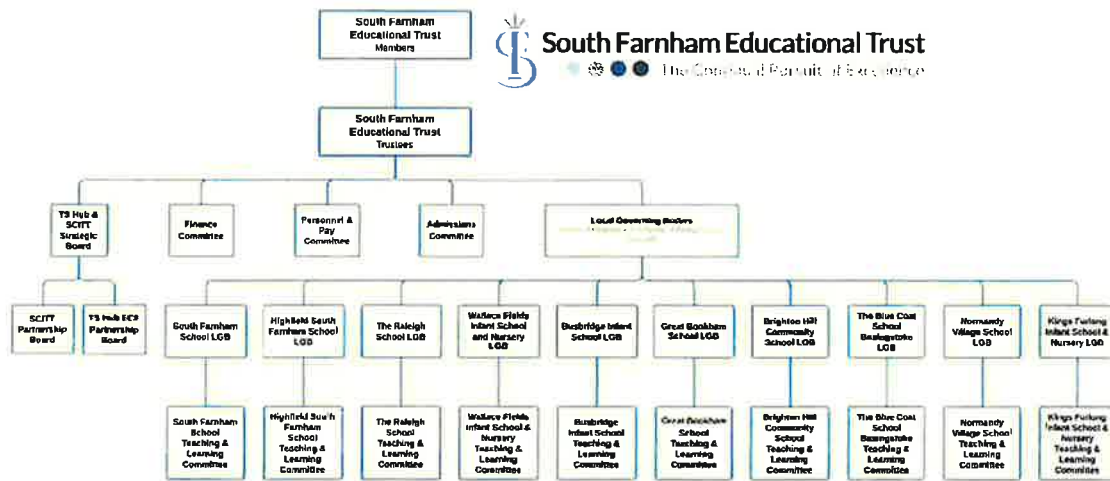
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024

Structure, Governance and Management (continued)

Organisational Structure

The Trust Board normally meets twice each term. The Trust Board establishes an overall framework for the governance of the Academy Trust and determines membership, terms of reference and procedures of Committees of the Trust Board and other groups. It receives reports including policies from its Committees for ratification. It monitors the activities of the Committees through the minutes of their meetings. The Trust Board may from time to time establish working groups to perform specific tasks over a limited timescale.



The structure consists of four levels: the Trustees, Local Governing Body Members, Senior Leadership Team and Middle Leadership/Heads of Year & Curriculum faculties. The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels.

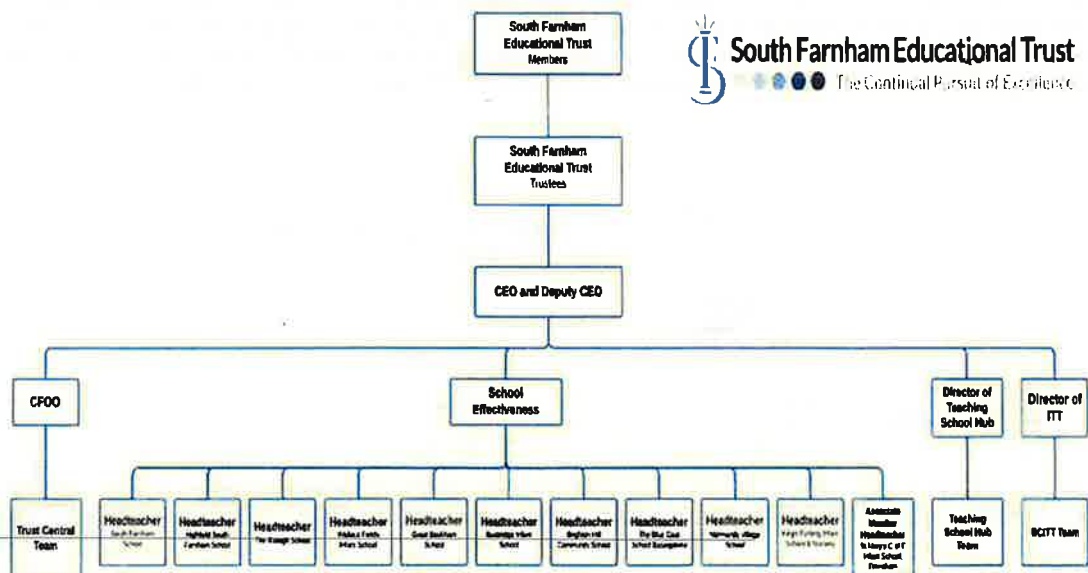
The Trustees are responsible for setting general policy, adopting an annual development plan and budget, approving the annual statutory accounts, monitoring the Trust by the use of budgets and other data, and making major decisions about the direction of the Trust, capital expenditure and senior staff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

The Trustees have devolved the day-to-day management of the Academy Trust to the Trust Senior Leadership Team ('SLT'). The Trust SLT consists of the Chief Executive Officer, the Deputy Chief Executive Officer (also Director of the Teaching School Hub), the Chief Financial & Operations Officer, the Director of ITT, the Deputy Director of the Teaching School Hub, and the Headteachers. These leaders control the Trust at an executive level implementing the policies laid down by the Trustees and reporting back to them.

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

Structure, Governance and Management (continued)



The Trust Board has fourteen sub-committees. Each sub-committee has its own terms of reference detailing the responsibilities discharged to the sub-committee, to the Chief Executive Officer (the Accounting Officer) and to the Senior Management Team. The terms of reference and meeting frequency for each sub-committee is reviewed and approved by the Board of Directors annually. The terms of reference for the Finance Sub-Committee detail the authorised spending limits.

The sub-committees of the Trust Board are the:

- Finance Committee (including the functions of an audit and risk committee)
- Pay, Personnel & Performance Committee
- Admissions Committee
- South Farnham School Local Governing Body
- Highfield South Farnham Local Governing Body
- The Raleigh School Local Governing Body
- Waller Fields Infant School and Nursery Local Governing Body
- Busbridge Infant School Local Governing Body
- Great Bookham School Local Governing Body
- Brighton Hill Community School Local Governing Body
- The Blue Coat School Basingstoke Local Governing Body
- Normandy Village School Local Governing Body
- Kings Furlong Infant School & Nursery Local Governing Body
- TSH & SCITT Strategic Board

On 30th November 2022 South Farnham Enterprises was incorporated (Co Number: 14515949) as a wholly owned subsidiary of South Farnham Educational Trust and results for this company are included in these financial statements. This trading company runs a Pre-School and Before & After School Care and Extended Day Activities at Great Bookham School, Normandy Village School and Busbridge Infant School. It also runs the lettings facilities at The Blue Coat School Basingstoke

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TRUSTEES' REPORT (CONTINUED)
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Structure, Governance and Management (continued)

Arrangements for setting pay and remuneration of key management personnel

The Pay Committee meet at least once a year to discuss the performance of senior leadership and the arrangements for setting the pay and remuneration of all key management personnel. External advice has been taken by the committee from an external consultant who reviewed the procedures used for this process. Remuneration is set at appropriate levels taken from the school leadership scales, taking into account performance review. The Pay, Personnel & Performance Committee sets the remuneration for the CEO. Benchmarking for this has been used from the Queens Street Group and CST data.

Trade Union Facility Time

Under the provisions of the Trade Union (Facility Time Publication Requirements) Regulations 2020, where an academy trust has more than 49 full time equivalent employees throughout any 7 months within the reporting period, it must include information included in Schedule 2 of the Regulations.

There were no employees who were relevant union officials during the relevant period.

Related Parties and other Connected Charities and Organisations

There are no related parties which either control or significantly influence the decisions and operations of the Trust. Some of the Academies within the Trust have a PTA that raises money for the schools through fundraising activities. South Farnham School, The Raleigh School and Great Bookham School also have charitable trusts that raise additional funds for their school. South Farnham School Services Ltd is a wholly owned subsidiary of South Farnham School Trust. None of these organisations are controlled by South Farnham Educational Trust and are not included within these financial statement.

Engagement with employees (including disabled persons)

All employees are given an induction pack and relevant training on joining the trust. Policies and procedures are available to all staff on SharePoint and the Employee Portal and staff are made aware of the factors that affect the wellbeing and performance of children in school. Regular staff meetings ensure staff are involved in decision making and that their views are considered. Applications for job vacancies that arise are welcomed from all, including employees who are disabled. Any employee that may become disabled whilst working for the Trust would be given suitable support with the guidance of occupational health specialists. Training, career development and promotion is encouraged for all staff including disabled employees.

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

The Trust, each school, the SCITT and the Teaching School Hub all keep their websites up to date with current news and key performance data information to ensure maximum engagement with all of their stakeholders. This includes parents, pupils, staff, trustees, local governors, trade suppliers, customers and the wider community. Staff continually work hard to build a community, engage with other schools and inspire those people they work with. The regular publication of newsletters at each school ensures parents and other stakeholders are kept up to date with current news and remain fully engaged with the schools.

Objectives and Activities

Objects and Aims

The principal objects of the company as set out in its Articles of Association are to advance for the public benefit

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

(continued)

education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing schools offering a broad and balanced curriculum.

Whilst all schools in our Trust will have their distinctive features, all will show commitment to, and be accountable for, a shared drive for excellence in all aspects of educational provision. All staff will be valued and will be provided with a safe and professional working environment.

There will be high expectation and challenge for every pupil to fully develop and achieve intellectually, physically, socially and aesthetically.

All policies, procedures and practices will be developed in conjunction with stakeholders, as appropriate, and directed, approved and monitored by the Trust.

All pupils are encouraged to:-

- develop into happy and confident individuals with a secure foundation in learning that will last throughout their lives.
- develop lively and enquiring minds through knowledge with understanding.
- establish a command of the subjects contained in the National Curriculum.
- value and understand religious and moral beliefs, develop a respect for the views of others and an understanding of British values.
- understand something of the world in which we live with regard for our mutual dependence on others as individuals, groups and nations.
- appreciate human achievements and aspirations.

All schools in the Trust will provide:-

- a school environment in which children can enjoy learning and developing social skills with others.
- a differentiated and challenging curriculum including rigorous assessment procedures which ensures that no child is overlooked and every child succeeds.
- whole school and individual staff professional development which ensures the highest quality of teaching and learning.
- whole-school procedures and practices which ensure consistency and clarity of approach to the education of the children representative of the principles and aims above.

The Trust and all member schools will aim to:-

- play their part in raising national standards in education through sharing good practice with other school and teachers across the country.
- take a leading role in national initiatives and be in the forefront of educational thinking and improvement.

The Academy Trust has the responsibility and authority to ensure that all schools within the Trust fulfil the principles and aims outlined above.

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

(continued)

Activities



South Farnham School is one of only 87 schools in England selected to be designated as a Teaching School Hub. Each hub works with a designated area ensuring coverage across the country, serving on average between 250 to 350 schools each. They provide high-quality professional development to teachers and leaders at all stages of their career and play a key role in helping to build up trainee teachers as they enter the workforce, allowing every child to receive a world-class start in life no matter where they are born.

Following a highly successful first three years we are delighted to announce that, after a stringent review, SFET TSH has been redesignated for a further four years enabling us to continue this important strategic role which places us at the heart of the national educational agenda.

The SFET Teaching School Hub leads the SE 11 region (300+ schools in Guildford, Waverley, Rushmoor, Hart, East Hampshire, Basingstoke and Deane) whilst continuing to work with current SCITT partner schools across Surrey, Sussex, Berkshire, Hampshire and the London Boroughs. Relationships with neighbouring Teaching School Hubs, curriculum hubs and national providers are established to draw upon the best of regional and national expertise as South Farnham School delivers some of the most exciting changes to teacher development in a generation.



The SFET Teaching School Hub has met or exceeded all key performance indicators each term (KPIs) and has been identified as a Teach First 'high performing hub'. The hub is asked to share best practice across the national network through training/case-studies/conferences/strategic reference groups and leading national advisory boards and working groups.

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

(continued)

South Farnham School's designation as a Teaching School Hub has recognised the substantial contribution that it makes to teacher development in the area.

More information on Teaching School Hubs is available here:

SFET Teaching School Hub provides high-quality professional development to teachers and leaders at all stages of their careers from ITT through to executive leaders.

- School Based Initial teacher training (ITT) - South Farnham SCITT trained 140 trainees in 2023-24 and is currently training 200 trainees (139 primary and 61 secondary). Secondary provision officially commenced in September 2024 with cohorts based in Guildford and Basingstoke.
- The early career framework - we are currently training over 700 new teachers and their mentors as part of a two-year programme.
- The new specialist national professional qualification (NPQ) and the revised leadership NPQs (we have recruited over 1,400 2021 - present).
- Appropriate Body Service for early career teachers ((we are assessing over 800 Early Career Teachers). This service is built around the three main responsibilities of administration, quality assurance and supporting & monitoring
- The Teaching School Hub works with South Farnham School to offer professional development for Teaching Assistants. Tutorial/workshops are delivered at South Farnham School and virtually throughout the year. Each candidate has personalised training plan with tailored online learning modules to work through
- Early Years Educators. The NCFE Level 3 Diploma for the Early Years Workforce is a comprehensive qualification designed for individuals either working in, or who wish to work in, the early years sector. The course is suitable for those looking to enhance their existing knowledge and skills or those who are embarking on a career in this field.

The Teaching School Hub website provides full information regarding the wealth of opportunities available to teachers, leaders and schools in the region: www.tshubsfet.org.uk.

The Teaching School Hub website provides full information regarding the wealth of opportunities available to teachers, leaders and schools in the region: www.tshubsfet.org.uk. The Teaching School Hub newsletter is sent to over 1,400 subscribers in a user-friendly electronic format.

TSH Reporting and Monitoring

For the TSH programme to retain credibility, the Department for Education (DfE) carefully monitors the performance and continued eligibility of TSHs on a termly and annual basis. This leads to an overall rating based on a combined assessment of delivery, eligibility and probity, as set out in the conditions of designation (CoD) agreement. This rating is used to identify schools requiring a formal review of designation (RoD) and, if necessary, determine whether the school continues as a TSH. As a Hub we submit detailed delivery plans and complete termly and annual reporting on finance, delivery activity and Key Performance Indicators (KPIs) through an online reporting system. Before we commence delivery for each academic year, we work with the department to agree delivery plan and a set of KPIs which are used as the basis for monitoring.

- Termly monitoring - each term, we submit data on the online reporting system against the KPIs in our delivery plan.
- Annual Review - following the final reporting date of the academic year, an annual review takes place where the department use a combination of elements to review our performance, including KPIs, school performance.

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

(continued)

Teaching School Hub Council

In April the Department for Education made an announcement that the Teaching School Hub Council and Central Team will no longer be funded beyond the end of the initial designation period at the end of August 2024. This was a blow for the network although support is available via our Lead Relationship Owner (LRO), and DfE will continue to facilitate regional forums and will also share regular communications and updates moving forward. The Council itself will continue in an advisory capacity and meetings are underway with the new government. Claire Harnden will continue to chair the ITT Advisory Board and to remain on the Council. Claire Donnachie will continue chairing the national Appropriate Body Network.

Schools Alliance for Excellence (SAfE);

As part of Surrey Teaching Schools Network we have been instrumental in the development of Surrey Schools Alliance for Excellence (SAfE); a collaboration with the Surrey Phase Councils and Surrey County Council to develop and deliver a sustained approach to support outstanding teaching, learning and leadership in schools. We have provided case studies of best practice, Headteacher training on safe and effective remote recruitment and input into a school audit to consider post-COVID recovery in education and the importance of quality first teaching. We continue to provide training materials and facilitators for schools in the Region and are commissioned to run programmes on behalf of SAfE each year.

South Farnham SCITT

South Farnham has an established role in the training of teachers having been a Recommending Body in its own right, part of the Surrey Designated and Accredited Recommending Body and then the Surrey Primary EBITT. In September 2012, in collaboration with Surrey LA and Babcock International, the Surrey South Farnham SCITT opened providing much needed primary ITT provision in the county of Surrey and surrounding areas. On 1st September 2016 the SCITT was migrated to South Farnham Educational Trust.

The programme is built around a trainee having an on-going experience in one host school together with a six-week experience in a contrasting school and several subject-related short experiences. Types of programme include School Direct Tuition Fee, School Direct Salaried, Postgraduate Teacher Apprenticeships and Assessment Only.

South Farnham SCITT are nationally recognised for school direct recruitment, quality of provision and employment and are the largest Primary SCITT operating in Surrey. In March 2014 and July 2023 OFSTED inspection teams described South Farnham SCITT as 'Outstanding' in all categories (described practice as 'exemplary'). Following a rigorous redesignation process, the Department for Education has accredited the SCITT to deliver ITT post-2024. The accreditation process was designed to ensure that all ITT providers can deliver high-quality ITT against new quality requirements.

Sir Andrew Carter, KBE (CEO of South Farnham Educational Trust) is regularly invited to speak at national conferences and educational events about the future of ITT, QTS and has chaired the Trailblazer employer group for the new Postgraduate Teacher Apprenticeship (a post taken up by our Deputy CEO & Director of TS Hub, Claire Harnden). In 2015, Andrew was asked to conduct a national review of ITT and a report containing recommendations for Government was published (The Carter Review). Three significant reports followed to develop three important recommendations (training on behaviour management, a core curriculum for ITT and national mentor standards). South Farnham SCITT is proud to feature as a case study in the national mentor standards.

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TRUSTEES' REPORT (CONTINUED)
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(continued)

For 2024-25 there are 200 trainees. This provides extensive CPD opportunities for the class teachers, mentors and Support Tutors who work with the trainees as well as the wide team of staff who plan and deliver the training.

The class of 2022-23 celebrated their SCITT Graduation with a ceremony at Guildford Cathedral in October, 2023. We are fortunate to have Russell Hobby, CBE (CEO) of Teach First to present certificates. The class of 2023-24 will be celebrating their graduation in October 2024.



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TRUSTEES' REPORT (CONTINUED)
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(continued)

EPAO National Work

SFET and SSF SCITT are an End Point Assessment Organisation (EPAO) with responsibility for conducting the final assessment of apprentices trained by other teacher training providers. Our service runs nationally, and we have recently acquired contracts with the University of Derby, the University of Buckingham and the National Institute of Teaching. In 2024-25 we will be completing 477 assessments.



Public Benefit

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on Public Benefit when reviewing the charity's aim and objectives and in planning future activities. In particular the trustees consider how planned activities will contribute to the aims and objectives they have set.

The Trustees confirm that they have complied with the requirement in the Charities Act 2011 to have due regard to the Charity Commission general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Trust's aims and objectives and in planning its future activities.

The Trust aims to advance for the public benefit education in the Surrey area and the surrounding area, offering a broad curriculum.

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TRUSTEES' REPORT (CONTINUED)
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(continued)

Strategic Report

The Academy Trust has continued to work on the priorities set out in development plans approved by the Trust Board. Notable achievements this year are included below:

The Trust faces a number of principal risks as set out in the 'Principal Risks and Uncertainties' section. The Trust uses various financial instruments including cash and items such as trade debtors and trade creditors that arise directly from its operations.

The existence of these financial instruments exposes the school to a number of financial risks which are described in more detail below.

The main risks arising from the financial statements are cash flow, interest rate risk and credit risk. The trust seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably. The trust seeks to manage its cash reserves to ensure liabilities are settled as they fall due.

Achievements and Performance

Key Stage 2 Results

We are delighted with our 2023-24 End of Key Stage 2 Results.

South Farnham School					Highfield School					The Raleigh School				Great Beokham School					Normandy Village School					
Year	Reading	Writing	Maths	Overall	Year	Reading	Writing	Maths	Overall	Year	Reading	Writing	Maths	Overall	Year	Reading	Writing	Maths	Overall	Year	Reading	Writing	Maths	Overall

Children achieving expected standard

Year	National	Reading	Writing	Maths	Overall	Reading	Writing	Maths	Overall	Reading	Writing	Maths	Overall	Reading	Writing	Maths	Overall	Reading	Writing	Maths	Overall			
2022-23	School	100%	100%	100%	100%	86%	91%	88%	91%	95%	95%	95%	100%	100%	53%	71%	74%	74%	71%	68%	79%	86%	86%	83%
2023-24	School	100%	100%	100%	100%	83%	83%	90%	86%	93%	94%	97%	98%	97%	88%	93%	88%	88%	95%	60%	76%	73%	73%	76%

Children achieving higher standard (Greater Depth - %):

Year	National	Reading	Writing	Maths	Overall	Reading	Writing	Maths	Overall	Reading	Writing	Maths	Overall	Reading	Writing	Maths	Overall	Reading	Writing	Maths	Overall					
2022-23	School	48%	69%	75%	84%	24%	13%	50%	22%	52%	39%	42%	66%	47%	83%	73%	11%	39%	21%	42%	37%	11%	39%	21%	43%	14%
2023-24	School	51%	71%	75%	85%	73%	12%	32%	17%	40%	41%	38%	50%	45%	72%	64%	23%	35%	33%	58%	60%	8%	28%	13%	31%	25%

© 2023-2024 based on Teacher Assessment conducted in March 2023 and May 2024. Entered on raw data to FFT Archive (2023-24). FFT Archive used in absence of national data.

KS2 Progress (to be read alongside Arbor reports and FFT):

Year	South Farnham School				Highfield School				The Raleigh School				Great Beokham School				Normandy Village School									
	Reading	Writing	Maths	Overall	Reading	Writing	Maths	Overall	Reading	Writing	Maths	Overall	Reading	Writing	Maths	Overall	Reading	Writing	Maths	Overall						
2022-23	FFT National Average scaled score	105	104.2	104.8	104.8	105	101.7	105.9	104.1	101	101.7	103.9	101.8	105	101.7	103.9	101.8	105	101.7	103.9	101.8	105	101.7	103.9	101.8	105
	Average scaled score	113	114	114	113	109	104.3	109.9	107.8	112.2	107.8	114.6	112.5	106.4	101.9	106.1	105.9	107	108	105	107	108	105	107	108	105
	VA	4.2	4.2	4.2	4.2	2.4	2.6	2.5	2.5	4.9	4.1	4.7	4.2	2.1	2.9	2.8	2.8	2.1	2.9	2.8	2.8	2.1	2.9	2.8	2.8	
2023-24	FFT National Average scaled score	105	104.2	104.8	104.8	105	101.7	105.9	104.1	101	101.7	103.9	101.8	105	101.7	103.9	101.8	105	101.7	103.9	101.8	105	101.7	103.9	101.8	105
	Average scaled score	112.6	113	114.8	112.2	106.4	104.4	107.7	107.9	118.9	107.3	118.3	110.9	108.3	105.1	109.6	110.9	108	108	105	108	108	105	108	108	105
	VA	4.6	4.7	4.7	4.6	3.6	3.1	3.6	3.8	7.8	5.6	4.9	5.7	2.5	3.5	3.1	3.1	2.5	3.5	3.1	3.1	2.5	3.5	3.1	3.1	

Key Stage 1 Results

We are also delighted with our 2023-24 End of Key Stage 1 Results

**SOUTH FARNHAM EDUCATIONAL TRUST
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**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024**

(continued)

		South Farnham School Contact: 01253 751181 01253 751182 01253 751183 01253 751184	Highfield School Contact: 01253 751181 01253 751182 01253 751183 01253 751184	The Raleigh School Contact: 01253 751181 01253 751182 01253 751183 01253 751184	Wallace Field Infant School Contact: 01253 751181 01253 751182 01253 751183 01253 751184	Buzbridge Infant School Contact: 01253 751181 01253 751182 01253 751183 01253 751184	Great Bookham School Contact: 01253 751181 01253 751182 01253 751183 01253 751184	Normandy Village School Contact: 01253 751181 01253 751182 01253 751183 01253 751184	Kings Furlong Infant School Contact: 01253 751181 01253 751182 01253 751183 01253 751184	
		Reading Writing Maths	Reading Writing Maths	Reading Writing Maths	Reading Writing Maths	Reading Writing Maths	Reading Writing Maths	Reading Writing Maths	Reading Writing Maths	
Children achieving expected standard + (%)										
2022-23	National	88%	87%	90%	87%	87%	87%	87%	87%	87%
	School	89%	89%	90%	87%	87%	87%	87%	87%	87%
2023-24	FFT	92%	93%	94%	91%	91%	91%	91%	91%	91%
	School	96%	97%	100%	96%	96%	96%	96%	96%	96%
Children achieving higher standard (Greater Depth - %)										
2022-23	National	18%	24%	29%	19%	19%	19%	19%	19%	19%
	School	20%	28%	30%	33%	33%	33%	33%	33%	33%
2023-24	FFT	21%	30%	34%	26%	26%	26%	26%	26%	26%
	School	48%	59%	62%	46%	46%	46%	46%	46%	46%

* 2019-2021 based on Teacher Assessment (COVID-19) - FFT data used for 2023 and 2024 data (in the absence of national data)

Multiplication Check

The first national MTC assessments in June 2021 were optional for schools. All Trust schools participated, and results can be viewed below. Pupils received a score out of 25.

	South Farnham School Contact: 01253 751181, 01253 751182, 01253 751183, 01253 751184	Highfield School Contact: 01253 751181, 01253 751182, 01253 751183, 01253 751184	The Raleigh School Contact: 01253 751181, 01253 751182, 01253 751183, 01253 751184	Great Bookham School Contact: 01253 751181, 01253 751182, 01253 751183, 01253 751184	Normandy Village School Contact: 01253 751181, 01253 751182, 01253 751183, 01253 751184
2022-23	100% (10/10) 96% (9/10) 21% (2/10) Chk not taken Chk that did not take	100% (10/10) 96% (9/10) 21% (2/10) Chk not taken Chk that did not take	100% (10/10) 96% (9/10) 21% (2/10) Chk not taken Chk that did not take	100% (10/10) 96% (9/10) 21% (2/10) Chk not taken Chk that did not take	100% (10/10) 96% (9/10) 21% (2/10) Chk not taken Chk that did not take
2023-24	100% (10/10) 100% (10/10) 100% (10/10) 0% (0/10) 0% (0/10)	94% (9/10) 100% (10/10) 100% (10/10) 0% (0/10) 0% (0/10)	94% (9/10) 100% (10/10) 100% (10/10) 2% (2/10) 0% (0/10)	95% (9/10) 100% (10/10) 100% (10/10) 0% (0/10) 0% (0/10)	73% (7/10) 84% (8/10) 86% (8/10) 14% (1/10) 0% (0/10)

MAT Average Data

Key Stage 1 MAT Average	2022-23	2023-24
Schools	5 (with FFT +5)	5 (with FFT +5)
MAT KS1 Expected Level R, W, Ma	85%	87%
National (FFT)	55%	55%
Difference between MAT/National (FFT)	29% above	32% above
MAT KS1 Greater Depth R, W, Ma	21%	21%
National (FFT)	5%	5%
Difference between MAT/National (FFT)	16% above	16% above
MAT average scaled score R, W, Ma		107.9
National average scaled score R, W, Ma (FFT)		104.8
Difference between MAT/National (FFT)		3.1 above
MAT Cohort Y2 Attendance (FFT)		96.2%
National cohort Y2 attendance (FFT)		94.6%
Difference between MAT/National (FFT)		1.6%

Key Stage 2 MAT Average	2022-23	2023-24
Schools	2 (with FFT +32)	4 (with FFT +32)
MAT KS2 Expected Level R, W, Ma	90%	93%
National (FFT)	47%	47%
Difference between MAT/National (FFT)	43% above	46% above
MAT KS2 Greater Depth R, W, Ma	35%	34%
National (FFT)	5%	5%
Difference between MAT/National (FFT)	30% above	41% above
MAT average scaled score R, W, Ma	111	111.1
National average scaled score R, W, Ma (FFT)	104.5	104.7
Difference between MAT/National (FFT)	6.5 above	6.4 above
MAT Cohort Y6 Attendance (FFT)		95.1%
National cohort Y6 attendance (FFT)		91.1%
Difference between MAT/National (FFT)		4%

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TRUSTEES' REPORT (CONTINUED)
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(continued)

Key stage 4 Data

Provisional Data provided below- national data to be published 2024 with final DfE data due spring 25.

	Hampshire LEA	Brighton Hill	The Blue Coat School Joined 1.6.24
Percentage of students achieving a 4+ in both English and Maths	65.3%	68.4%	49.7%
Percentage of students achieving a 5+ in both English and Maths	44.9%	48.9%	28%
Attainment 8	45.4	46.7%	35.45%
Percentage of students achieving a 4+ in English	73.9%	76.8%	65.8%
Percentage of students achieving a 4+ in Maths	71.5%	74.7%	54%
Pupil Premium students achieving 4+	39.1%	46.2%	32.7%
Pupil Premium students Attainment 8	33.2	33.7	25.59

Key Performance Indicators

Overall Performance

MAT primary outcome remain consistently above national averages:

- SFET KS2 average – 93% expected standard, 34% greater depth (combined). National average: 61% exp.and 8% greater depth (FFT)
- SFET KS1 average – 82% expected standard, 21% greater depth (combined).). National average: 59% exp. And 5% greater depth (FFT)
- SFET MTC average – 90% achieved 100% (25/25) and 94% achieved 24/25 marks. National average 2023: 29% (25/25), national average attainment score in 2023: 20.2 (waiting for new data) . .
- SFET Phonics screening average – 95% (year one))
- SFET EYFS average –88% GLD. National average 2023 (awaiting 24 data): 67%.

KS4 outcomes at Brighton Hill Community School continue to improve and are above Hampshire:

- Progress 8 +0.04
- Attainment 8 46.7 National 47.2, Hampshire 45.4
- Grade 5+ English/maths up from 40.3% last year to 48.9% Hampshire 44.9%
- Grade 4+ English/maths 68.4% Hampshire 65.3%
- Grades 7-9 in English/maths up from 6.3% in 2023 to 11% this year
- Grade 4+ in English 76.8% Hampshire 73.9%
- Grade 4+ in Maths 74.7% Hampshire 71.5%
- Five strong passes incl. English/maths up from 36.9% last year to 42.4% this year.
- Pupil Premium students achieving 4+ 46.2% Hampshire 39.1%
- Pupil Premium students Attainment 8 33.7 Hampshire 33.2 :

Sustained exceptional outcomes over five years

- South Farnham School maintained 100% KS2 meeting expected (combined) with a cohort of 135 year six children, 51% greater depth (combined)
- The Raleigh School achieved 33% above national KS2 average (combined expected)
- Great Bookham School achieved highest results to date with 88% of 40 children achieving the expected standard and 23% at greater depth.
- Busbridge Infant School achieved 23% above national KS1 average (combined expected).

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- Highfield South Farnham achieved 22% above national KS2 average (combined expected).
- Sunday Times Parent Power 2023 – South Farnham School awarded 10th place nationally and The Raleigh School has been awarded 11th place (top 0.06% of schools). South Farnham School is the top primary state school in Surrey and Hampshire. The Raleigh School is 2nd and Highfield South Farnham School 7th in Surrey

Attendance & Safeguarding

- Effective arrangements for and culture of safeguarding in all schools.
- External safeguarding audits commissioned and completed.
- CPOMs put in place for use in/across all schools. Staff training undertaken and staff are developing confidence with its use.

MAT Attendance Data

Schools	2023-2024						National comparison
	Attendance	Absence Rate	Auth. Abs.	Unauth. Abs.	Permanent Abs.	LA comparison (including out of LA)	
National (KS2)	90.8%	7.2%	4.7%	2.5%	0.6%	35	
South Farnham School	96.1%	3.9%	3.5%	0.4%	5.9%	35	Decile 1
Highfield South Farnham School	84.5%	5.5%	4.6%	1.1%	17.6%	209	Decile 7
The Raleigh School	96.8%	3.2%	2.5%	0.6%	4.7%	5	Decile 1
Wallace Fields Infant School	95.3%	4.7%	3.2%	1.5%	8.9%	109	Decile 3
Wobridge Infant School	96.8%	3.2%	2.6%	0.6%	2.8%	2	Decile 1
Great Dookhara School	94%	6%	3.4%	2.6%	14.0%	223	Decile 7
Normandy Village School	93.6%	6.4%	4.2%	2.3%	20.4%	246	Decile 8
Brighton Hill Community School	91.2%	8.8%	6.7%	2.1%	21.6%	35	Decile 5
The Blue Coat School Basingstoke	84%	16%	9.3%	6.7%	36.1%	66	Decile 10

Ofsted

During 2023-24 Highfield South Farnham School, The Raleigh School and South Farnham School all achieved an Outstanding judgement in inspections that took place in March and May 2024.

Contribution to the national education agenda

- SFET selected to share our insights with visitors from the Saudi Ministry of Education and hosted a visit in July 24. The Ministry has been mandated to reform Education across the Kingdom and has sought SFET advice regarding best practice in the UK.
- The Secretary of State, the Rt Hon Gillian Keegan MP, commended SFET's excellence in Initial Teaching Training (ITT) and visited SFET at Brighton Hill Community School to launch the Teacher Degree Apprenticeship in February 2024. Other guests included The Rt Hon Dame Maria Miller, Member of Parliament for Basingstoke, and Jennifer Coupland, CEO at the Institute for Apprenticeships and Technical Education.
- SFET is chairing the new Teacher Degree Apprenticeship Trailblazer Group, a new employment-based undergraduate route into teaching. Work is underway with colleagues from the Department of Education and Institute for Apprenticeships and Technical Education. Regular communication with the Secretary of State for Education, Permanent Secretary and special advisors at No.10 Downing Street.
- Phonics Steps (SFET phonics scheme) has been validated by Department for Education and sits alongside 44 programmes available nationally for schools to purchase.
- DfE re-accreditation of South Farnham SCITT (judged Ofsted 'Outstanding' in all areas, July 2023).
- Re-designated as a Teaching School Hub - one of 87 national centres for excellence.
- SFET is an active member of the Queen Street Group and will chair the Education Expert Group from 2024-25.
- The CEO has delivered keynote talks (Schools and Academies Show 2023 and 2024) and led meetings to share the Trust approach to fundraising/supporting the national roll-out of EYFS provision and has also met

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- DfE to discuss the national tuition programme.
- Membership on national councils/boards: Headteacher Advisory Board (Regional Director group), Teaching School Hub Council, Teacher Reference Group, Appropriate Body Working Group (Chair), Level 3 Teaching Assistant Apprenticeship Trailblazer Group. This group conducted a review/revision of the Standard and conducted a national consultation on proposed changes. The published standard notes SFET involvement.
 - Department for Educational advisory boards include Initial Teacher Training Advisory Board, TSHC Appropriate Body/Initial Teacher Training Advisory Board, External Reference Group conducting a national review of the ITT Core Content and Early Career Frameworks, Expert Teacher Group for RSHE and Sexual Abuse, DfE Reception Baseline Assessment (RBA).
 - SFET contributed to a government review of the CCF/ECF Framework – External Reference Group 23.24.
 - National roll-out of the Early Career Framework and reformed NPQs.
 - *Our Oceans, Our Future* project signed up to by all Trust primary schools - 3-year programme focusing on issues raised at COP 26 by the Secretary for Education to 'put climate change at the heart of education' - participants Years 2-4 - approximately 1200 of our young citizens. Highly ambitious and aspirational scheme to raise awareness and thus change behaviour in order to have global impact.

Sunday Times Parent Power schools guide 2024:

- **South Farnham School** - 1st top state primary school in Surrey and Hampshire and 10th top state primary school in England
- **The Raleigh School** - 2nd top state primary school in Surrey and 11th top English state primary school
- **Highfield South Farnham School** - 7th top state primary school in Surrey

Letters/visits have included:

The Roots School Improvement Consultancy (RSIC) named South Farnham Educational Trust as the best performing multi-academy trust in the UK (out of 631 MATs) in February 2024.

- Meetings with the Permanent Secretary to discuss Teacher Apprenticeships– potential SFET pilot of employment-based route changes.
- SFET welcomed Dame Kate Dethridge, Regional Director of the South-East of England, to South Farnham School on 7th February 2024 to discuss SFET growth and to highlight the role the Trust continues to play in school improvement/contribution to the national agenda.

South Farnham School

- Outstanding OFSTED May 2024 (graded as Outstanding in all areas).
- 'The School Guide' Primary School League Table named South Farnham School as the best performing primary school in England (out of 16,784 schools).
- Letter of congratulation from Rt Hon Damian Hinds, Minister for Schools for inspirational KS2 results placing the school in the top 1% nationally (Feb 24).
- Letter of congratulation from Rt Hon Damian Hinds, Minister for Schools in regard to 2024 MTC scores of 100% (top 200 performing schools in England) and 2023 Phonics Screening Check (top 2% of all primary schools in the country).
- Department for Education Director and Deputy Director of Teaching Workforce visited South Farnham School in July 2023 to discuss teacher training, apprenticeships and funding.
- Helen Frostick (TA) won the 2023 World Senior Team Chess Championships in North Macedonia.
- Football teams represented Chelsea and Aldershot FC at Wembley.

Highfield South Farnham School

- Outstanding' retained in all areas - OFSTED March 2024 (Section 8)
- The Rt Hon Jeremy Hunt MP (Chancellor of the Exchequer) attended Farnham Confederation meetings and visited Highfield South Farnham School in May 2023.

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The Raleigh School

- 'Outstanding' retained in all areas - OFSTED March 2024 (Section 8)
- 'The School Guide' Primary School League Table named The Raleigh School as the 9th best performing primary school in England (out of 16,784 schools).
- Letter of congratulation from Rt Hon Damian Hinds, Minister for Schools for inspirational KS2 results placing the school in the top 1% nationally (Feb 24).
- Letter of congratulation from Rt Hon Damian Hinds, Minister for Schools in regard to 2024 MTC scores of 100% (top 200 performing schools in England).
- Letter from Rt Hon Gillian Keegan to pupils of the school regarding their suggested new model primary science curriculum.
- Letter from Rt Hon Nick Gibb May 2023 praising MTC scores of 100% (top 200 performing schools in England).

Wallace Fields Infant and Nursery School

- Outstanding OFSTED December 2021 (graded outstanding in all areas).

Busbridge Infant School

- Safeguarding letter from Surrey LA.
- Report from Whiteknights English Hub re. Successful implementation of Little Wandle phonics scheme.

Great Bookham School

- Secured first place in the Bookham Village Day parade for the second year running.

Brighton Hill Community School

- OFSTED May 2022 graded Outstanding in three of the four areas.
- Rt Hon Gillian Keegan MP visited SFET at Brighton Hill Community School to launch the Teacher Degree Apprenticeship in February 2024. Other guests included The Rt Hon Dame Maria Miller, Member of Parliament for Basingstoke, and Jennifer Coupland, CEO at the Institute for Apprenticeships and Technical Education.
- Two Youth Parliament candidate students joined The Rt Hon Maria Miller at Westminster for Prime Minister's Questions.
- The school received a record number of applications (555 applications, 339 first choice) for admission to year 7 in 2024.

South Farnham SCITT

- Russell Hobby, CBE keynote speech and presentation of awards – SCITT graduation ceremony at Guildford Cathedral 2023.
- Outstanding OFSTED July 2023 (graded Outstanding in all areas).
- Letter of congratulations from Rt Hon Gillian Keegan c/o the Permanent Secretary (SCITT Outstanding OFSTED).
- TSHC national case-study 'The Benefits of Engaging with ITT for Primary Schools' published Nov 2023.

Key Performance Indicators

Although the Trust's funding agreement is not subject to a specific carry forward limit on the amount of GAG funding, one of the main financial performance indicators is the level of reserves held at the balance sheet date and, in particular the amount of GAG funding carried forward at the balance sheet date. At 31st August 2024, the balance of the GAG Restricted Fund was £1,860,846, which is after a transfer of £180,691 to the Restricted Fixed Asset Fund to fund capital expenditure during the period.

As the majority of the Academy Trust's funding is based on pupil numbers, pupil numbers is also a key performance indicator. As noted above pupil numbers at the most recent census were 4,867 which is an increase of 37.5% over the previous year due to the addition of three new schools to the Trust, The Blue Coat

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School (1st June 2024), Normandy Village School (1st July 2024) and Kings Furlong Infant School & Nursery (1st September 2024).

As a result the ratio of GAG funding per pupil was £4,212 for the period.

Staffing costs are another key performance indicator for the trust and the percentage of total staff costs to total income for the period was 35.3%, while the percentage of staff costs to total costs was 70.0%.

Going concern

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

Promoting the success of the company

Under section 172(1)(a) to (f) of the Companies Act 2006, directors of a company must act in a way most likely to promote the success of the company, and in doing so must have regard to:

- the likely consequence of any decision in the long run.
- the interests of the company's employees.
- the need to foster the company's business relationships with suppliers, customers and others.
- the impact of the company's operations on the community and the environment.
- the desirability of the company maintaining a reputation for high standards of business conduct.
- the need to act fairly as between members of the company.
- how the trust has promoted good business conduct.
- how the trust has made decisions in the long-term interest of the trust.

These items have been demonstrated within other sections included in this annual report.

Financial Review

Most of the Trust's income is obtained from the Education Funding Agency (ESFA) in the form of recurrent grants, some of which is restricted to particular purposes. The grants received from the ESFA during the year ended 31st August 2024 and the associated expenditure are shown as restricted funds in the statement of Financial Activities.

The Trust also receives grants for fixed assets from the DfE and other organisations and these are shown as Restricted Fixed Asset Funds. During the year ended 31st August 2024 the Trust received Devolved Formula Capital grant from the ESFA for each academy, the final payment for two Condition Improvement Funding projects and this year School Condition Allocation Funding. In accordance with the Charities Statement of Recommended Practice, 'Accounting and Reporting by Charities' (SORP 2005), such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets.

During the year ended 31 August 2024, total expenditure of £27,851,571 was met by recurrent grant funding from the ESFA together with other incoming resources. At 31st August 2024, the balance of the GAG Restricted Fund was £1,860,846, which is after a transfer of £180,691 to the Restricted Fixed Asset Fund to fund capital expenditure during the period.

Grants of £220,000 were provided to support the conversion, transfer and support costs at The Blue Coat School Basingstoke, Normandy Village School and Kings Furlong Infant School & Nursery.

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(continued)

During 2022-23 the Trust applied for capital bids to the Condition Improvement Fund and during the year received funding for the completion of two bids, Roofing Repairs at South Farnham School and a Security & Safeguarding Project at Wallace Fields Infant School and nursery. These projects were completed during 2023-24. Due to the growing size of the Trust for 2024-25 it has received a payment of School Condition Allocation of £588,101 and Devolved Formula Capital of £74,738.

During 2023-24 the Trust has completed a play area at Wallace Fields Infant School & Nursery at a cost of £125,968 from Trust reserves.

Highfield South Farnham has invested a new astroturf and play area and a large log cabin at a cost of £96,267 using devolved formula capital and reserves.

A building extension at Busbridge Infant School commenced during 2022-23 and was completed during 2023-24. This new space has enhanced the facilities at the school and is being funded mainly from Trust reserves. The total cost of this project was £916,828 funded from reserves. The oil boiler was replaced with a gas boiler costing £80,068 funded from reserves.

During the year The Raleigh School had improvements to the Early Years external play area, new stage lighting, audio system and video wall and a large log cabin, at a cost of £98,283. A modular classroom building extension to support small group teaching commenced in Summer 2024. Expenditure incurred to 31st August 2024 was £145,343.

The Trust is investing heavily in IT infrastructure and equipment provision. During the year there was an infrastructure upgrade at Brighton Hill Community School (£180,576) and new equipment at four schools to ensure the hardware is Windows 11 compliant (£164,894). This is a rolling programme and further investment is planned during 2024-25. These projects were funded from Trust reserves and Devolved Formula Capital Funding.

At 31 August 2024 the net book value of fixed assets was £79,604,234. Movements in tangible assets is shown in note 15 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Multi-Academy Trust.

At 31 August 2024 the value of the LGPS pension deficit was £541,000. A detailed explanation of the actuarial basis of this valuation is shown in note 30. This deficit does not exceed the unrestricted funds of the charity and the trustees do not consider this to impact their assessment of going concern.

The balance of total funds held at 31st August 2024 were £84,638,888 which comprised the following:

Restricted Funds (excluding Pension Liability)	£2,071,163
Restricted Pension Liability Fund	(£541,000)
Restricted Fixed Asset Fund	£80,235,249
Unrestricted Funds	£2,873,476

The key financial policies reviewed and adopted during the period included the Financial Policy and Procedures Handbook, which lays out the framework for the Academy's financial management, including financial responsibilities of the Trust Board, Headteachers, managers, budget holders and other staff, as well as the delegated authorities for spending. This policy review included Charging and Remittances, Lettings, Reserves and Asset Management.

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Reserves Policy

The Trustees review the reserve levels of the Academy Trust annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves.

The level of reserves held at 31 August 2024 total £4,944,639. The reserves will be allocated and spent as part of the Schools Development Plans, to update, improve and maintain its facilities and resources. A capital spending plan has been completed detailing the short, medium and long term needs and plans of each Academy for which reserves will be allocated and determined in order of priority to meet the need of the Academy. £80,235,249 is held in a separate Fixed Asset Fund.

An appropriate level of free reserves has been reviewed in light of possible schools joining the trust. It is also necessary to provide a cushion to cover financial risks facing the Trust from reductions in funding. A portion of free reserves will be used to manage projected reductions in funding and increases in costs, increases in Pension Scheme contribution rates and reductions in deprivation and high needs funding.

The reserves must provide sufficient working capital to cover delays between spending and receipts of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance.

The Trustees have adopted a method of partially pooling a level of reserves to enable a building projects to be completed in accordance with the strategic development plan for the Trust. The Trustees are committed to improving the facilities at Busbridge Infant School, Great Bookham School, The Blue Coat School, Normandy Village School and Kings Furlong Infant School & Nursery. This has meant further partial pooling of reserves during 2023-24 and an agreement to continue in 2024-25 to enable these projects to proceed.

The latest three schools to join the Trust are all facing significant challenges and will require investment from the Trust over the next few years until they have built pupil numbers and are operating a balanced in-year budget.

The Trustees take into consideration the future plans of the Academy Trust, the uncertainty over future income streams and other key risks identified during the risk review.

The Trustees have reviewed the level of reserves and have designated £1,485,000 for capital projects that are planned at The Blue Coat School, Brighton Hill Community School, Highfield South Farnham School, The Raleigh School and South Farnham School.

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Investment Policy

The Academy Trust aims to manage its cash balances to provide for the day-to-day working capital requirements of its operations, whilst protecting the real long term value of any surplus cash balances against inflation. Funds that are surplus to immediate requirements are invested to optimal effect by the Trust in a deposit accounts with the objective of ensuring maximum return on assets invested but with minimal risk. The Trust does not consider the investment of funds as a primary activity, rather as a result of good stewardship as and when circumstances allow.

Principal Risks and Uncertainties

The principal risks and uncertainties facing the Academy are as follows:

Financial

The Academy has considerable reliance on continued Government funding through the ESFA. In the period, approximately 81.69% of the Academy's incoming resources (excluding amounts transferred on conversion from the Local Authority) was ultimately Government funded and whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.

Failures in governance and / or management

The risk in this area arises from the potential failure to effectively manage the Academy's finances, internal controls, compliance with regulations and legislation, statutory returns etc. The Trustees continue to review and ensure appropriate measures are in place to mitigate these risks.

Reputational

The continuing success of the Academy Trust is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk, the Trustees ensure that pupil success and achievement are closely monitored and reviewed.

Safeguarding and child protection

The Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health & safety and discipline.

Staffing

The success of the Academy is reliant on the quality of its staff so the Trustees monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning.

Fraud and mismanagement of funds

The Academy Trust has engaged its external auditors to perform a program of work aimed at checking and reviewing the financial systems and records as required by the Academies Financial Handbook. All finance staff receive training to keep them up to date with financial practice requirements and to develop their skills in this area.

The Academy Trust has continued to strengthen its risk management process throughout the period by improving the process and ensuring staff awareness. A Risk Register is maintained and reviewed and updated on a regular basis.

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FOR THE YEAR ENDED 31 AUGUST 2024

Risk Management

The trust has implemented a risk management policy and created a risk register and risk review process. The main risks identified include both strategic and operational risks and have been assessed under the following categories: Professional – achieving strategic aims, management structures, educational objectives, conduct, liability beyond the classroom and staff and pupil procedures, Safeguarding, Physical – injury to staff and pupils, property, Financial, Legal, Environmental, Contractual, Technological and Disaster recovery.

The Trustees have assessed the major risks to which each Academy is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of each Academy, and its finances. The Trustees have implemented a number of systems to assess risks that the school faces, especially in the operational areas (eg in relation to teaching, health & safety and school trips) and in relation to the control of finance. The Trustees have introduced systems, including internal financial controls in order to minimise risk and are satisfied that systems are in place to mitigate any exposure to major risks. Where risks still remain they have ensured they have adequate insurance cover. The Academy has an effective system of internal financial controls and this is explained in more detail in the Governance statement on pages 29-36.

A formal review of the Trust's risk management process is undertaken on an annual basis and key controls in place include:

- Formal agendas for all committee activity.
- Terms of reference for all governing body and delegated committees under the direction of the governing body.
- Pecuniary interests of Governors reviewed at each meeting.
- Comprehensive budgeting and management reporting.
- Established organisational structure and clear lines of reporting.
- Formal written policies.
- Clear authorisation and approval levels.
- Vetting procedures as required by law for protection for the vulnerable.

The Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health & safety and discipline.

The success of the Academy Trust is reliant on the quality of its staff so the Trustees monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning.

Trust has continued to strengthen its risk management process throughout the period by improving the process and ensuring staff awareness. A Risk Register is maintained and reviewed and updated on a regular basis.

Financial and Risk Management Objectives and Policies

The Academy Trust has agreed a Risk Management Strategy, a Risk Register and a Risk Management Plan. These have been discussed by the Trustees and include the financial risks to the Trust. The Risk Register and Risk Management Plan are constantly reviewed in light of any new information and formally reviewed at least annually.

The Trustees have assessed the major risks to which the Trust is exposed, in particular those relating to its finances, teaching, facilities and other operational areas. The Trustees have implemented a number of systems to assess and minimise those risks, including internal controls. Where significant financial risk still remains, the Governors have ensured the Academy has adequate insurance cover.

Whilst the Academy Trust is currently oversubscribed, risks to revenue funding from a falling roll are small. However, the current freeze on the Governments overall education budget, changes in funding arrangements for special educational needs and the increasing employment and premises costs mean that budgets will be increasingly tight in coming years.

SOUTH FARNHAM EDUCATIONAL TRUST
(A company limited by guarantee)

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

The Trustees examine the financial health of the Trust formally every term, reviewing performance against budgets and overall expenditure by means of regular update reports at all full Trustee and Finance Committee meetings.

At the balance sheet date, the Academy Trust had no significant liabilities arising from trade creditors or debtors where there would be a significant effect on the Trust's liquidity.

The Trustees recognised that the Local Government Pension Scheme deficit represents a significant potential liability to the Academy Trust. However, as the Trustees consider the Academy is able to meet its known annual contribution commitments for the foreseeable future, the risk from this liability is minimised.

Fundraising

The Trust carries out a limited amount of fundraising, mindful of the communities within which it operates. The main fundraising is undertaken by the individual PTA organisations for each school. In the circumstances when fundraising is undertaken, systems and controls are in place to separate and protect funds. The trustees and local governors are aware of their responsibilities under the Charities (Protection and Social Investment) Act 2016 and legal rules, and ensure all activities are agreed and monitored at each academy at senior leadership team level to ensure compliance with relevant legal rules. Recognised standards are applied to ensure that fundraising is open, honest and respectful, protecting the public from undue pressure to donate. Complaints are handled and monitored through the Trust's complaints procedure. During the year no complaints or issues have arisen as a result of any fundraising events.

The Trust does not work with professional fundraisers or companies who carry out fundraising on its behalf. The trustees, local governors and staff have regard to the Charity Commission publication 'Charity Fundraising' (CC20). All personal information collected by the schools is kept confidential and not sold, given away or disclosed to any third party without consent. Nobody directly or indirectly employed by or volunteering for any of the schools within the trust shall accept commissions, bonuses or payments for fundraising activities on behalf of the organisation. Fundraising activities will not be undertaken if they may be detrimental to the good name or community standing of the trust or any of the schools within the trust. Financial contributions will only be accepted from companies, organisations and individuals the Board considers ethical. Fundraising activities will not be undertaken if they will expose the organisation to significant financial risk. All fundraising activity is reported to Local Governing Bodies and the Trust Board on a regular basis.

SOUTH FARNHAM EDUCATIONAL TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024

Streamlined Energy and Carbon Reporting (SECR)

UK energy use and associated greenhouse gas emissions

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

Organisational boundary

In accordance with the 2018 Regulations, the energy use and associated greenhouse gas emissions are for those assets owned or operated within the UK only as defined by the operational control boundary. This includes all nine schools controlled during the reporting period and minibuses along with the mandatory inclusion of scope 3 business travel in employee-owned or hire vehicles (grey fleet). This reporting period saw the addition of Normandy Village School and The Blue Coat School Basingstoke. A full 12 months of energy and emissions have been reported for benchmarking and future annual comparisons.

Reporting period

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

Quantification and reporting methodology

The 2019 UK Government Environmental Reporting Guidelines and the GHG Protocol Corporate Accounting and Reporting Standard (revised edition) were followed. The 2024 UK Government GHG Conversion Factors for Company Reporting were used in emission calculations. The report has been reviewed independently by Zenergi Limited (trading as Briar Consulting Engineers Limited).

The electricity and gas consumption were compiled from meter reads and invoices. Where meter reads and invoices did not cover the whole reporting period, consumption figures were estimated using Display Energy Certificates or the direct comparison estimation technique. The annual mileage of minibuses was estimated using the Gov.UK MOT history check, while mileage expense claims were used to calculate energy and emissions associated with grey fleet. Generally gross calorific values were used except for grey fleet mileage energy calculations as per Government GHG Conversion Factors.

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

SOUTH FARNHAM EDUCATIONAL TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024

Streamlined Energy and Carbon Reporting (SECR) (continued)

Breakdown of energy consumption used to calculate emissions (kWh):

Energy type	2022/23	2023/24
<u>Mandatory:</u>		
Gas	2,681,629	2,599,875
Purchased electricity from the grid	1,029,346	777,941
Transport fuel	5,571	99,938
Total energy (mandatory)	3,716,547	3,477,754
<u>Voluntary:</u>		
Oil	63,588	5,371
Total energy (voluntary)	63,588	5,371
Total energy (mandatory & voluntary)	3,780,135	3,483,125

Note: figures may not sum due to rounding

Breakdown of emissions associated with the reported energy use (tCO₂e):

Emission source	2022/23	2023/24
<u>Mandatory:</u>		
Scope 1		
Gas	490.5	475.5
Trust owned vehicles (minibuses)	1.3	5.7
Scope 2		
Purchased electricity (location-based)	213.2	161.1
Scope 3		
Category 6: Business travel (grey fleet)	N/A	18.6
Total gross emissions (mandatory)	705.0	660.9
<u>Voluntary:</u>		
Scope 1		
Oil	16.5	1.4
Total gross emissions (voluntary)	16.5	1.4
Total gross emissions (mandatory & voluntary)	721.6	662.3

Note: figures may not sum due to rounding

SOUTH FARNHAM EDUCATIONAL TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024

Streamlined Energy and Carbon Reporting (SECR) (continued)

Intensity ratio

Intensity ratios	2022/23	2023/24
<u>Mandatory emissions only:</u>		
Tonnes of CO ₂ e per pupil	0.199	0.139
Tonnes of CO ₂ e per square meter floor area	0.029	0.025
<u>Mandatory & voluntary emissions:</u>		
Tonnes of CO ₂ e per pupil	0.203	0.139
Tonnes of CO ₂ e per square meter floor area	0.030	0.025

Two intensity ratios are reported showing emissions (tCO₂e) per pupil and per square meter floor area. Emissions per pupil is the recommended ratio for the sector for consistency and comparability and pupil numbers are based on the Autumn 2023 Census. Emissions per square meter floor area is reported to reflect the energy efficiency of the buildings, which are the source of most emissions.

Energy efficiency action during current financial year

In the reporting period September 2023 – August 2024, the Trust has taken the following energy efficiency actions:

- New behavioural changes have been implemented by the trust, where staff and students have been educated in turning off lights and air conditioning units when leaving a room empty.
- The trust has continued to invest in technological improvements across several sites through the installation of LED fittings.
- The oil boiler has been replaced with a more energy efficient gas boiler at Busbridge Infant School.

The trust remains committed to reducing its carbon footprint and continues to look out for new energy saving and funding opportunities going forwards.

Plans for Future Periods

South Farnham Educational Trust will continue to maintain and improve, where possible, the existing high educational outcomes of all pupils in the Trust irrespective of ability or disadvantage. In this way all pupils will achieve everything of which they are capable intellectually, physically, emotionally and aesthetically. This plan is reflected in our stated Aims and individual school Action Plans.

We shall continue to deliver the South Farnham SCITT Initial Teacher Training Programme with a projected recruitment of 202 trainees for 2024-25. We will continue to extend the scope of our ITT offer to include new qualifications as they become validated.

We plan to ensure that all schools in our Trust have the buildings and environments conducive to the delivery of excellent provision and to that end shall be considering the funding options available to ensure these aims are turned into reality. This aligns with our plans to meet parental wishes in respect of their choice of school.

South Farnham Educational Trust plans to work closely with local schools, and those further afield in Surrey and Hampshire, in the consideration of the extension of the Trust's membership to include schools who share our aims and objectives in the development of shared pedagogical principles and a drive for excellence in all aspects of educational provision.

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

Funds Held as Custodian Trustee on Behalf of Others

There were no funds held as Custodian Trustee on behalf of others.

Auditors

In so far as the Trustees are aware:

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

The Trustees' report was approved by order of the Board of Trustees, as the company directors, on
5 December 2024 and signed on its behalf by:



Mrs Linda Ross
Chair of Trustees

SOUTH FARNHAM EDUCATIONAL TRUST
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GOVERNANCE STATEMENT

Scope of Responsibility

As Trustees we acknowledge we have overall responsibility for ensuring that South Farnham Educational 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 DfEs Governance Handbook.

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

SOUTH FARNHAM EDUCATIONAL TRUST
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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 6 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
L. Ross (Chair)	5	5
A. Carter (CEO & Accounting Officer)	4	5
A. Abid	3	5
K. Boyce	5	5
A. Chester	5	5
C. Handley	2	5
G. Kendal	4	5
C. Lennard	5	5
S. Patterson	5	5
J. Pratt	4	5
S. Shoveller	3	5

There is a good mix of skills across the Trust board and Local Governing Bodies with experienced members have been established as sub-committees of the board. In addition, there is a Strategic Board sub-committee for the South Farnham SCITT and Teaching School Hub.

Section 2.3 of the Academies Trust Handbook 2023 sets out that the Board and its committees must meet at least three times a year and regularly enough to discharge their responsibilities and ensure robust governance and effective management arrangements. The Trustees held five main formal board meetings during the year and all Trustees were invited to attend the finance committee meetings. However, as this year has been a period of rapid growth for the Trust, the Trustees were regularly involved throughout the year in the process of these schools joining the Trust and consider they have met regularly sufficiently to discharge their responsibilities. All Trustees receive management accounts every month and they have received training in how to read the financial documents that are issued. The Trustees consider that effective oversight of funds has been maintained with this pattern of meetings. Should additional events occur such as another school joining the Trust or significant capital projects additional meetings will be scheduled as necessary.

The Finance Committee is a sub-committee of the main Board of Trustees. Its purpose is to assist the decision making of the Trust Board, by enabling more detailed consideration to be given to the best means of fulfilling the Trust Board's responsibility to ensure sound management of the academy trust finances and resources, including proper planning, monitoring and probity. This includes preparing and approving annual budgets, monitoring financial performance against that budget, reviewing delegated authorities, ensuring all transactions are conducted in accordance with good practice as directed by the ESFA, to ensure best value is achieved in all financial transactions and to receive and (where relevant) respond to period audit reports on the Academy and of public funds. This committee will make appropriate comments and recommendations on such matters to the Board on a regular basis. Major issues will be referred to the full board for ratification. This committee also acts as the Trust's Audit Committee.

SOUTH FARNHAM EDUCATIONAL TRUST
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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
C. Lennard (Committee Chair)	3	3
A. Abid	1	3
K. Boyce	2	3
A. Carter	3	3
A. Chester	2	3
S. Shoveller	2	3
L. Ross	3	3
B. Nash (Non-trustee Member)	2	3

For the year ended 31 August 2024 the function of the Audit Committee was covered under the terms of reference of the Finance Committee.

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GOVERNANCE STATEMENT (CONTINUED)

Governance Reviews

The trust carries out an annual review of its governance arrangements and procedures to ensure the structure and scheme of delegation are appropriate for the efficient running of the Trust. This includes a review of Trustee and Local Governor skills to ensure sufficient knowledge and capacity across the Board and Local Governing Bodies. The next review will be held in Spring 2025 prior to updating the Trust handbook that will be published to take effect from September 2025.

Conflict of interest

The Trust holds a register of relevant business and pecuniary interests of members, trustees, local governors of academies and senior employees which is updated on an annual basis. All relevant individuals have the responsibility to identify in this register the nature of any interest that they may have which could affect any decision making. These interests will include:

- Business interests and those of their spouse, partner, family and close relatives.
- Personal interests and those of their spouse, partner, family and close relatives.
- Interests with suppliers from which the academy may wish to buy goods or services (eg directorships, partnerships and employment).
- Interests in the appointment, salary, promotion or conditions of service of members of staff.
- Loyalties to other organisations which may conflict with loyalties to the academy (eg trusteeships/governorships at other educational institutions or charities – whether or not the academy has a trading link).

Review of Value for Money

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

The 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 available. The Accounting Officer for the Academy Trust has delivered improved value for money during the year by:

Approach

The trustees and school managers have applied the principles of best value when making decisions about:

- The allocation of resources to best promote the aims and values of the school.
- The targeting of resources to best improve standards and the quality of provision.
- The use of resources to best support the various educational needs of all pupils.

SOUTH FARNHAM EDUCATIONAL TRUST
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GOVERNANCE STATEMENT (CONTINUED)

Improving Educational Results

To ensure that standards are continually raised the Trust operated a programme of internal reviews of the curriculum. South Farnham School was awarded Teaching School Hub status in 2021.

Targeted improvement: The trust has kept its staffing structure under review and deployed staff efficiently to support an improved curriculum through quality of teaching and learning, adult-pupil ratio and curriculum management.

Focus on individual pupils: Each academy managed the differing needs of pupils through a series of focus group teaching classes that are offered in each year group.

Collaboration: The academy trust engaged with other educational providers and experts to share good practice and drive up standards for the least cost. This included work as the lead school in a teaching school alliance.

Financial governance and oversight

The academy 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.

Purchasing, the efficient and effective use of resources

The Trustees and school managers deployed equipment, materials and services to provide pupils and staff with resources which support quality of teaching and quality of learning.

Benchmarking: The Finance Committee have reviewed the latest available benchmarking reports for the Trust comparing performance to other primary academies and to all academies in the same local authority to demonstrate that the trust provides good value for money.

Economies of scale: the Academy Trust currently operated over seven sites during 2022-23 and savings have been made by sharing administration and procurement costs, including the purchase of ICT equipment across the trust, and the renewal of energy contracts.

Purchasing: The Trustees have developed procedures for assessing need, obtaining goods and services which provide 'best value' in terms of suitability, efficiency, time and cost. Measures already in place include clearly defined purchasing guidelines:

- Formal tendering procedures (for goods and services over £75,000).
- Procedures for accepting best value quotes which are not necessarily the cheapest (eg suitability for purpose and quality of workmanship).
- For purchases above £15,000 three quotes are required.
- Procedures which minimise office time by the purchase of goods or services under £1,000 directly via a purchase order from known, reliable suppliers (eg stationery, small equipment).
- Time and resource is not wasted on investigating minor areas where few improvements and savings can be achieved as this is not considered cost effective and can distract management from more valuable areas.
- DfE framework agreements have been used where beneficial, in particular this year for new photocopiers and water contracts.

Maximising income generation

The Trust explored available opportunities to generate income through the letting of facilities, provision of additional services such as training courses and school to school support.

Reviewing controls and managing risks

A formal review of the Trust's risk management process is undertaken on an annual basis and key controls in place include:

- Formal agendas for all committee activity.
- Terms of reference for all governing body and delegated committees under the direction of the governing body.

SOUTH FARNHAM EDUCATIONAL TRUST
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GOVERNANCE STATEMENT (CONTINUED)

Improving Educational Results (continued)

- Pecuniary interests of Trustees and Local Governors are reviewed at each meeting.
- Comprehensive budgeting and management reporting.
- Established organisational structure and clear lines of reporting.
- Formal written policies.
- Clear authorisation and approval levels.
- Vetting procedures as required by law for protection for the vulnerable.

Insurance levels are reviewed annually and used cost-effectively to manage risks.

Maximising use of resources

Expenditure within each budget heading is reviewed on a regular basis and adjustments are made based on the strategies identified in the Trust and Academies Development Plans.

Pupils' Welfare

The quality of the school environment and the school ethos has been reviewed in order to continue to provide a supportive environment conducive to learning and recreation. The Academy tracked attendance for all pupils and attendance was well above the national average.

Health & Safety

The Trustees, Local Governors and school managers have reviewed the quality of the school environment and equipment carrying out risk assessments where appropriate, in order to provide a safe working environment for pupils, staff and visit.

Monitoring

Areas were monitored for best value by:

- In-house monitoring by the Headteachers and curriculum faculty leads.
- Termly target setting meetings between the Headteachers and curriculum managers.
- Annual performance management.
- Annual budget planning.
- Headteachers' monthly financial review.
- Visits by internal auditor.
- Analysis of school pupil performance data eg SATs results, standardised test results.
- Analysis of available financial data eg benchmarking through data for all academies and similar schools.
- Analysis of DfE pupil performance data.
- Ofsted Inspection reports.
- Local Governing member termly classroom observations.
- Local Governing members termly committee meetings.
- Trustees full termly meetings.
- Trustees annual finance review.

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in South Farnham Educational Trust for the period 1st September 2023 to 31 August 2024 and up to the date of approval of the annual report and financial statements.

SOUTH FARNHAM EDUCATIONAL TRUST
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GOVERNANCE STATEMENT (CONTINUED)

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 1st September 2023 to 31 August 2024 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

The Risk and Control Framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees.
- regular reviews by the finance committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes.
- 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 considered the need for a specific internal audit function and appointed Bishop Fleming to perform a limited scope internal audit review of the academy trust to give advice on financial matters and perform a range of checks on the finance systems. Their reports have been presented to Trustees on the operation of the systems of control and on the discharge of the Board of Trustees financial responsibilities. During 2023-24 the reviews focused on governance and compliance, bank & cash, income, procurement, budgets and financial monitoring, fixed assets and payroll. There are no material control issues arising as a result of the auditors' work.

In particular the checks carried out in the current period included a review of financial policies, procedures and minutes from Trustee meetings. In addition:

- testing of financial controls.
- checking of declarations of business interests.
- testing of control account/ bank reconciliations.
- testing of payroll systems.
- testing of income systems.
- testing of purchase systems.

The spring and summer term visits were both completed virtually. The reviewer prepared an annual summary outlining areas reviewed, key findings and recommendations and conclusions to help the trustees consider actions and assess year on year progress. There were no material control issues arising as a result of the work carried out.

This option was chosen as the most suitable for the Trust after the newly revised FRC Ethical Standard for auditors was published where a firm providing external audit to an entity shall not also provide audit services to it. The Trustees have re-appointed Bishop Flemming to carry out the internal scrutiny review during 2024-25.

SOUTH FARNHAM EDUCATIONAL TRUST
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GOVERNANCE STATEMENT (CONTINUED)

Review of Effectiveness

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

- the work of the internal auditor.
- the work of the external auditor.
- the work of the Finance Committee.
- the work of the Local Governing Bodies.
- the school resource management self-assessment tool.
- the work of the senior leadership team within the academy trust who have responsibility for the development and maintenance of the internal control framework.

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

Conclusion

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

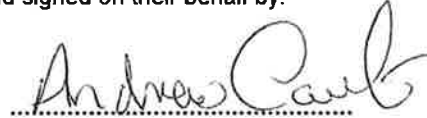
Approved by order of the members of the Board of Trustees and signed on their behalf by:



Mrs Linda Ross
Chair of Trustees

Date:

5-12-24



Sir Andrew Carter
Accounting Officer

SOUTH FARNHAM EDUCATIONAL TRUST
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STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of South Farnham Educational Trust I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy Trust, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the 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 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 no instances of material irregularity, impropriety or funding non-compliance have been discovered to date. If any instances are identified after the date of this statement, these will be notified to the Board of Trustees and ESFA.



.....
Sir Andrew Carter
Accounting Officer

Date: 5 December 2024

SOUTH FARNHAM EDUCATIONAL TRUST
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STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2024

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

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

- select suitable accounting policies and then apply them consistently.
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2023 to 2024.
- make judgements and accounting estimates that are reasonable and prudent.
- state whether applicable UK Accounting Standards (FRS 102) 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 group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and 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 Group and the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the group'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:



L Ross
Chair of Trustees
Date:

5-12-24

SOUTH FARNHAM EDUCATIONAL TRUST
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF SOUTH FARNHAM EDUCATIONAL TRUST

Opinion

We have audited the financial statements of South Farnham Educational Trust (the 'parent academy') and its subsidiaries (the 'Group') for the year ended 31 August 2024 which comprise the Consolidated statement of financial activities, the Consolidated balance sheet, the Academy balance sheet, the Consolidated 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 Group's and of the parent academy's affairs as at 31 August 2024 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2023 to 2024 issued by the Education and Skills Funding Agency.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

SOUTH FARNHAM EDUCATIONAL TRUST
(A company limited by guarantee)

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

Other information

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the Group and the parent academy and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' 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:

- the parent academy has not kept adequate accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent academy 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 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 Group's and the parent academy'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 Group or the parent academy or to cease operations, or have no realistic alternative but to do so.

SOUTH FARNHAM EDUCATIONAL TRUST
(A company limited by guarantee)

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

Auditors' responsibilities for the audit of the financial statements

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

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance.

The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

The specific procedures for this engagement that we designed and performed to detect material misstatements in respect of irregularities, including fraud, were as follows:

- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of management and those charged with governance to identify any material instances of non-compliance with laws and regulations;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work to address the risk of irregularities due to management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for evidence of bias.

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

SOUTH FARNHAM EDUCATIONAL TRUST
(A company limited by guarantee)

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

Use of our report

This report is made solely to the academy'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's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the academy and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Alexander Peal BSc (Hons) FCA DchA (Senior Statutory Auditor)

for and on behalf of

James Cowper Kreston Audit

Chartered Accountants Statutory Auditors

Reading Bridge House

George Street

Reading

RG1 8LS

Date: 19 December 2024

SOUTH FARNHAM EDUCATIONAL TRUST
(A company limited by guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO SOUTH FARNHAM EDUCATIONAL TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 5 September 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 South Farnham Educational 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 South Farnham Educational Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to South Farnham Educational 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 South Farnham Educational Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of South Farnham Educational Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of South Farnham Educational Trust's funding agreement with the Secretary of State for Education dated 7 January 2015 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's income and expenditure.

Specific work undertaken to draw to our conclusion includes:

- reviewing the minutes of the meetings of the Board of Governors and other evidence made available to us, relevant to our consideration of regularity;
- a review of the objectives and activities of the academy, with reference to the income streams and other information available to us as auditors of the academy;
- testing of a sample of payroll payments to staff;
- testing of a sample of payments to suppliers and other third parties;
- testing of a sample of grants received and other income streams.

SOUTH FARNHAM EDUCATIONAL TRUST
(A company limited by guarantee)

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

Conclusion

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



James Cowper Kreston Audit
Chartered Accountants Statutory Auditors

Reading Bridge House
George Street
Reading
RG1 8LS

Date: 19 December 2024

SOUTH FARNHAM EDUCATIONAL TRUST
(A company limited by guarantee)

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

	Unrestricted funds 2024 £	Restricted funds 2024 £	Restricted fixed asset funds 2024 £	Total funds 2024 £	Total funds 2023 £
Income from:					
Donations and capital grants:					
4					
Other donations and capital grants	668,964	-	902,533	1,571,497	905,650
Transfer from local authority on conversion	507,294	(466,000)	22,415,273	22,456,567	23,234,000
Transfer of existing academy	-	81,000	4,338,656	4,419,656	-
Other trading activities	1,532,291	-	-	1,532,291	1,249,595
Investments	76,031	-	-	76,031	40,280
Charitable activities:					
Academy educational operations	234,282	23,229,370	-	23,463,652	14,119,243
Teaching school hub	-	1,793,134	-	1,793,134	1,928,009
Total income	3,018,862	24,637,504	27,656,462	55,312,828	41,476,777
Expenditure on:					
Raising funds	154,443	-	-	154,443	45,386
Charitable activities	1,196,951	22,045,669	2,602,173	25,844,793	16,703,693
Teaching schools	-	1,852,335	-	1,852,335	1,806,819
Total expenditure	1,351,394	23,898,004	2,602,173	27,851,571	18,555,898
Net income	1,667,468	739,500	25,054,289	27,461,257	22,920,879
Transfers between funds	21 (1,584,519)	180,691	1,403,828	-	-
Net movement in funds before other recognised gains/(losses) carried forward	82,949	920,191	26,458,117	27,461,257	22,920,879

SOUTH FARNHAM EDUCATIONAL TRUST
(A company limited by guarantee)

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

	Unrestricted funds 2024 £	Restricted funds 2024 £	Restricted fixed asset funds 2024 £	Total funds 2024 £	Total funds 2023 £
Net movement in funds before other recognised gains brought forward	82,949	920,191	26,458,117	27,461,257	22,920,879
Other recognised gains/(losses):					
Actuarial gains on defined benefit pension schemes	-	748,000	-	748,000	1,680,000
Net movement in funds	82,949	1,668,191	26,458,117	28,209,257	24,600,879
Reconciliation of funds:					
Total funds brought forward	2,790,527	(138,028)	53,777,132	56,429,631	31,828,752
Net movement in funds	82,949	1,668,191	26,458,117	28,209,257	24,600,879
Total funds carried forward	2,873,476	1,530,163	80,235,249	84,638,888	56,429,631

SOUTH FARNHAM EDUCATIONAL TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 07652902

CONSOLIDATED BALANCE SHEET
AS AT 31 AUGUST 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	15	79,604,234	53,695,467
		<u>79,604,234</u>	<u>53,695,467</u>
Current assets			
Stocks	17	24,840	21,787
Debtors	18	1,695,104	702,484
Cash at bank and in hand		6,597,930	5,132,755
		<u>8,317,874</u>	<u>5,857,026</u>
Creditors: amounts falling due within one year	19	(2,697,218)	(2,310,860)
Net current assets		<u>5,620,656</u>	<u>3,546,166</u>
Total assets less current liabilities		<u>85,224,890</u>	<u>57,241,633</u>
Creditors: amounts falling due after more than one year	20	(45,002)	(63,002)
Net assets excluding pension liability		<u>85,179,888</u>	<u>57,178,631</u>
Defined benefit pension scheme liability	30	(541,000)	(749,000)
Total net assets		<u><u>84,638,888</u></u>	<u><u>56,429,631</u></u>
Funds of the academy			
Restricted funds:			
Fixed asset funds	21	80,235,249	53,777,132
Restricted income funds	21	2,071,163	610,972
		<u>82,306,412</u>	<u>54,388,104</u>
Restricted funds excluding pension asset	21	82,306,412	54,388,104
Pension reserve	21	(541,000)	(749,000)
		<u>81,765,412</u>	<u>53,639,104</u>
Total restricted funds	21	<u>81,765,412</u>	<u>53,639,104</u>
Unrestricted income funds	21	<u>2,873,476</u>	<u>2,790,527</u>
Total funds		<u><u>84,638,888</u></u>	<u><u>56,429,631</u></u>

SOUTH FARNHAM EDUCATIONAL TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 07652902

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2024

The financial statements on pages 46 to 84 were approved and authorised for issue by the Trustees and are signed on their behalf, by:



L Ross
Chair of Trustees
Date:

5.12.24.

SOUTH FARNHAM EDUCATIONAL TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 07652902

ACADEMY BALANCE SHEET
AS AT 31 AUGUST 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	15	79,604,234	53,695,467
Investments	16	100	100
		79,604,334	53,695,567
Current assets			
Stocks	17	24,840	21,787
Debtors	18	1,824,438	704,518
Cash at bank and in hand		6,435,362	5,092,207
		8,284,640	5,818,512
Creditors: amounts falling due within one year	19	(2,664,084)	(2,289,886)
Net current assets		5,620,556	3,528,626
Total assets less current liabilities		85,224,890	57,224,193
Creditors: amounts falling due after more than one year	20	(45,002)	(63,002)
Net assets excluding pension liability		85,179,888	57,161,191
Defined benefit pension scheme liability	30	(541,000)	(749,000)
Total net assets		84,638,888	56,412,191
Funds of the academy			
Restricted funds:			
Fixed asset funds	21	80,235,249	53,777,132
Restricted income funds	21	2,071,163	610,972
		82,306,412	54,388,104
Restricted funds excluding pension liability	21	82,306,412	54,388,104
Pension reserve	21	(541,000)	(749,000)
Total restricted funds	21	81,765,412	53,639,104
Unrestricted income funds	21	2,873,476	2,773,087
Total funds		84,638,888	56,412,191

SOUTH FARNHAM EDUCATIONAL TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 07652902

ACADEMY BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2024

The financial statements on pages 46 to 84 were approved and authorised for issue by the Trustees and are signed on their behalf, by:



L Ross
Chair of Trustees

Date: 5-12-24

The notes on pages 53 to 84 form part of these financial statements.

SOUTH FARNHAM EDUCATIONAL TRUST
(A company limited by guarantee)

CONSOLIDATED 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	23	2,300,634	2,037,378
Cash flows from investing activities			
Cash flows from investing activities	25	(808,459)	(1,099,948)
Cash flows from financing activities			
Cash flows from financing activities	24	(27,000)	-
Change in cash and cash equivalents in the year		1,465,175	937,430
Cash and cash equivalents at the beginning of the year		5,132,755	4,195,325
Cash and cash equivalents at the end of the year	26, 27	6,597,930	5,132,755

The notes on pages 53 to 84 form part of these financial statements

SOUTH FARNHAM EDUCATIONAL TRUST
(A company limited by guarantee)

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

1. General information

The South Farnham Educational Trust is an exempt charity and a company limited by guarantee (company number 07652902). It is incorporated and domiciled in the UK. The address of the registered office is South Farnham School, Menin Way, Farnham, Surrey, GU9 8DY.

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. 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, 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.

South Farnham Educational Trust meets the definition of a public benefit entity under FRS 102.

The Consolidated statement of financial activities (SOFA) and Consolidated balance sheet consolidate the financial statements of the academy and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The academy has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of financial activities in these financial statements.

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 to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the academy has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

SOUTH FARNHAM EDUCATIONAL TRUST
(A company limited by guarantee)

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

2. Accounting policies (continued)

2.3 Income

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

- **Legacies**

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Group has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Group, can be reliably measured.

- **Grants**

Grants are included in the Statement of financial activities incorporating income and expenditure account 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 entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued. General Annual Grant is recognised in full in the Statement of financial activities incorporating income and expenditure account in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability.

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

Sponsorship income provided to the academy which amounts to a donation is recognised in the Statement of financial activities incorporating income and expenditure account in the period in which it is receivable, where receipt is probable and it is measurable.

- **Sponsorship income**

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

- **Donations**

Donations are recognised on a receivable basis where the receipt is probable and the amount can be reliably measured.

- **Other income**

Other income, including the hire of facilities, is recognised in the period it is receivable and to the extent the goods have been provided or on completion of the service.

- **Transfer on conversion**

Where assets and liabilities are received by the Group on conversion to an academy, the transferred assets are measured at fair value and recognised in the Balance sheet at the point when the risks and rewards of ownership pass to the Group. An equal amount of income is recognised as a transfer on conversion within 'Income from Donations and Capital Grants' to the net assets received.

SOUTH FARNHAM EDUCATIONAL TRUST
(A company limited by guarantee)

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

2. Accounting policies (continued)

2.4 Expenditure

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

• **Charitable activities**

Expenditure on charitable activities are costs incurred on the academy's educational operations, including support costs and those costs relating to the governance of the academy appointed to charitable activities.

All resources expended are inclusive of irrecoverable VAT.

2.5 Tangible fixed assets

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

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

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of these assets, less their estimated residual value, over their expected useful lives on the following bases:

Leasehold land	- Over 125 years on cost or over remaining useful life
Leasehold buildings	- Over 50 years on cost or over remaining useful life
Furniture and equipment	- 20% - 33% on cost
Building improvements	- 10% on cost

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 Consolidated statement of financial activities.

2.6 Operating leases

Rentals under operating leases are charged to the Statement of financial activities incorporating income and expenditure account on a straight line basis over the lease term.

SOUTH FARNHAM EDUCATIONAL TRUST
(A company limited by guarantee)

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

2. Accounting policies (continued)

2.7 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.

2.8 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.

2.9 Cash at bank and in hand

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

2.10 Liabilities and provisions

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 Group 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. 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.

2.11 Taxation

The academy 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 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.

SOUTH FARNHAM EDUCATIONAL TRUST
(A company limited by guarantee)

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

2. Accounting policies (continued)

2.12 Pensions

Retirement benefits to employees of the Group 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 Group 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 Group 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 Consolidated 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.

2.13 Fund accounting

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

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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.

2.14 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Consolidated statement of financial activities.

Investments in subsidiaries are valued at cost less provision for impairment.

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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.

Local Government 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 30, will impact on the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 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.

Depreciation

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. Residual value assessments consider issues such as the remaining life of the asset and projected disposal values.

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

4. Income from donations and capital grants

	Unrestricted funds 2024 £	Restricted funds 2024 £	Restricted fixed asset funds 2024 £	Total funds 2024 £	Total funds 2023 £
Donations	668,964	-	-	668,964	522,078
Capital grants	-	-	902,533	902,533	383,572
Transfer of existing academy	-	81,000	4,338,656	4,419,656	-
Transfer from local authority on conversion	507,294	(466,000)	22,415,273	22,456,567	23,234,000
Total 2024	<u>1,176,258</u>	<u>(385,000)</u>	<u>27,656,462</u>	<u>28,447,720</u>	<u>24,139,650</u>
Total 2023	<u>522,078</u>	<u>(927,117)</u>	<u>24,544,689</u>	<u>24,139,650</u>	

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5. Funding for the academy's educational operations

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Educational operations				
DfE/ESFA grants				
General Annual Grant (GAG)	-	20,280,178	20,280,178	12,262,199
Other DfE/ESFA grants				
Other DfE/EFA grants	-	826,803	826,803	198,508
Pupil Premium	-	575,941	575,941	295,798
UIFSM	-	442,355	442,355	407,304
	-	22,125,277	22,125,277	13,163,809
Other Government grants				
Local authority grants	-	1,104,093	1,104,093	734,439
	-	1,104,093	1,104,093	734,439
Other income from the academy's educational operations	234,282	-	234,282	220,995
	234,282	23,229,370	23,463,652	14,119,243
Teaching schools				
DfE/ESFA grants	-	864,142	864,142	1,115,665
Other Government grants	-	257,750	257,750	197,921
Other income	-	671,242	671,242	614,423
	-	1,793,134	1,793,134	1,928,009
Total 2024	234,282	25,022,504	25,256,786	16,047,252
Total 2023	220,995	15,826,257	16,047,252	

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NOTES TO THE FINANCIAL STATEMENTS
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6. Income from other trading activities

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Lettings and other income from charitable activities	1,532,291	1,532,291	1,249,595
Total 2023	1,249,595	1,249,595	

7. Investment income

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Investment income	76,031	76,031	40,280
Total 2023	40,280	40,280	

8. Expenditure

	Staff Costs 2024 £	Premises 2024 £	Other 2024 £	Total 2024 £	Total 2023 £
Expenditure on fundraising trading activities:					
Direct costs	132,000	-	22,443	154,443	45,386
Educational operations:					
Direct costs	16,319,916	-	2,177,248	18,497,164	11,881,877
Allocated support costs	2,133,065	1,555,725	3,658,839	7,347,629	4,821,816
Teaching school	920,232	-	932,103	1,852,335	1,806,819
Total 2024	19,505,213	1,555,725	6,790,633	27,851,571	18,555,898
Total 2023	12,724,855	854,488	4,976,555	18,555,898	

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

9. Analysis of expenditure by activities

	Direct costs 2024 £	Support costs 2024 £	Total funds 2024 £	Total funds 2023 £
Charitable activities	18,497,164	7,347,629	25,844,793	16,703,693
Total 2023	11,881,877	4,821,816	16,703,693	

Analysis of support costs

	Total funds 2024 £	Total funds 2023 £
Staff costs	2,133,065	1,459,865
Recruitment and support	289,684	157,525
Depreciation	2,602,173	1,480,741
Technology costs	377,621	346,983
Premises costs	1,354,012	854,488
Other support costs	405,695	423,303
Governance costs	185,379	98,911
	7,347,629	4,821,816

10. Net income

Net income for the year includes:

	2024 £	2023 £
Depreciation of tangible fixed assets	2,602,174	1,480,741
Fees paid to auditors for:		
- audit	22,700	19,040
- other services	7,810	2,780

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11. Staff

a. Staff costs and employee benefits

Staff costs during the year were as follows:

	Group 2024 £	Group 2023 £	Academy 2024 £	Academy 2023 £
Wages and salaries	14,853,043	9,514,686	14,747,135	9,487,848
Social security costs	1,374,497	900,339	1,366,952	898,103
Pension costs	3,277,673	2,309,830	3,259,126	2,305,088
	19,505,213	12,724,855	19,373,213	12,691,039

b. Staff numbers

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

	Group 2024 No.	Group 2023 No.	Academy 2024 No.	Academy 2023 No.
Teachers	175	125	175	125
Administration and Support	171	189	171	189
Management	36	28	36	28
	382	342	382	342

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11. Staff (continued)

c. Higher paid staff

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

	Group 2024 No.	Group 2023 No.
In the band £60,001 - £70,000	19	7
In the band £70,001 - £80,000	5	3
In the band £80,001 - £90,000	6	5
In the band £90,001 - £100,000	3	-
In the band £100,001 - £110,000	1	3
In the band £110,001 - £120,000	2	-
In the band £200,001 - £210,000	-	1
In the band £230,000 - £240,000	1	-
	1	-

d. Key management personnel

The key management personnel of the Group comprise the Trustees and the 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 Group was £1,761,165 (2023 - £1,358,525).

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

12. Central services

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

- Strategic leadership support
- Educational support
- Finance and administration services
- HR support
- ICT support service

The Group charges for these services on the following basis:

The trust funded the provision of these central services this year by charging each academy a central services fee set at 6% of GAG funding and by making a charge to the SCITT and Teaching School Hub. New schools joining the Trust during the year had differing rates agreed for the period to 31st August 2024. This percentage will be reviewed on an annual basis.

The actual amounts charged during the year were as follows:

	2024 £	2023 £
South Farnham School (including Teaching School Hub)	252,282	237,883
Highfield South Farnham	142,059	122,618
The Raleigh School	115,235	111,572
SCITT	23,504	54,766
Wallace Fields Infant School & Nursery	63,787	61,310
Busbridge Infant School	45,298	48,075
Great Bookham School	62,741	56,554
Brighton Hill Community School	100,000	25,000
The Blue Coat School	92,591	-
Normandy Village School	10,039	-
Total	907,536	717,778

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13. Trustees' remuneration and expenses

One or more Trustees has been paid remuneration or has received other benefits from an employment with the academy. 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
		£	£
Sir A Carter	Remuneration	230,000 - 235,000	205,000 - 210,000

During the year ended 31 August 2024, expenses totalling £3,670 were reimbursed or paid directly to 1 Trustee (2023 - £2,795 to 1 Trustee). The CEO is the only staff trustee and he receives expenses only in respect of his CEO contract.

14. Trustees' and Officers' insurance

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

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

15. Tangible fixed assets

Group and Academy

	Freehold property £	Land & Buildings £	Assets under construction £	Furniture and equipment £	Plant and machinery £	Total £
Cost or valuation						
At 1 September 2023	1,700,000	58,143,784	465,997	1,485,080	-	61,794,861
Additions	450,831	607,236	145,343	484,846	98,767	1,787,023
Academy transfer	-	4,325,625	-	2,538	5,755	4,333,918
Acquired on conversion	-	22,390,000	-	-	-	22,390,000
Transfers between classes	-	465,997	(465,997)	-	-	-
At 31 August 2024	<u>2,150,831</u>	<u>85,932,642</u>	<u>145,343</u>	<u>1,972,464</u>	<u>104,522</u>	<u>90,305,802</u>
Depreciation						
At 1 September 2023	39,667	7,025,178	-	1,034,549	-	8,099,394
Charge for the year	33,823	2,343,836	-	221,498	3,017	2,602,174
At 31 August 2024	<u>73,490</u>	<u>9,369,014</u>	<u>-</u>	<u>1,256,047</u>	<u>3,017</u>	<u>10,701,568</u>
Net book value						
At 31 August 2024	<u>2,077,341</u>	<u>76,563,628</u>	<u>145,343</u>	<u>716,417</u>	<u>101,505</u>	<u>79,604,234</u>
At 31 August 2023	<u>1,660,333</u>	<u>51,118,606</u>	<u>465,997</u>	<u>450,531</u>	<u>-</u>	<u>53,695,467</u>

The land and buildings occupied by the Academy Trust are held under a 125 year lease. The freehold property on the leasehold land and buildings is owned by Surrey County Council and Hampshire County Council.

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NOTES TO THE FINANCIAL STATEMENTS
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16. Fixed asset investments

	Investments in subsidiary companies £
Academy	
Cost or valuation	
At 1 September 2023	100
At 31 August 2024	100
Net book value	
At 31 August 2024	100
At 31 August 2023	100

Principal subsidiaries

The following was a subsidiary undertaking of the academy:

Name	Class of shares	Holding
South Farnham Enterprises Ltd	Ordinary	100%

The financial results of the subsidiary for the year were:

Name	Income £	Expenditure £	Profit/(Loss) for the year £
South Farnham Enterprises Ltd	254,373	(271,813)	(17,440)

17. Stocks

	Group 2024 £	Group 2023 £	Academy 2024 £	Academy 2023 £
Finished goods and goods for resale	24,840	21,787	24,840	21,787

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NOTES TO THE FINANCIAL STATEMENTS
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18. Debtors

	Group 2024 £	Group 2023 £	Academy 2024 £	Academy 2023 £
Due within one year				
Trade debtors	67,207	10,870	67,207	10,870
Amounts owed by group undertakings	-	-	20,518	2,942
Other debtors	301,273	181,267	301,097	180,359
Prepayments and accrued income	1,326,624	510,347	1,435,616	510,347
	<u>1,695,104</u>	<u>702,484</u>	<u>1,824,438</u>	<u>704,518</u>

19. Creditors: Amounts falling due within one year

	Group 2024 £	Group 2023 £	Academy 2024 £	Academy 2023 £
Salix loan	18,001	27,001	18,001	27,001
Trade creditors	658,273	471,448	658,273	471,448
Other taxation and social security	412,240	282,929	412,240	282,929
Other creditors	571,705	637,872	566,875	637,372
Accruals and deferred income	1,036,999	891,610	1,008,695	871,136
	<u>2,697,218</u>	<u>2,310,860</u>	<u>2,664,084</u>	<u>2,289,886</u>

See note 20 for details on the other loan.

	Group 2024 £	Group 2023 £	Academy 2024 £	Academy 2023 £
Deferred income at 1 September 2023	304,562	365,456	289,687	365,456
Resources deferred during the year	510,125	304,561	481,492	289,687
Amounts released from previous periods	(289,688)	(365,455)	(289,687)	(365,456)
Deferred income at 31 August 2024	<u>524,999</u>	<u>304,562</u>	<u>481,492</u>	<u>289,687</u>

At 31 August 2024 South Farnham Educational Trust were holding funds received in advance for the 2024/25 financial year, including Universal Infant Free School Meal grants and SEN Funding grants that relate to 2024/25.

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NOTES TO THE FINANCIAL STATEMENTS
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20. Creditors: Amounts falling due after more than one year

	Group 2024 £	Group 2023 £	Academy 2024 £	Academy 2023 £
Salix loan	45,002	63,002	45,002	63,002

In 2023, Brighton Hill Community School joined the Trust and received an interest free Salix loan as part of its funding for a project to replace the LED lighting. The loan is repayable over 8 years starting August 2020.

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NOTES TO THE FINANCIAL STATEMENTS
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21. Statement of funds

	Balance at 1 September 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2024 £
Unrestricted funds						
Designated funds						
Designated fund	-	-	-	1,485,000	-	1,485,000
General funds						
Unrestricted funds	2,790,527	3,018,862	(1,351,394)	(3,069,519)	-	1,388,476
Total Unrestricted funds	2,790,527	3,018,862	(1,351,394)	(1,584,519)	-	2,873,476
Restricted general funds						
DfE/ESFA grants	341,453	22,125,277	(20,786,575)	180,691	-	1,860,846
Local authority	-	1,104,093	(1,104,093)	-	-	-
SCITT	167,907	1,115,380	(1,169,192)	-	-	114,095
Teaching School Hub	101,612	677,754	(683,144)	-	-	96,222
Pension reserve	(749,000)	(385,000)	(155,000)	-	748,000	(541,000)
	(138,028)	24,637,504	(23,898,004)	180,691	748,000	1,530,163
	Balance at 1 September 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2024 £
Restricted fixed asset funds						
Assets on conversion	53,696,176	26,753,929	(2,602,173)	1,787,025	-	79,634,957
DFC	15,161	74,736	-	(77,986)	-	11,911
CIF	15,771	239,696	-	(255,187)	-	280
DfE	50,024	-	-	(50,024)	-	-
SCA	-	588,101	-	-	-	588,101

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**NOTES TO THE FINANCIAL STATEMENTS
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21. Statement of funds (continued)

	Balance at 1 September 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2024 £
	53,777,132	27,656,462	(2,602,173)	1,403,828	-	80,235,249
Total Restricted funds	53,639,104	52,293,966	(26,500,177)	1,584,519	748,000	81,765,412
Total funds	56,429,631	55,312,828	(27,851,571)	-	748,000	84,638,888

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

Restricted General Funds - ESFA grants (including GAG), which must be used to meet the cost of running South Farnham Educational Trust. Under the funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2024.

Unrestricted Funds - represents income generated by the academy (such as lettings and hire of facilities) and any other donations or investment income, which is not restricted for any specific purpose and can be spent as determined by the Governing Body.

Designated Funds - represents amounts designated by Trustees towards capital and repairs and maintenance projects.

The LGPS deficit fund has been created to separately identify the pension deficit inherited from the local authority upon conversion to academy status, and through which all the pension scheme movements are recognised. The pension liability has not crystallised and the trustees do not need to designate any of their existing funds to meet future pension commitments. Parliament, at the request of the Secretary of State for Education, has guaranteed 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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21. 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						
Designated funds						
Designated Funds - all funds	1,100,000	-	-	(1,100,000)	-	-
General funds						
Unrestricted funds	1,775,395	2,032,948	(765,394)	(252,422)	-	2,790,527
Total Unrestricted funds	2,875,395	2,032,948	(765,394)	(1,352,422)	-	2,790,527
Restricted general funds						
DfE/ESFA grants	619,331	12,814,692	(13,306,839)	214,269	-	341,453
Local authority	-	734,439	(734,439)	-	-	-
SCITT	185,704	1,297,050	(1,314,847)	-	-	167,907
Teaching School Hub	35,291	630,959	(564,638)	-	-	101,612
Pension reserve	(1,462,000)	(578,000)	(389,000)	-	1,680,000	(749,000)
	(621,674)	14,899,140	(16,309,763)	214,269	1,680,000	(138,028)
Restricted fixed asset funds						
Assets on conversion	29,552,407	24,100,000	(1,480,741)	1,524,510	-	53,696,176
DFC	22,624	71,624	-	(79,087)	-	15,161
CIF	-	229,546	-	(213,775)	-	15,771
DfE	-	143,519	-	(93,495)	-	50,024
	29,575,031	24,544,689	(1,480,741)	1,138,153	-	53,777,132

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NOTES TO THE FINANCIAL STATEMENTS
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21. Statement of funds (continued)

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
Total Restricted funds	28,953,357	39,443,829	(17,790,504)	1,352,422	1,680,000	53,639,104
Total funds	31,828,752	41,476,777	(18,555,898)	-	1,680,000	56,429,631

Total funds analysis by academy

Fund balances at 31 August 2024 were allocated as follows:

	2024 £	2023 £
South Farnham School	1,361,790	1,550,647
Highfield South Farnham	730,101	323,368
The Raleigh School	178,855	174,860
Central	671,180	872,374
SCITT	114,095	167,907
Wallace Fields Infant School & Nursery	554,300	583,160
Busbridge Infant School	2,543	2,093
Great Bookham School	2,941	(2,927)
Brighton Hill Community School	760,627	(287,423)
South Farnham Enterprises Ltd	-	17,440
The Blue Coat School	566,095	-
Normandy Village School	2,112	-
Total before fixed asset funds and pension reserve	4,944,639	3,401,499
Restricted fixed asset fund	80,235,249	53,777,132
Pension reserve	(541,000)	(749,000)
Total	84,638,888	56,429,631

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NOTES TO THE FINANCIAL STATEMENTS
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21. Statement of funds (continued)

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 £
South Farnham School	3,148,390	366,590	410,063	553,650	4,478,693	4,182,295
Highfield South Farnham	1,762,086	231,435	191,886	283,964	2,469,371	2,347,608
The Raleigh School	1,441,124	185,465	226,195	228,767	2,081,551	2,066,104
Central services	434,441	121,147	1,479	350,722	907,789	789,195
Teaching School Hub and SCITT	787,319	132,913	-	932,103	1,852,335	1,806,820
Wallace Fields Infant School & Nursery	1,272,958	225,433	120,376	137,476	1,756,243	1,639,533
Busbridge Infant School	703,029	139,730	116,947	155,003	1,114,709	1,115,888
Great Bookham School	1,112,150	133,556	153,257	184,814	1,583,777	1,353,614
Brighton Hill Community School	5,091,887	586,228	708,649	671,263	7,058,027	1,728,713
The Blue Coat School	1,206,413	127,405	93,070	139,101	1,565,989	-
Normandy Village School	147,438	16,077	31,313	31,644	226,472	-
	<u>17,107,235</u>	<u>2,265,979</u>	<u>2,053,235</u>	<u>3,668,507</u>	<u>25,094,956</u>	<u>17,029,770</u>

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22. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2024 £	Restricted funds 2024 £	Restricted fixed asset funds 2024 £	Total funds 2024 £
Tangible fixed assets	-	-	79,604,234	79,604,234
Current assets	2,873,476	4,813,383	631,015	8,317,874
Creditors due within one year	-	(2,697,218)	-	(2,697,218)
Creditors due in more than one year	-	(45,002)	-	(45,002)
Provisions for liabilities and charges	-	(541,000)	-	(541,000)
Total	2,873,476	1,530,163	80,235,249	84,638,888

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	-	-	53,695,467	53,695,467
Current assets	2,988,523	2,786,838	81,665	5,857,026
Creditors due within one year	(197,996)	(2,112,864)	-	(2,310,860)
Creditors due in more than one year	-	(63,002)	-	(63,002)
Provisions for liabilities and charges	-	(749,000)	-	(749,000)
Total	2,790,527	(138,028)	53,777,132	56,429,631

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23. Reconciliation of net income to net cash flow from operating activities

	2024 £	2023 £
Net income for the period (as per Statement of financial activities)	27,461,257	22,920,879
Adjustments for:		
Depreciation	2,602,174	1,480,741
Capital grants from DfE and other capital income	(902,533)	(383,572)
Defined benefit pension scheme obligation inherited	385,000	578,000
Defined benefit pension scheme cost less contributions payable	107,000	313,000
Defined benefit pension scheme finance cost	48,000	76,000
Decrease/(increase) in stocks	(3,053)	(4,767)
(Increase)/decrease in debtors	(992,619)	372,361
Increase/(decrease) in creditors	395,357	735,013
Dividends, interest and rents from investments	(76,031)	(40,280)
Tangible assets acquired on conversion	(26,723,918)	(24,100,000)
Transfer of loan acquired on conversion	-	90,003
Net cash provided by operating activities	2,300,634	2,037,378

24. Cash flows from financing activities

	Group 2024 £	Group 2023 £
Repayments of borrowing	(27,000)	-
Net cash (used in)/provided by financing activities	(27,000)	-

25. Cash flows from investing activities

	Group 2024 £	Group 2023 £
Dividends, interest and rents from investments	76,031	40,280
Purchase of tangible fixed assets	(1,787,023)	(1,524,514)
Proceeds from the sale of tangible fixed assets	-	714
Capital grants from DfE Group	902,533	383,572
Net cash used in investing activities	(808,459)	(1,099,948)

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26. Analysis of cash and cash equivalents

	Group 2024 £	Group 2023 £
Cash in hand and at bank	6,597,930	5,132,755
Total cash and cash equivalents	6,597,930	5,132,755

27. Analysis of changes in net debt

	At 1 September 2023 £	Cash flows £	At 31 August 2024 £
Cash at bank and in hand	5,132,755	1,465,175	6,597,930
Debt due within 1 year	(27,001)	9,000	(18,001)
Debt due after 1 year	(63,002)	18,000	(45,002)
	5,042,752	1,492,175	6,534,927

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28. Conversion to an academy trust

On 1 June 2024 The Bluecoat School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to South Farnham Educational Trust from Hampshire County Council for £NIL consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the Consolidated balance sheet under the appropriate heading with a corresponding net amount recognised as a net gain in the Consolidated statement of financial activities as Income from Donations and Capital Grants - transfer from local authority on conversion.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the Consolidated statement of financial activities.

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets				
Freehold land and buildings	-	-	26,723,918	26,723,918
Current assets				
Cash - representing budget surplus on LA funds	-	-	30,011	30,011
Current liabilities				
Cash - representing budget deficit on LA funds	(507,294)	-	-	(507,294)
Pension liability on conversion	-	(466,000)	-	(466,000)
Net (liabilities)/assets	(507,294)	(466,000)	26,753,929	25,780,635

29. Capital commitments

	Group 2024 £	Group 2023 £	Academy 2024 £	Academy 2023 £
Contracted for but not provided in these financial statements	354,149	613,826	354,149	613,826

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30. Pension commitments

The academy'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 Surrey County Council and Hampshire County Council. 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 £458,786 were payable to the schemes at 31 August 2024 (2023 - £289,000) 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.

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 results is due to be implemented from 1 April 2028.

The employer's pension costs paid to TPS in the year amounted to £2,354,695 (2023 - £1,377,358).

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

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

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30. Pension commitments (continued)

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2024 was £1,124,000 (2023 - £867,000), of which employer's contributions totalled £851,000 (2023 - £686,000) and employees' contributions totalled £ 273,000 (2023 - £201,000). The agreed contribution rates for future years are 17.2% for employers and 5.5-12.5% for employees.

As described in note 28 the LGPS obligation relates to the employees of the academy, 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 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.

Principal actuarial assumptions

	2024	2023
	%	%
Rate of increase in salaries	3.65	4.00
Rate of increase for pensions in payment/inflation	2.65	3.00
Discount rate for scheme liabilities	5.00	5.20
Inflation assumption (CPI)	3.15	3.00

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	22.0	21.3
Females	24.7	25.0
Retiring in 20 years		
Males	22.5	23.0
Females	25.6	26.0

Share of scheme assets

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30. Pension commitments (continued)

The Group's share of the assets in the scheme was:

	At 31 August 2024	At 31 August 2023
	£	£
Equities	7,252,900	6,791,400
Bonds	4,879,200	1,251,000
Property	923,100	714,900
Cash	131,900	178,700
Total market value of assets	<u>13,187,100</u>	<u>8,936,000</u>

The actual return on scheme assets was £365,000 (2023 - £295,000).

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

	2024	2023
	£	£
Current service cost	(958,000)	(999,000)
Interest income	511,000	319,000
Interest cost	(559,000)	(395,000)
Total amount recognised in the Consolidated Statement of Financial Activities	<u>(1,006,000)</u>	<u>(1,075,000)</u>

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

	2024	2023
	£	£
At 1 September	9,685,000	8,317,000
Conversion of academy trusts	1,648,000	1,670,000
Transferred in on existing academies joining the trust	793,000	-
Current service cost	958,000	999,000
Interest cost	559,000	395,000
Employee contributions	273,000	201,000
Actuarial gains	(14,000)	(1,774,000)
Benefits paid	(174,000)	(123,000)
At 31 August	<u>13,728,000</u>	<u>9,685,000</u>

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30. Pension commitments (continued)

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

	2024 £	2023 £
At 1 September	8,936,000	6,855,000
Conversion of academy trusts	1,182,000	1,092,000
Transferred in on existing academies joining the trust	874,000	-
Expected return on assets	511,000	319,000
Actuarial gains/(losses)	734,000	(94,000)
Employer contributions	851,000	686,000
Employee contributions	273,000	201,000
Benefits paid	(174,000)	(123,000)
At 31 August	13,187,000	8,936,000

31. Operating lease commitments

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

	Group 2024 £	Group 2023 £	Academy 2024 £	Academy 2023 £
Amounts payable:				
Within 1 year	29,197	8,203	29,197	8,740
Later than 1 year and not later than 2 years	18,843	-	18,843	-
Later than 5 years	28,628	-	28,628	-
	76,668	8,203	76,668	8,740

32. 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.

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33. Related party transactions

Owing to the nature of the academis operations 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 a trustee has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the academis financial regulations and normal procurement procedures.

The following related party transactions took place in the period of account:

South Farnham School Services Limited, a company in which Sir Andrew Carter is a director, were charged £97,689 (2023: £96,624) by the academy for salary costs and consumables in respect of services performed by the academy.

S Shoveller, a trustee of South Farnham Educational Trust was paid £3,450 (2023: £6,850) for consultancy work.

South Farnham School Trust (SFST), which has three trustees in common with the South Farnham Educational Trust (SFET) donated £245,780 (2023: £225,700) to SFET which has been used £230,780 (2023: £200,700) towards the costs of school trips, and £15,000 (2023: £25,000) towards ICT expenditure. SFET also received £2,000 (2023: £2,000) in respect of administration services.

34. New academy joining the trust

There has been a new school added to the trust post year end. Kings Furlong Infant School & Nursery joined the trust on 1 September 2024.

35. Transfer of existing academies into the academy

Normandy Village School

	Value reported by transferring trust £	Transfer in recognised £
Tangible fixed assets		
Land & Buildings	4,325,625	4,325,625
Furniture and equipment	2,538	2,538
Plant and machinery	5,755	5,755
Current assets		
Debtors due within one year	17,535	17,535
Pensions		
Pensions - pension scheme assets	874,000	874,000
Pensions - pension scheme liabilities	(793,000)	(793,000)
Net assets	4,432,453	4,432,453