

**Company Registration Number: 07992899 (England & Wales)**

**The Norton Knatchbull School**  
**(A company limited by guarantee)**

**Annual Report and Financial Statements**

**For the year ended 31 August 2024**

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**The Norton Knatchbull School**  
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**The Norton Knatchbull School**  
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**Reference and Administrative Details of the Academy Trust, its Governors and advisers**  
**For the Year Ended 31 August 2024**

<b>Members:</b>	Mr. D. W. Race Mr. R. Fraser Mr. J. Holland Mrs. J. Burnett Mr. S. Hallam Mr. A. Judd (Resigned 16.07.24. Reappointed 22.07.24) Miss D. Butler-Gallie (Appointed 03.11.23) Mr. J. Dearden (Appointed 16.07.24)
<b>Governors:</b>	Mrs. J. Burnett <sup>3</sup> (Chair of Governors) Mr. A. Judd <sup>2</sup> (Vice Chair of Governors. Resigned 16.07.24) Mr. B. Greene <sup>5</sup> (Headteacher ) Mr. J. Holland <sup>3</sup> (Chair of Finance & General Purposes and Audit & Risk ) Mr. J. Dearden <sup>3</sup> (Vice Chair of Governors. Appointed 16.07.24) Mr. W. Michael <sup>3</sup> (Chair of Personnel. Resigned 06.02.24) Mr. T. Saville <sup>2</sup> (Chair of Personnel, Appointed 06.02.24) Mrs. M. Highwood (Chair of Education Committee, Appointed 16.07.24) <sup>3</sup> The Hon. M-J Knatchbull <sup>1</sup> Ms. E. Seccombe <sup>4</sup> (Resigned 24.09.24) Mr. D. Limbu <sup>3</sup> (resigned 21.11.23) Ms. D. Butler-Gallie <sup>3</sup> (resigned 18.12.23) Mr. P. Sibbald <sup>1</sup> Ms. S. Hirons <sup>2</sup> Mrs. C. Burke <sup>2</sup> Ms. B. Rowlands <sup>4</sup> (Resigned 24.09.24) Mrs C. Parsons <sup>3</sup> (Resigned 16.07.24) Mrs C. Drummond <sup>3</sup> (Appointed 06.02.24) Mrs C. Sewell-Hill <sup>3</sup> (Appointed 23.03.24) Mr. A. Evans-Crane <sup>3</sup> (Appointed 21.05.24) Ms. J. Patel <sup>6</sup> (Appointed 21.05.24) Ms. V. Ching <sup>6</sup> (Appointed 21.05.24) (Resigned 08.10.24) Mrs. J. Makin (Appointed 24.09.24) Mr. M. Dickenson (Appointed 24.09.24) Mr H Gronow (Appointed 08.10.24)
<b>Principal and registered office</b>	Hythe Road, Ashford, Kent, TN24 0QJ
<b>Senior Management Team</b>	Mr. B. Greene, Head Teacher Dr. J Gowen, Deputy Headteacher Mr. R. Scarr, Senior Assistant Head Mr. R. Hoyte, Senior Assistant Head Mr. S. Messenger, Assistant Head. (Resigned 31.08.2024) Mr. T. Sparrow, Assistant Head Ms. S. Neale, Assistant Head Mrs V. Martin, CFO
<b>Independent auditors</b>	UHY Hacker Young Chartered Accountants and Statutory Auditors Thames House, Roman Square Sittingbourne Kent. ME10 4BJ
<b>Bankers</b>	Lloyds Bank plc 81 High Street Ashford Kent. TN24 8SS
<b>Solicitors</b>	Winkworth Sherwood LLP Minerva House, Montague Close London. SE1 9BB

<sup>1</sup> Foundation Governor  
<sup>2</sup> Parent Governor  
<sup>3</sup> Community Governor  
<sup>4</sup> Staff Governor  
<sup>5</sup> Ex-officio  
<sup>6</sup> Co-Opted Governor

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**Governors' report**  
**For the year ended 31 August 2024**

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The Governors present their annual report together with the financial statements and auditors' report of the Academy Trust, a charitable company, for the period from 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, and the terms trustee, director and governor are interchangeable for a single academy trust.

The Academy Trust operates an academy for pupils aged 11 to 18 serving a catchment area in Ashford, Kent. It had a pupil roll of 1,295 as at October 2024.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

The Academy Trust is a company limited by guarantee constituted under a Memorandum and Articles of Association dated 15 March 2012 and is an exempt charity.

**Members' liability**

Each Member of the Academy Trust undertakes to contribute to the assets of the 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.

**Governors' indemnities**

Insurance is in place through the Risk Protection Arrangement (RPA) provided by the DFE, covering Governors' liability of up to £10 million any one loss and any one membership year.

RPA also covers the liability for compensation in respect of any claim which is made against the Academy Trust or employee incurred in the conduct of the Professional Services of the school by reason of Breach of Duty, Libel and Slander.

**Principal Activities**

The Academy Trust's object is specifically restricted to the following, to advance for the public benefit, education in the United Kingdom, in particular maintaining managing and developing a school offering a broad and balanced curriculum.

**Method of Recruitment and Appointment or Election of Governors**

The management of the Academy Trust is the responsibility of the Governors who are Elected, Appointed and Co-Opted in accordance with the terms of the Articles of Association.

The number of Governors shall be no smaller than three, but (unless otherwise determined by ordinary resolution) shall not be subject to any maximum.

The Academy Trust shall have the following (subject to Articles of Association) Governors, who shall be collectively known as "the Board of Governors":

- up to 8 Community Governors
- up to 2 Staff Governors
- up to 4 Foundation Governors
- up to 4 but not fewer than 2 Parent Governors
- the Headteacher
- any Additional Governors
- any Further Governors
- the Academy Trust may also have any Co-opted Governor appointed

Foundation Governors are appointed on the following basis:

- one may be appointed by The Honourable Michael-John Knatchbull or his successor as owner of the Mersham Hatch Estate, the Rectors of Chart Magna, Aldington and Mersham, all in the County of Kent, acting as an electing body;
- one may be appointed by the Committee of the Old Ashfordians Association of The Norton Knatchbull School;
- the Honourable Michael John Knatchbull or his successor as owner of the Mersham Hatch Estate shall be a Foundation Governor ex officio; and

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## **The Norton Knatchbull School**

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#### **Governors' report**

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In the event that:

- the owner of the Mersham Hatch Estate is unable or unwilling to act as a Foundation Governor, or
- a Foundation Governor Appointed ceases to hold office

the remaining Foundation Governors shall appoint another person to act in their place, but this shall not prejudice the ex officio governorship of his successor in the office from which the ex officio governorship derives.

The Headteacher shall be treated for all purposes as being an ex officio Governor.

The Parent Governors shall be elected by parents of registered pupils at the Academy Trust. A Parent Governor must be a parent of a pupil at the Academy Trust at the time when they are elected.

The Staff Governors shall be elected by all staff employed under a contract of employment or a contract for services or otherwise engaged to provide services to the Academy Trust (excluding the Headteacher).

The Governors may appoint up to three Co-opted Governors. A 'Co-opted Governor' means a person who is appointed to be a Governor by being Co-opted by Governors who have not themselves been so appointed.

The Secretary of State may appoint Additional Governors as they think fit if:

- (a) the Secretary of State has given the Governors a warning
- (b) the Governors have failed to comply, or secure compliance, with the notice to the Secretary of State's satisfaction within the compliance period.

The Secretary of State may also appoint such Additional Governors where following an Inspection by the Chief Inspector in accordance with the Education Act 2005 (an "Inspection") the Academy Trust receives an Ofsted grading (being a grade referred to in The Framework for School Inspection or any modification or replacement of that document for the time being in force) which amounts to a drop, either from one Inspection to the next Inspection or between any two Inspections carried out within a 5 year period, of two Ofsted grades.

#### **Policies and Procedures Adopted for the Induction and Training of Governors**

The Academy Trust offers regular training courses usually through The National Governors Association, Governors for Schools and The Key. The Headteacher and Chair of Governors ensure that all new Governors receive adequate induction training including Child Protection and ensure that Governors receive regular Safeguarding Training.

#### **Organisational Structure**

The Norton Knatchbull School Board of Governors' Terms of Reference outline in detail the exact roles and responsibilities of the Board of Governors, each committee and the roles of officers serving on each committee. This is supported by an annual Governor monitoring plan which is linked to the School Improvement Plan,

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

Pay ranges for senior management personnel are determined based on the size of the school population, in accordance with published guidelines. The pay determinations of senior management staff (teaching) are also influenced by the STPCD, and those of senior management staff (non-teaching) are influenced by Kent Pay Range and TCP.

A detailed Performance Management policy is in place and is regularly reviewed by Governors. Performance Management processes are robust in accordance with appropriate criteria, which are regularly communicated to all staff.

The senior leadership team consists of 1 Headteacher, 1 Deputy Headteacher, 2 Senior AHTs, 3 AHTs and the CFO

Performance Management and pay progression are based on the following principles:

The Headteacher's performance management is carried out by a Committee of three Governors and the Academy Trust's School Improvement Partner (external). The performance management of the remaining senior management staff is conducted by the Headteacher and monitored by the Personnel and Pay Committees of Governors.

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Three key targets are set in each cycle, one of which relates to professional development, which must be directly linked to the needs of the school and must be substantial. The second target is aspirational and relates to whole school pupil performance targets. The third target is also challenging and relates to the implementation of the whole school Development Plan. In addition, wider contribution to the life of the school is expected to be substantial and sustained, of the three very substantial targets set, two must be fully met or substantial progress, in order for pay progression to be awarded.

#### **Trade union facility time**

No employees served as relevant union officials during the year and so no disclosures are necessary.

#### **Related Parties and other Connected Charities and Organisations**

The Academy Trust is connected to the Ashford Grammar School Endowment Fund (a registered charity) by virtue of The Hon. M-J Knatchbull, Mr B Greene and Mr P. Sibbald being a trustee of both entities and Mr R Fraser, Mr D Race and Mr S. Hallam being a member and trustee of each entity respectively.

#### **OBJECTIVES AND ACTIVITIES**

##### **Objects and Aims**

The principal object of the Academy Trust is the operation of The Norton Knatchbull School to provide education for pupils of selective ability between the ages of 11 and 18.

The Academy Trust's aims are to develop each student's full potential. Academically, we aim to provide inspiration, foster aspiration, give challenge and support and facilitate success. In terms of personal development, we strive to promote and instill the concepts of responsibility, community, tolerance, equality and respect.

The Norton Knatchbull School is a highly regarded selective school for boys aged 11 to 18 which admits a growing number of girls into its Sixth Form. Having proudly served the local community of Ashford in Kent since the 17th century, it combines traditional values with a forward looking and vibrant learning environment where young people are nurtured to become considerate, confident and well-rounded individuals.

The School provides an atmosphere in which all of its students feel supported and inspired to strive for their personal best. Its approach to academic study is varied, disciplined and fosters a lifelong love of learning. It values community and celebrates diversity. As a result, our young people are able to make informed and positive life choices, and are equipped to face the challenges of a fast-changing, competitive and increasingly global environment.

The School has a fine educational track record, extensive extra-curricular provision and provides strong careers advice and guidance. It benefits from a wide range of facilities which support learning in a variety of disciplines, styles and environments. Its specialisms model innovation and best practice across the School and maintain productive links with local schools and the wider national and international community.

Students are supported by a team of highly qualified, hardworking and caring teaching and support staff and a well-informed and supportive Governing Body, all of whom are united in their desire to achieve the best possible outcomes for all.

#### ***Objectives, Strategies and Activities for the year ended 31<sup>st</sup> August 2025***

The key strategic priorities for the academic year are articulated in the school improvement plan:

##### ***Quality of Education:***

Improve the curriculum through the development of creativity across and within the curriculum and delivery, and through the growth and coordination of a Super Curriculum (Knatchbull Baccalareate) and a CPD programme which balances whole school objectives alongside choice to support this.

##### ***6<sup>th</sup> form***

Improve delivery of Sixth Form Academic and Tutorial programmes, and develop culture of active engagement with these by students to secure further progress with outcomes.

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***Leadership***

Improve QA processes to engage and develop Leadership at all levels, to inform school improvement and that is supportive to staff wellbeing.

Engage the NKS community in review of longer-term strategic priorities to underpin future thinking to ensure the school best meets the needs of NKS staff and students, present and future.

***Behaviour***

Improve consistency of understanding and application of behaviour practice, routines and expectations – especially with regard to where persistent/repetitive poor behaviour undermines students' progress

***Personal Development***

Improve students' engagement with the ethos of the school through a coherent Personal Development programme across Y7-Y13 both within and beyond timetabled lessons.

**In addition to the SIP priorities**

1. We will ensure that the school's infrastructure and facilities (including sporting and recreational facilities) are the best that can be achieved in all the circumstances adopting a process of continuous improvement:
  - Review and refocus the Estate Strategy to reflect shift away from big projects (due to financial restrictions) to ensure there is a maintenance, refurb and redecoration programme in place to maintain the best possible provision and facilities.
  - Monitor and explore opportunities for larger scale projects – in particular possible Mezzanine in Library and 3G Astro. Mezzanine in Library will enhance Sixth Form Study provision and new Astro benefit all weather sport and also enhance income through lettings
  - Regenerate and extend sporting facilities to support learning and provide additional income streams; Augment student recreational outdoor spaces to promote community spirit and a sense of belonging.
  
2. We will manage the school's finances and resources to ensure that they are used effectively to deliver our Vision and achieve best value commensurate with our legal and other responsibilities:
  - Maintain expanded entry of seven forms of entry throughout the school and look to increase access for disadvantaged students; and review Sixth Form recruitment and marketing cycle to maximise Y12 recruitment
  - Integrate the marketing and communications strategy to promote the School's achievements and work;
  - Implement a comprehensive fundraising strategy to improve and expand provision and facilities;
  - Strengthen financial planning and processes to achieve an in-year surplus and build reserves.

**Public Benefit**

The Academy Trust aims to advance education in the United Kingdom for the public benefit. In setting the objectives of the Academy Trust and planning associated activities, the Governors have given careful consideration to the Charity Commission's general guidance on public benefit.

The Norton Knatchbull School is a selective grammar school catering for pupils aged 11 to 18. It admits only boys in years 7 to 11 and girls are welcomed into the sixth form. The catchment area, once the selection criteria are met, is based primarily on proximity to the school. If the number of preferences for the school is more than the number of places available, places will be allocated to eligible pupils in the following priority order:

- Looked after and previously looked after children
- Children in receipt of Pupil Premium
- Current Family Association
- Health and Special Access Reasons
- Nearness of children's homes to school

## The Norton Knatchbull School

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### Governors' report

#### For the year ended 31 August 2024

#### STRATEGIC REPORT

##### Achievements and Performance

In December 2023 the School was inspected by OFSTED who judged the School “good” in all categories, reporting favourably that the “The school lives up to its promise of a vibrant learning environment where young people are nurtured to become considerate, confident and well-rounded individuals. ... Leaders, including governors, have instilled a real sense of purpose and determination across the whole school.’ Outcomes at GCSE are strong with both attainment and achievement being above National Averages. At A Level outcomes are not as strong as at GCSE – particularly at the higher grades – and this is a priority for the school.

Safeguarding remains a top priority for the School and this was confirmed by OFSTED (2023). All statutory checks are carried out methodically and record keeping is very thorough. Governors ensure that safeguarding has high priority and that they and the staff are regularly trained in safeguarding procedures. There is good cooperation between the school and outside agencies. Safeguarding processes have been strengthened further since then with an enlargement of the DSL team and regular annual update training for all staff and governors.

The School’s 2024 exam outcomes showed GCSE with a P8 score of 0.33. Overall A Level outcomes were not as strong as hoped, falling a little below National Averages . New Sixth Form Leadership and a series of measures will be implemented in 2024-25 to deliver further improvements in outcomes at A Level.

The refurbishments of the Science Labs and Student bathrooms have continued, alongside a new roof being installed on Brabourne – allowing the refurbishment and redecoration of the Library have all taken place. Last year’s successful PSDS bid which has seen a significant reduction in electricity and gas bills.

In the medium- and long-term strategy the possibility of joining a multi-academy trust has been shelved following discussions with staff last year and governors and colleagues will this year work together to revisit the school’s underlying values and vision to underpin longer term thinking and decision making.

##### Going Concern

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

##### Key Performance Indicators

In assessing the performance of the School going forward, the Board has particular regard to the following key performance indicators:

##### Non-financial:

- Overall outcomes at A level at least match national averages in particular at A\*-A and A\*-C.
- Overall outcomes at GCSE continue to exceed national averages, in particular at grades 9-7 and 9-5.
- Ofsted rating – as noted in the Achievements section above, the School was judged by OFSTED to be “good” in all categories

##### Financial:

	Actual	Target
Total Staff Costs to ESFA Revenue Income (%)	82.7%	83.7%
Total Staff Costs to Total Income (%)	81.4%	80.5%
Total Staff Costs as Proportion of Total Expense (%)	82.5%	81.3%

Total Pupil / Teacher Ratio	18.1	18.3
Total Pupil / Support Ratio	32.2	30.3
Total Pupil / Adult Ratio	11.6	11.3

The Board are pleased with achievements against the financial KPI targets.

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**Governors' report**  
**For the year ended 31 August 2024**

**FINANCIAL REVIEW**

The majority of the Academy Trust's income is in the form of recurrent grants from the ESFA and the use of this income is restricted to the particular purpose of the grant. The grants received from the ESFA and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The encouraging student intake in September 2024 makes financial planning more secure. The Year 7 intake of 264 (2023 - 208) leaves the school roll with a total of 1,295 (2023 - 1,270).

The remainder of income was raised via fees and charges for lettings and is unrestricted. In addition, the Academy Trust receives capital funding and was successful in a recent bid for funds from the Academies Capital Fund. This grant is shown in the Statement of Financial Activities as restricted income in the fixed asset fund.

During the financial year to 31 August 2024 total income was £9,039,935 (2023 - £8,549,088) of which £242,381 (2023 - £224,660) was unrestricted income. The increase in income was predominantly attributable to:

- A rise in capital funding with capital grants and donations of £1,230,456 (2023 - £1,021,288); and
- An increase in DfE/ESFA grants to £7,531,089 (2023 - £7,265,003).

Total expenditure for the year to 31 August 2024 was £8,613,523 (2023 - £8,013,616) resulting in net revenue for the year of £426,412 (2023 - £535,472).

The overall movement in funds for the year after actuarial movement on the Local Government Pension Scheme ("LGPS") defined benefit scheme was an increase in funds of £381,412 (2023 - £942,472). The actuarial loss on the LGPS this year, in contrast to the large actuarial gain last year, is attributable to changes in key assumptions used by the scheme's actuary, as detailed in notes 2 and 26.

This overall fund movement does not reflect the meaningful operational result and includes movements that do not relate to day-to-day running of the academy. To reach the result on revenue income funds movements on tangible fixed assets and the LGPS defined benefit pension liability need to be excluded. The table below reconciles from the overall movement in funds of £461,711 reduction (2023 - reduction of £372,135) in revenue funds during the year. The operational surplus prior to revenue to capital contribution transfers is also shown:

	<b>2024 (£)</b>	<b>2023 (£)</b>
Overall net movement in funds for the year per SoFA	<b>381,412</b>	<b>942,472</b>
(Increase) / decrease attributable to fixed asset fund	(843,123)	(954,607)
LGPS actuarial (gain)/loss	45,000	(407,000)
LGPS service and interest costs	(45,000)	47,000
<b>Total movement in revenue income funds</b>	<b>(461,711)</b>	<b>(372,135)</b>
Transfers from revenue to capital	552,200	710,832
<b>Operational surplus on revenue funds</b>	<b>90,489</b>	<b>338,697</b>

Therefore whilst revenue funds reduced during the year, this was a consequence of the decision to invest £552,200 of revenue funds into capital equipment, and before these transfers the operational result for the year was an in-year surplus of £90,489 (2023: £338,697).

Capital Projects

The School was successful in its application for Condition Improvement Funds (CIF) roofing and windows fire project which has enabled the refurbishment of the Music Block teaching spaces and provided fire doors throughout much of the school estate.

The school was also successful in its application for a Public Sector Decarbonisation Bid (PSDS) as a result of which 3 out of 4 gas boilers have been replaced with air source heat pumps providing heating and cooling and the additional benefit of nanotech air filtration. 207 Solar Panels were installed on the school roof during the autumn, as part of the same PSDS scheme which will also provide 60 new windows in the Mortimore Block.

The school was pleased to fund from its reserves the upgrade of 2 science rooms and a significant number of toilet facilities whilst the students were offsite in August 2023.

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## **Governors' report**

### **For the year ended 31 August 2024**

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#### **Financial position**

The Academy Trust held fund balances at 31 August 2024 of £20,186,520 (2023 - £19,805,108). These funds comprised restricted fixed asset funds of £19,412,399 (2023 - £18,569,276), restricted revenue funds of £504,738 (2023 - £956,125) and unrestricted revenue funds of £269,383 (2023 - £279,707).

The Academy Trust also maintains a pension reserve fund which represents its share of the LGPS fund surplus or deficit, calculated in accordance with Financial Reporting Standard (FRS) 102. At 31 August 2024 the pension reserve shows a £nil balance (2023 – also £nil). Whilst the valuation report received from the Local Authority appointed actuary for each year indicated that a pension accounting surplus existed at the Balance Sheet date, accounting standards state that if an employer has an accounting surplus, it should only be recognised to the extent that it is able to recover the surplus either through reduced contributions in the future, or through refunds. There are differing opinions as to the extent to which a pension surplus represents an “unconditional right” of employers and therefore the extent to which the surplus can be recognised as being of economic value, and to date the ESFA have been unable to give any guidance to academy trusts. The Trustees have therefore taken the view that, since the Academy Trust is a long-term employer open to new members, there is not a reasonable expectation of ever reaching a point of cessation and therefore being able to access a return of surplus. Accordingly, the surplus has not been included, and a break-even £nil position has been reflected on the Balance Sheet. The pension surplus per the valuation report is disclosed in note 2 and the actuarial assumptions and other movements in the year are disclosed in note 26.

Had any pension surplus or deficit been reflected it would merely be an accounting figure calculated under FRS 102 for the purposes of the financial statements, and would have no direct effect on the employer contribution rate paid by the Academy Trust, which is determined using longer-term funding assumptions. These contribution rates are reviewed every three years in consultation with the scheme's administrators, and current employer contributions due by the academy trust are fixed until 1 April 2026.

The restricted fixed asset fund balance predominantly represents the net book value of tangible fixed assets, including the school land and buildings, of £19,642,799 (2023 - £18,806,876) held on the Balance Sheet (see note 14). This fund shows that there was no capital grant funding that had not been spent at 31 August 2024 (2023 - £nil) but also includes the outstanding balance on a trustees' loan provided in previous years to fund capital improvement works. Loan repayments, which are made from GAG and accounted for by revenue to capital transfers, are minimal, interest free and fully budgeted for in the coming years.

#### **Reserves policy**

It is the Governors' objective to maintain a structure of prudent financial management. To this end we review annually the level of unspent GAG and other funding carried forward for future years to ensure that the Academy Trust can best protect and plan its current and future operating activities.

Reserves are intended to ensure the Academy Trust is equipped with enough high quality equipment to meet its aims and to ensure that a robust maintenance and renewal programme can be planned and carried out.

The Academy Trust's current level of reserves is shown in detail within the financial statements (note 18). At 31 August 2024 the total reserves held on revenue income funds (across both restricted and unrestricted funds) was £774,121 (2023 - £1,235,832).

Financially, the Board of Governors has been determined to defend the School's reserves by continuing to make efficiency savings wherever possible; by generating increased external income including establishing new income streams and by securing further grants for support of the curriculum and the upgrading and expansion of the School's facilities.

#### **Investment Policy**

The Academy Trust's surplus funds are placed in deposit accounts via a flexible investment platform offered to schools and academies. As at 31.08.24 the school had 2 deposit accounts. £500,000 invested in a 3-months Fixed term account at 4.9% interest via the Insignis deposit platform, £176,423 was invested on a 32-day notice Lloyds deposit account at 2.5% interest.

#### **Energy Policy**

During the year 2023-24 the Academy Trust carried on implementing the Energy Policy introduced (published on the website) in 2022-23. This places on record the Academy's commitment to energy and carbon use reduction.

The Academy Trust has a comprehensive energy strategy which is mainly funded by CIF and PSDS grants with an element of contribution from reserves. The school has implemented several successful upgrades, listed below.

The aim of the school is to continue with our energy efficiency strategy combined with risk-based prioritisation.

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#### **Governors' report**

#### **For the year ended 31 August 2024**

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- 65% of the estate has been converted from gas boilers to an air-sourced heat pump heating system
- 80% of the estate is using LED lighting source
- Installed 110kW of Photovoltaic array on the school roof, 200 panels producing £25k worth of energy
- Installed additional loft insulation in Mortimore, Brabourne and Fraser buildings – September 2023
- 60 energy efficient window replacement in the Mortimore building - October 2023
- Installed 70 PIR sensors (passive Infrared) to reduce electricity consumption
- Completed air permeability sealing work around doors and windows in the Brabourne and Fraser buildings
- Completed the new warm roof on the Art Block building
- Installed energy efficient windows in the Music block

#### **Principal Risks and Uncertainties**

The Governors will continue to review the Academy Risk Register and manage them in line with the local climate and demands. The Risk Register includes:

- Strategic and Reputational Risks
- Operational Risks
- Risks impacting on Governors' responsibilities to ensure the Academy Trust's estate is safe
- Compliance Risks
- Financial Risks

Other risks and uncertainties which could face the Trust relate to the reputation of the Academy Trust. This could arise from an OFSTED inspection or other governmental reports, or an event occurring outside of the control of the Governors.

#### **PLANS FOR FUTURE PERIODS**

The Governors and the Headteacher will work to develop the Annual School Improvement Plan, within the context of the broader Mission Statement and the holistic curriculum vision encompassed in the KnatchBacc.

The clear focus will be on improving and building upon the work already done to ensure students achieve their maximum potential in a stimulating and safe environment – with a particular emphasis on A Level outcomes. The School is committed to recruiting and retaining the best staff, in order to provide the best possible education for all its students. In delivering this objective the Board will ensure that staff morale and wellbeing is kept high on the agenda. This is particularly pertinent in the context of the changing employment patterns and trends over the last 5 years

In carrying this work forward, the Board is determined to retain as broad and balanced curriculum as possible and has budgeted accordingly.

The Board of Governors takes this opportunity to thank all the teachers and support staff for the work they have done and are currently doing in carrying forward and delivering these objectives

#### **FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS**

The Academy Trust acts as custodian in respect of the following accounts:

- *Ashford Grammar School Endowment Accounts (Registered Charity 307842)*  
Ashford Grammar School Account is administered by the trustees of the land and building of the old Ashford Grammar School – The proceeds from the sale of land by the trustees was loaned to the Norton Knatchbull School and repayments of the loan by the school are made into this account.
- *Ashford Grammar School Prize & Scholarship Fund (Registered Charity 1077599)*  
This account accrues awards. Annual prize day events are funded from the Prize Account and the Harper scholarship account is to be used for small scholarships for past and present students of the school. In the Academic year the account contributed £3,600 towards school trip to Peru.

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**The Norton Knatchbull School**  
**(A company limited by guarantee)**

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**Governors' report**  
**For the year ended 31 August 2024**

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**PROVISION OF INFORMATION TO AUDITOR**

In so far as the Governors are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Governors 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.

**AUDITORS**

The auditors have indicated their willingness to remain in office and once the audit process has been reviewed the appointments of auditors for next year will be considered at the forthcoming Annual General Meeting.

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

DocuSigned by:  
  
BC2770EBC330442...

**Mrs. J. Burnett**  
Chair of Governors

Signed by:  
  
164AF407982F4C3...

**Mr. B. Greene**  
Accounting Officer

Date: 17 December 2024

## The Norton Knatchbull School

### (A company limited by guarantee)

## Governance Statement

### Statement Scope of Responsibility

As Governors, we acknowledge we have overall responsibility for ensuring that The Norton Knatchbull School 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 Governors we have reviewed and taken account of the guidance in the Academy Trust Governance Guide (March 2024) and the 2024 Academy Trust Handbook.

The Board of Governors has delegated the day-to-day responsibility to the Headteacher, 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 The Norton Knatchbull School and the Secretary of State for Education. The Headteacher is also responsible for reporting to the Board of Governors any material weaknesses or breakdowns in internal control.

### Governance

The information on governance included here supplements that described in the reference and administrative details of the Academy Trust listed on page 1 and in the Governor's report and Statement of Governors' responsibilities. The full Board of Governors has formally met 8 times during the year. Attendance during the year at meetings of the Board of Governors was as follows:

<u>Governor</u>	<u>Meetings attended</u>	<u>Out of a possible</u>
Ben Greene - HT	8	8
Jane Burnett – Chair of Governors	8	8
Andrew Judd - Vice Chair of Governors	6	8
Winston Michael	1	3
Johnny Holland	4	8
Marianne Highwood	6	8
Daisy Butler-Gallie	3	3
Liz Seccombe	6	8
Phil Sibbald	5	8
Tom Saville	6	8
Michael-John Knatchbull	5	8
Dhan Limbu	2	2
Salena Hirons	6	8
Beth Rowlands	5	8
Charlotte Burke	6	8
James Dearden	6	8
Carol Parsons	7	8
Caroline Drummond	4	5
Corrina Sewell Hill	4	4
Vivian Ching	1	2

### Finance and General Purposes Committee

The role of the Finance and General Purposes Committee includes the audit & risk committee, with terms of reference which include the following:-

The Committee will provide financial scrutiny & oversight of the school's finances, ensuring that the school operates within the financial regulations of the Academies Trust Handbook, school finance policy and complies with any DfE and ESFA requirements, responding to any issues arising from the internal and external audits and ensuring solvency, probity and value for money.

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**The Norton Knatchbull School**  
**(A company limited by guarantee)**

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**Governance Statement**

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**Detailed Delegated Responsibilities**

To this end the Committee will:

1. Receive management accounts at each meeting, showing budget, actual to date, predicted future income and expenditure, ensuring that any appropriate action is taken and report to the full Governing Body on the current position;
2. Evaluate and recommend the three year budget plan, which shows clear links to the School Improvement Plan, for approval by the Board of Governors;
3. review annually the Finance Policy and agree levels of delegation for approval by the Board of Governors.
4. Report monitoring and end of year position to the Board of Governors, highlighting any significant variances as reported by the appointed Auditors
5. Evaluate and recommend the annual Accounting Officers Statement of Governance and evaluate and recommend the Statement of Governors' responsibilities.
6. Evaluate and recommend the annual set of Audited Accounts be submitted to Companies House
7. Approve CIF and other bids for grant monies towards building and refurbishment projects. No bids are to be submitted or amendments made to bids already agreed without their prior approval of the Finance & General Purposes Committee.
8. Make decisions in respect of service agreements and insurance.
9. Advise the Board of Governors of any consultations to change Funding Agreement or Funding methodology
10. Evaluate any proposed virements
11. Evaluate and report on Tenders for Contract Services to the Board of Governors
12. Benchmark the school's financial performance and report to the Board of Governors

**AUDIT SUB Committee:**

Via an audit sub-committee comprising governors (but excluding any employees) the Committee will:

1. Collaborate with external auditors and report to the board any findings or recommendations.
2. Direct the work of internal auditors to provide assurance to the board concerning the suitability of, and compliance with, its financial systems and operational controls
3. Review other assurance activities by third parties including fraud investigation, ESFA FMGS reviews and funding audits
4. Assess the effectiveness and resources of the external auditors and recommend their appointment to the board
5. Produce annual internal scrutiny report on the committee's conclusions on internal audit coverage for submission to the ESFA
6. Agree a programme of work to provide assurance on financial and non-financial controls and risks
7. Ensure that information submitted to DfE and ESFA that affects funding, including pupil number returns and funding claims completed by the trust is accurate and in compliance with funding criteria
8. Review the School's risk register and ensure that risks are being adequately identified and managed, and highlight any significant concerns to the Board of Governors.

**POLICIES:**

The Committee will review annually the following policies for approval by the Board of Governors:

- 1) Pay Policies
- 2) Financial Handbook

**PREMISES**

The Committee will approve the School premises annual maintenance budget and oversee the expenditure of budget lines dealing with buildings, grounds maintenance and playing fields, in particular:

1. Environmental issues
2. Condition surveys
3. Repairs, modifications and refurbishment of School infrastructure including buildings, utilities, lifts, equipment, pipework and systems
4. New builds and expansion projects
5. Telecoms, communication and alarm systems
6. Grounds maintenance contracts
7. Trees and shrubs
8. Landscaping
9. Decoration and general upkeep
10. Waste recycling and collection

The Committee will ensure premises and equipment inspections take place at regular intervals and receive a report. and agree policy statements associated with School buildings, premises and grounds.

**The Norton Knatchbull School**  
**(A company limited by guarantee)**

**Governance Statement**

**HEALTH AND SAFETY**

Via a Health & Safety Governor the Committee will

1. Monitor the operation of the Health and Safety Policy and ensure current practice reflects procedures in the Policy
2. Monitor health and safety training undertaken by staff
3. Receive the annual health & safety audit report and monitor actions
4. Receive regular reports on accident statistics and near misses.

**GDPR**

The Committee will

1. Receive and monitor reports from the DPO
2. Review, approve and consider implementation of the Data Protection Policies

The Finance & General Purposes Committee sat on 6 occasions during the year with the following attendance:

<u>Governor</u>	<u>Meetings attended</u>	<u>Out of a possible</u>
Mr. J. Holland	6	6
The Hon M-J Knatchbull	3	6
Mr. W. Michael	1	2
Mr. B. Greene	6	6
Mr. P. Sibbald	6	6
Mr. J. Dearden	6	6
Ms. J. Patel	1	1
Mr. A Evans Crane	1	1

Conflicts of Interest

Conflicts of Interest are checked regularly by way of an annual statement from each trustee as well as confirmation at each Full Board and Committee meeting. Were there to be any conflict of interest declared the individual would not be able to take part in the agenda item discussion or voting. This is documented by the Governance Professional.

**Review of Value for Money**

As Accounting Officer, the Headteacher has responsibility for ensuring that the Academy Trust delivers good value in the use of public resources. The Accounting Officer understands that value for money refers to the educational and wider societal outcomes, as well as estates safety and management, achieved in return for the taxpayer resources received.

The Accounting Officer considers how the Academy Trust’s use of its resources has provided good value for money during each academic year, and reports to the Board of Governors where value for money can be improved, including the use of benchmarking data where appropriate. The Accounting Officer for the Academy Trust has delivered improved value for money during the year by:

- Continuous review and analysis of staffing levels to ensure the highest quality teaching and support while maintaining value for money.
- Securing the best available terms and price on utilities contracts
- Conducting a comprehensive review of all non-staff expenditure ensuring the provision of curriculum support and exam result improvements while observing value for money principles.
- Continuing to develop the Buildings and Grounds maintenance team, making sure that the team is appropriately staffed and trained in health and safety and in carrying out improvements and planned maintenance without the need to employ external contractors, except where specialist skills and statutory approvals are required.
- Creating a comprehensive 7 year rolling estate management strategy which is regularly reviewed by the Finance & General Purposes Committee in order to be satisfied that the Academy Trust's estate is safe, well-maintained and complies with relevant regulations.

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**The Norton Knatchbull School**  
**(A company limited by guarantee)**

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**Governance Statement**

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**The Purpose of the System of Internal Control**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process devised by the audit sub-committee which sets out a programme of work to provide assurance on financial controls and risks. This is 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 was in place in The Norton Knatchbull School for the year 1 September 2023 to 31 August 2024 and up to the date of approval of the annual report and financial statements

The Board of Governors is circulated with copies of the internal audit reports.

During the year 1 September 2023 to 31 August 2024 PLR Advisory were appointed to act as the Academy Trust's internal audit service. In particular the checks carried out in the current period included:

- Visit 1: Banking and Fund Management
- Visit 2: Governance
- Visit 3: Accuracy of Management Accounts - chart of accounts, virements and fund accounting

Reports prepared by PLR Advisory are presented to the Finance and General Purposes Committee meetings describing the key risks and the performance of the school in managing these risks and thereafter circulated to Governors.

**Capacity to Handle Risk**

The Board of Governors 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 Governors is of the view that there is a formal ongoing process for identifying, evaluating, and managing the Academy Trust's significant risks which has been in place for the year 1 September 2023 to 31 August 2024 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Governors.

**The Risk and Control Framework**

The Academy Trust's system of internal 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 Governors;
- regular reviews by the Finance and General Purposes Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties; and
- identification and management of risks.

**Review of Effectiveness**

As Accounting Officer, the Headteacher 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 CFO who has responsibility for the development and maintenance of the internal control framework; and
- the completion and review of the School resource Management Self-Assessment Tool.

The Accounting Officer has been advised of the result of their review of the system of internal control by the Finance and General Purposes Committee and informed of the plans in place to address weaknesses identified during internal scrutiny visits to ensure continuous improvement of the system.

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**The Norton Knatchbull School**  
**(A company limited by guarantee)**

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**Governance Statement**

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**Conclusion**

Based on the advice of the Finance and General Purposes Committee and the Accounting Officer, the Board of Governors 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 Governors and signed on their behalf, by:

DocuSigned by:  
*Jane Burnett*  
BC2770EBC330442...

**Mrs. J. Burnett**  
Chair of Governors

Date: 17 December 2024

Signed by:  
*Ben Greene*  
164AF407982F4C3...

**Mr. B. Greene**  
Accounting Officer

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**The Norton Knatchbull School**  
**(A company limited by guarantee)**

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**Statement of Regularity, Propriety and Compliance**

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

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

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

Signed by:  
  
164AF407982F4C3...

**Mr. B. Greene**  
Accounting Officer

Date: 17 December 2024

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**The Norton Knatchbull School**  
**(A company limited by guarantee)**

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**Statement of Governors' responsibilities**  
**For the year ended 31 August 2024**

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The Governors (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Governors' 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 Governors to prepare financial statements for each financial year. Under company law, the Governors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Governors 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 judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

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

DocuSigned by:  
  
BC2770EBC330442...

**Mrs. J. Burnett**  
Chair of Governors

Date: 17 December 2024

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**The Norton Knatchbull School**  
**(A company limited by guarantee)**

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**Independent Auditors' Report on the financial statements to the Members of The Norton Knatchbull School**

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**Opinion**

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

In our opinion the financial statements:

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

**Basis for opinion**

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

**Conclusions relating to going concern**

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

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

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

**Other information**

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The Governors 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 Governors' report including the Strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Governors' report and the Strategic report have been prepared in accordance with applicable legal requirements.

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**The Norton Knatchbull School**  
**(A company limited by guarantee)**

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**Independent Auditors' Report on the financial statements to the Members of The Norton Knatchbull School**  
**(continued)**

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

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Governors' 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 governors' responsibilities, the Governors (who are also the directors of the Academy Trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Governors 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 Governors are responsible for assessing the Academy Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Governors either intend to liquidate the Academy Trust or to cease operations, or have no realistic alternative but to do so.

**Auditors' responsibilities for the audit of the financial statements**

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

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

***How the audit was considered capable of detecting irregularities including fraud:***

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- we identified the laws and regulations applicable to the trust through discussions with management, and from our commercial knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the operations of the trust, including the Companies Act 2006;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting correspondence; and
- identified laws and regulations were communicated within the audit team and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the trust's accounts to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

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**The Norton Knatchbull School**  
**(A company limited by guarantee)**

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**Independent Auditors' Report on the financial statements to the Members of The Norton Knatchbull School**  
**(continued)**

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To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policies were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:


- agreeing financial statement disclosures to underlying supporting documentation;
- reading minutes of meetings of those charged with governance; and
- enquiring of management and representatives of Trustees as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. As a result 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.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' report.

**Use of our report**

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

DocuSigned by:  
  
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**Allan Hickie BSc FCA (Senior statutory auditor)**

for and on behalf of

**UHY Hacker Young**

Chartered Accountants

Statutory Auditors

Thames House

Roman Square

Sittingbourne

Kent

ME10 4BJ

Date: 18 December 2024

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**The Norton Knatchbull School**  
**(A company limited by guarantee)**

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**Independent Reporting Accountant's Assurance Report on Regularity to The Norton Knatchbull School and the Education and Skills Funding Agency**

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In accordance with the terms of our engagement letter dated 25 January 2019 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 The Norton Knatchbull School 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 The Norton Knatchbull School and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to The Norton Knatchbull School and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than The Norton Knatchbull School and ESFA, for our work, for this report, or for the conclusion we have formed.

**Respective responsibilities of The Norton Knatchbull School's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of The Norton Knatchbull School's funding agreement with the Secretary of State for Education dated 1 April 2012 and the Academy Trust Handbook, extant from 1 September 2023, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

**Approach**

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

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

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

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

We conducted our work in accordance with Technical Release TECH 08/12 AAF issued by the Institute of Chartered Accountants In England and Wales. In accordance with that Technical Release we have carried out the procedures we consider necessary to arrive at our conclusion. Other than those procedures undertaken for the purposes of our audit of the financial statements of The Norton Knatchbull School for the year ended 31 August 2024 which provide evidence on regularity, our work was limited to only those additional procedures necessary to provide limited assurance.

The work undertaken to draw to our conclusion included:

- an assessment of the risk of material irregularity and impropriety across all of the Academy Trust's activities;
- further testing and review of the areas identified through the risk assessment including enquiry, identification of control processes and examination of supporting evidence across all areas identified as well as additional verification work where considered necessary; and
- consideration of evidence obtained through the work detailed above and the work completed as part of our financial statements audit in order to support the regularity conclusion.

In line with the Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts issued April 2023, we have not performed any additional procedures regarding the Academy Trust's compliance with safeguarding, health and safety and estates management.

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**The Norton Knatchbull School**  
**(A company limited by guarantee)**

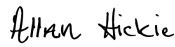
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**Independent Reporting Accountant's Assurance Report on Regularity to The Norton Knatchbull School and the Education & Skills Funding Agency (continued)**

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**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.

DocuSigned by:  
  
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**UHY Hacker Young**  
Chartered Accountants  
Statutory Auditors  
Thames House  
Roman Square  
Sittingbourne  
Kent  
ME10 4BJ

Date: 18 December 2024

**The Norton Knatchbull School**  
**(A company limited by guarantee)**

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

	Note	Unrestricted funds 2024 £	Restricted funds 2024 £	Restricted fixed asset funds 2024 £	Total funds 2024 £	Total funds 2023 £
<b>Income from:</b>						
Donations and capital grants	3	2,588	1,236	1,230,456	1,234,280	1,031,332
Other trading activities	4	53,465	7,792	-	61,257	46,443
Investments	5	26,949	-	-	26,949	17,189
Funding for educational operations	6	159,379	7,558,070	-	7,717,449	7,454,124
<b>Total income</b>		<b>242,381</b>	<b>7,567,098</b>	<b>1,230,456</b>	<b>9,039,935</b>	<b>8,549,088</b>
<b>Expenditure on:</b>						
Charitable activities	8	152,705	7,521,285	939,533	8,613,523	8,013,616
<b>Total expenditure</b>		<b>152,705</b>	<b>7,521,285</b>	<b>939,533</b>	<b>8,613,523</b>	<b>8,013,616</b>
<b>Net income</b>		<b>89,676</b>	<b>45,813</b>	<b>290,923</b>	<b>426,412</b>	<b>535,472</b>
Transfers between funds	18	(100,000)	(452,200)	552,200	-	-
<b>Net movement in funds before other recognised gains/(losses)</b>		<b>(10,324)</b>	<b>(406,387)</b>	<b>843,123</b>	<b>426,412</b>	<b>535,472</b>
<b>Other recognised gains/(losses):</b>						
Actuarial (losses)/gains on defined benefit pension schemes	26	-	(45,000)	-	(45,000)	407,000
<b>Net movement in funds</b>		<b>(10,324)</b>	<b>(451,387)</b>	<b>843,123</b>	<b>381,412</b>	<b>942,472</b>
<b>Reconciliation of funds:</b>						
Total funds brought forward	18	279,707	956,125	18,569,276	19,805,108	18,862,636
Net movement in funds		(10,324)	(451,387)	843,123	381,412	942,472
<b>Total funds carried forward</b>		<b>269,383</b>	<b>504,738</b>	<b>19,412,399</b>	<b>20,186,520</b>	<b>19,805,108</b>

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

The notes on pages 26 to 48 form part of these financial statements.

**The Norton Knatchbull School**  
**(A company limited by guarantee)**  
**Registered number: 07992899**

**Balance sheet**  
**As at 31 August 2024**

	Note	2024 £	2023 £
<b>Fixed assets</b>			
Tangible assets	14	19,642,799	18,806,876
<b>Current assets</b>			
Debtors	15	330,264	302,125
Cash at bank and in hand		1,137,565	1,938,103
		<u>1,467,829</u>	<u>2,240,228</u>
Creditors: amounts falling due within one year	16	(700,908)	(1,011,596)
<b>Net current assets</b>		<u>766,921</u>	<u>1,228,632</u>
<b>Total assets less current liabilities</b>		<u>20,409,720</u>	<u>20,035,508</u>
Creditors: amounts falling due after more than one year	17	(223,200)	(230,400)
<b>Net assets excluding defined benefit pension</b>		<u>20,186,520</u>	<u>19,805,108</u>
Defined benefit pension scheme liability	26	-	-
<b>Total net assets</b>		<u><u>20,186,520</u></u>	<u><u>19,805,108</u></u>
<b>Funds of the Academy Trust</b>			
<b>Restricted funds:</b>			
Fixed asset funds	18	19,412,399	18,569,276
Restricted income funds	18	504,738	956,125
<b>Total restricted funds</b>	18	<u>19,917,137</u>	<u>19,525,401</u>
<b>Unrestricted income funds</b>	18	<u>269,383</u>	<u>279,707</u>
<b>Total funds</b>		<u><u>20,186,520</u></u>	<u><u>19,805,108</u></u>

The financial statements on pages 23 to 48 were approved and authorised for issue by the Governors and are signed on their behalf, by:

DocuSigned by:  
  
 BC2770EBC330442...

**Mrs. J. Burnett**  
 Chair of Governors

Date: 17 December 2024

Signed by:  
  
 164AF407982F4C3...

**Mr. B. Greene**  
 Governor and Accounting Officer

The notes on pages 26 to 48 form part of these financial statements.

**The Norton Knatchbull School**  
**(A company limited by guarantee)**

**Statement of cash flows**  
**For the year ended 31 August 2024**

	Note	2024 £	2023 £
<b>Cash flows from operating activities</b>			
Net cash (used in)/provided by operating activities	20	(275,287)	355,019
<b>Cash flows from investing activities</b>	22	(518,051)	(686,443)
<b>Cash flows from financing activities</b>	21	(7,200)	(7,200)
		<u>                    </u>	<u>                    </u>
<b>Change in cash and cash equivalents in the year</b>		(800,538)	(338,624)
Cash and cash equivalents at the beginning of the year		1,938,103	2,276,727
<b>Cash and cash equivalents at the end of the year</b>	23, 24	<u><u>1,137,565</u></u>	<u><u>1,938,103</u></u>

The notes on pages 26 to 48 form part of these financial statements

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**The Norton Knatchbull School**  
**(A company limited by guarantee)**

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

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**1. Accounting policies**

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

**1.1 Basis of preparation of financial statements**

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

The Norton Knatchbull School meets the definition of a public benefit entity under FRS 102.

**1.2 Going concern**

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

**1.3 Income**

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

• **Grants**

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

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

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

• **Donations**

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

• **Other income**

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

**The Norton Knatchbull School**  
**(A company limited by guarantee)**

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

**1. Accounting policies (continued)**

**1.4 Expenditure**

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

• **Charitable activities**

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

Where relevant, all resources expended are inclusive of irrecoverable VAT.

**1.5 Interest receivable**

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

**1.6 Taxation**

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

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

**1.7 Tangible fixed assets**

Assets costing £1,000 or group assets costing £5,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

Depreciation is provided on the following bases:

Long-term supplemental agreement	- 50 years straight line
Furniture and equipment	- 3 to 6 years straight line
Computer equipment	- 5 years straight line
Site improvements	- 15 years straight line

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

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**The Norton Knatchbull School**  
**(A company limited by guarantee)**

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

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**1. Accounting policies (continued)**

**1.8 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.

**1.9 Cash at bank and in hand**

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

**1.10 Liabilities**

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

**1.11 Financial instruments**

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 15. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 16 and 17. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

**1.12 Operating leases**

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

**1.13 Pensions**

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

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

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

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**The Norton Knatchbull School**  
**(A company limited by guarantee)**

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

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**1. Accounting policies (continued)**

**1.13 Pensions (continued)**

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.

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

**1.14 Agency arrangements**

The Academy Trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the Academy Trust does not have control over the charitable application of the funds. The Academy Trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the statement of financial activities. The funds received and paid and any balances held are disclosed in note 30.

**1.15 Fund accounting**

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

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.

Investment income, gains and losses are allocated to the appropriate fund.

**2. Critical accounting estimates and areas of judgment**

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 26, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2022 has been used by the actuary in valuing the pensions liability at 31 August 2024. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

The ultimate responsibility for setting the LGPS assumptions is that of the Academy Trust, as the employer, however each year the LGPS actuary proposes a standard set of assumptions as part of the valuation exercise, using their expert opinion, and which comply with the accounting requirements. The Academy Trust has, in practice with most employers, adopted the recommended actuarial assumptions following further consultation with its auditors to ensure these assumptions are reasonable and in line with those adopted by other academy trusts.

**The Norton Knatchbull School**  
**(A company limited by guarantee)**

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

**2. Critical accounting estimates and areas of judgment (continued)**

Critical areas of judgment:

**LGPS pension asset recognition**

FRS 102 section 28.22 allows an entity to recognise a pension asset "only to the extent it is able to recover the surplus either through reduced contributions in the future or through refunds from the plan."

Whilst the LGPS actuarial valuation report for the year ended 31 August 2024 indicates a defined benefit asset of £87k exists at the year end date, the Governors have considered that there is insufficient evidence that a surplus being recognised would ever result in a repayment or reduction in contributions, given that such a surplus is probably only temporary. Also, as a longer term employer that is open to new members, there isn't a reasonable expectation that the Academy Trust will ever reach a point of cessation that would enable access to a return of surplus.

The actuarial movement has therefore been restricted to instead leave a break-even position on the Balance Sheet with neither an asset or liability recognised.

**3. Income from donations and capital grants**

	<b>Unrestricted funds 2024 £</b>	<b>Restricted funds 2024 £</b>	<b>Restricted fixed asset funds 2024 £</b>	<b>Total funds 2024 £</b>	<i>Total funds 2023 £</i>
Donations	2,588	1,236	-	3,824	10,044
Capital grants	-	-	1,230,456	1,230,456	1,021,288
	<u>2,588</u>	<u>1,236</u>	<u>1,230,456</u>	<u>1,234,280</u>	<u>1,031,332</u>
<i>Analysis of 2023 total by fund</i>	<u>6,029</u>	<u>4,015</u>	<u>1,021,288</u>	<u>1,031,332</u>	

**4. Income from other trading activities**

	<b>Unrestricted funds 2024 £</b>	<b>Restricted funds 2024 £</b>	<b>Total funds 2024 £</b>	<i>Total funds 2023 £</i>
Lettings	25,526	-	25,526	41,760
Insurance claims	1,165	-	1,165	205
Other	26,774	7,792	34,566	4,478
	<u>53,465</u>	<u>7,792</u>	<u>61,257</u>	<u>46,443</u>
<i>Analysis of 2023 total by fund</i>	<u>42,791</u>	<u>3,652</u>	<u>46,443</u>	

**The Norton Knatchbull School**  
**(A company limited by guarantee)**

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

**5. Investment income**

	<b>Unrestricted funds 2024 £</b>	<b>Total funds 2024 £</b>	<i>Total funds 2023 £</i>
Bank interest	26,949	26,949	17,189
	<u>26,949</u>	<u>26,949</u>	
<i>Analysis of 2023 total by fund</i>	<u>17,189</u>	<u>17,189</u>	

**6. Funding for educational operations**

	<b>Unrestricted funds 2024 £</b>	<b>Restricted funds 2024 £</b>	<b>Total funds 2024 £</b>	<i>Total funds 2023 £</i>
<b>Educational operations</b>				
<b>DfE/ESFA grants</b>				
General Annual Grant (GAG)	-	5,710,303	5,710,303	5,353,363
Other DfE/ESFA grants				
16-19 core funding	-	1,314,597	1,314,597	1,465,667
Schools supplementary grant	-	-	-	162,610
Pupil premium	-	73,871	73,871	94,275
Mainstream schools additional grant	-	193,192	193,192	80,497
Teachers' pension grant	-	114,393	114,393	63,598
Teachers' pay grant	-	100,428	100,428	1,065
Others	-	24,305	24,305	43,928
	<u>-</u>	<u>7,531,089</u>	<u>7,531,089</u>	<u>7,265,003</u>
<b>Other Government grants</b>				
Local authority grants	-	18,664	18,664	22,192
<b>Other income from educational operations</b>	159,379	8,317	167,696	166,929
	<u>159,379</u>	<u>7,558,070</u>	<u>7,717,449</u>	<u>7,454,124</u>
<i>Analysis of 2023 total by fund</i>	<u>158,651</u>	<u>7,295,473</u>	<u>7,454,124</u>	

**The Norton Knatchbull School**  
**(A company limited by guarantee)**

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

**7. Expenditure**

	<b>Staff Costs 2024 £</b>	<b>Premises 2024 £</b>	<b>Other 2024 £</b>	<b>Total 2024 £</b>	<i>Total 2023 £</i>
Educational operations:					
Direct costs	5,639,571	847,387	788,597	7,275,555	6,431,834
Allocated support costs	524,168	689,486	124,314	1,337,968	1,581,782
	<u>6,163,739</u>	<u>1,536,873</u>	<u>912,911</u>	<u>8,613,523</u>	<u>8,013,616</u>
<i>Analysis of 2023 total</i>	<u>5,548,458</u>	<u>1,347,564</u>	<u>1,117,594</u>	<u>8,013,616</u>	

**8. Analysis of expenditure on charitable activities**

**Summary by fund type**

	<b>Unrestricted funds 2024 £</b>	<b>Restricted funds 2024 £</b>	<b>Total 2024 £</b>	<i>Total 2023 £</i>
Educational operations	152,705	8,460,818	8,613,523	8,013,616
	<u>152,705</u>	<u>8,460,818</u>	<u>8,613,523</u>	<u>8,013,616</u>
<i>Analysis of 2023 total by fund</i>	<u>142,623</u>	<u>7,870,993</u>	<u>8,013,616</u>	

**9. Analysis of expenditure by activities**

	<b>Direct costs 2024 £</b>	<b>Support costs 2024 £</b>	<b>Total funds 2024 £</b>	<i>Total funds 2023 £</i>
Educational operations	7,275,555	1,337,968	8,613,523	8,013,616
	<u>7,275,555</u>	<u>1,337,968</u>	<u>8,613,523</u>	<u>8,013,616</u>
<i>Analysis of 2023 total</i>	<u>6,431,834</u>	<u>1,581,782</u>	<u>8,013,616</u>	

**The Norton Knatchbull School**  
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**Notes to the financial statements**  
**For the year ended 31 August 2024**

**9. Analysis of expenditure by activities (continued)**

**Analysis of support costs**

	<b>Total funds 2024 £</b>	<i>Total funds 2023 £</i>
Staff costs	524,168	555,273
Technology costs	37,212	85,297
Premises costs	583,013	689,486
Legal costs	2,367	2,030
Governance costs	16,587	22,011
Other support costs	174,621	227,685
<b>Total</b>	<b>1,337,968</b>	<b>1,581,782</b>

**10. Net income**

Net income for the year includes:

	<b>2024 £</b>	<i>2023 £</i>
Operating lease rentals	24,754	23,773
Depreciation of tangible fixed assets	939,533	777,513
Fees paid to auditors for:		
- audit	9,900	9,450
- other services	2,240	2,135

**The Norton Knatchbull School**  
**(A company limited by guarantee)**

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

**11. Staff**

**a. Staff costs and employee benefits**

Staff costs during the year were as follows:

	<b>2024</b>	<i>2023</i>
	<b>£</b>	<b>£</b>
Wages and salaries	4,555,925	4,072,844
Social security costs	471,366	419,822
Pension costs	1,047,259	943,306
	<u>6,074,550</u>	<u>5,435,972</u>
Agency staff costs	89,189	112,486
	<u>6,163,739</u>	<u>5,548,458</u>

Included in the staff costs above are restructuring costs of £Nil (2023 - £3,017). Restructuring costs here do not include payments in lieu of notice.

In addition to the above the Academy Trust paid the premiums for private healthcare benefits for certain employees, totalling £6,991 (2023: £nil).

**b. Severance payments**

The Academy Trust made 1 contractual severance payment for a payment in lieu of notice during the year, disclosed in the following bands:

	<b>2024</b>
	<b>No.</b>
£0 - £25,000	1

**c. Staff numbers**

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

	<b>2024</b>	<i>2023</i>
	<b>No.</b>	<b>No.</b>
Management	10	9
Teachers	67	63
Administration and support	43	43
	<u>120</u>	<u>115</u>

**The Norton Knatchbull School**  
**(A company limited by guarantee)**

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

**11. Staff (continued)**

**c. Staff numbers (continued)**

The average headcount expressed as full-time equivalents was:

	<b>2024</b>	<i>2023</i>
	<b>No.</b>	<i>No.</i>
Management	10	9
Teachers	59	57
Administration and support	37	33
	<u>106</u>	<u>99</u>

**d. Higher paid staff**

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

	<b>2024</b>	<i>2023</i>
	<b>No.</b>	<i>No.</i>
In the band £60,001 - £70,000	3	4
In the band £70,001 - £80,000	3	1
In the band £110,001 - £120,000	-	1
In the band £120,001 - £130,000	1	-
	<u>1</u>	<u>-</u>

**e. Key management personnel**

The key management personnel of the Academy Trust comprise the Governors and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £913,829 (2023 £803,962).

**12. Governors' remuneration and expenses**

One or more Governors has been paid remuneration or has received other benefits from an employment with the Academy Trust. The Head Teacher (who serves as the Accounting Officer) and other staff Governors only receive remuneration in respect of services they provide undertaking their roles under contracts of employment. The value of Governors' remuneration and other benefits was as follows:

		<b>2024</b>	<i>2023</i>
		<b>£</b>	<b>£</b>
Mr B Greene, Head Teacher	Remuneration	125,000 - 130,000	<i>115,000 - 120,000</i>
	Pension contributions paid	30,000 - 35,000	<i>25,000 - 30,000</i>
Mrs E Seccombe, Staff Governor	Remuneration	25,000 - 30,000	<i>30,000 - 35,000</i>
	Pension contributions paid	5,000 - 10,000	<i>5,000 - 10,000</i>
Mrs B Rowlands, Staff Governor	Remuneration	45,000 - 50,000	<i>5,000 - 20,000</i>
	Pension contributions paid	10,000 - 15,000	<i>0 - 5,000</i>

During the year ended 31 August 2024, expenses totalling £846 were reimbursed or paid directly to 1 Governor (2023 - £1,134). This was a reimbursement for mileage for the Governor in question in the current and prior year.

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**13. Governors' 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 Governors 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 Governors and officers indemnity element from the overall cost of the RPA scheme membership.

**14. Tangible fixed assets**

	Property held under long term supplemental agreement £	Assets under construction £	Furniture and computer equipment £	Site improvements £	Total £
<b>Cost</b>					
At 1 September 2023	17,490,842	987,352	681,571	5,584,613	24,744,378
Additions	-	1,460,540	215,833	99,083	1,775,456
Transfers between classes	-	(2,077,585)	-	2,077,585	-
At 31 August 2024	<u>17,490,842</u>	<u>370,307</u>	<u>897,404</u>	<u>7,761,281</u>	<u>26,519,834</u>
<b>Depreciation</b>					
At 1 September 2023	3,622,296	-	399,602	1,915,604	5,937,502
Charge for the year	349,817	-	92,146	497,570	939,533
At 31 August 2024	<u>3,972,113</u>	<u>-</u>	<u>491,748</u>	<u>2,413,174</u>	<u>6,877,035</u>
<b>Net book value</b>					
At 31 August 2024	<u>13,518,729</u>	<u>370,307</u>	<u>405,656</u>	<u>5,348,107</u>	<u>19,642,799</u>
At 31 August 2023	<u>13,868,546</u>	<u>987,352</u>	<u>281,969</u>	<u>3,669,009</u>	<u>18,806,876</u>

**15. Debtors**

	2024 £	2023 £
Trade debtors	7,200	4,263
Other debtors	107,234	152,418
Prepayments and accrued income	215,830	145,444
	<u>330,264</u>	<u>302,125</u>

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**16. Creditors: Amounts falling due within one year**

	<b>2024</b>	<i>2023</i>
	<b>£</b>	<i>£</i>
Other loans	7,200	<i>7,200</i>
Trade creditors	216,222	<i>508,363</i>
Other taxation and social security	108,783	<i>102,044</i>
Other creditors	183,735	<i>175,671</i>
Accruals and deferred income	184,968	<i>218,318</i>
	<u>700,908</u>	<u><i>1,011,596</i></u>
	<b>2024</b>	<i>2023</i>
	<b>£</b>	<i>£</i>
Deferred income at 1 September 2023	73,725	<i>49,306</i>
Resources deferred during the year	137,021	<i>73,725</i>
Amounts released from previous periods	(73,725)	<i>(49,306)</i>
	<u>137,021</u>	<u><i>73,725</i></u>

At the balance sheet date, the Academy Trust was holding funds received in advance for trips taking place in the 2023/24 academic year.

**17. Creditors: Amounts falling due after more than one year**

	<b>2024</b>	<i>2023</i>
	<b>£</b>	<i>£</i>
Other loans	223,200	<i>230,400</i>
	<u>223,200</u>	<u><i>230,400</i></u>

The aggregate amount of liabilities payable or repayable wholly or in part more than five years after the reporting date is:

	<b>2024</b>	<i>2023</i>
	<b>£</b>	<i>£</i>
Payable or repayable by instalments	194,400	<i>201,600</i>
	<u>194,400</u>	<u><i>201,600</i></u>

Other loans is made up of a long-term, interest free loan from the Ashford Grammar School Endowment Accounts (a registered charity) repayable by annual instalments. This was inherited from the predecessor school upon conversion to an Academy Trust. The total amount outstanding at 31 August 2024 is £230,400.

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**18. Statement of funds**

	Balance at 1 September 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2024 £
<b>Unrestricted funds</b>						
General fund	220,762	239,793	(152,705)	(100,000)	-	207,850
School fund	58,945	2,588	-	-	-	61,533
	<u>279,707</u>	<u>242,381</u>	<u>(152,705)</u>	<u>(100,000)</u>	<u>-</u>	<u>269,383</u>
<b>Restricted general funds</b>						
General Annual Grant (GAG)	912,043	5,710,303	(5,676,644)	(452,200)	-	493,502
16 - 19 funding	-	1,316,100	(1,316,100)	-	-	-
Other DfE/ESFA	31,489	504,686	(536,175)	-	-	-
Duke of Edinburgh	10,000	-	-	-	-	10,000
Other government	-	18,664	(18,664)	-	-	-
Fundraising for school needs	2,593	1,236	(2,593)	-	-	1,236
Other restricted	-	16,109	(16,109)	-	-	-
Pension reserve	-	-	45,000	-	(45,000)	-
	<u>956,125</u>	<u>7,567,098</u>	<u>(7,521,285)</u>	<u>(452,200)</u>	<u>(45,000)</u>	<u>504,738</u>
<b>Restricted fixed asset funds</b>						
Fixed assets	18,806,876	-	(939,533)	1,775,456	-	19,642,799
DfE/ESFA capital	-	571,111	-	(571,111)	-	-
Trustee loan	(237,600)	-	-	7,200	-	(230,400)
Other government capital	-	659,345	-	(659,345)	-	-
	<u>18,569,276</u>	<u>1,230,456</u>	<u>(939,533)</u>	<u>552,200</u>	<u>-</u>	<u>19,412,399</u>
<b>Total Restricted funds</b>	<u>19,525,401</u>	<u>8,797,554</u>	<u>(8,460,818)</u>	<u>100,000</u>	<u>(45,000)</u>	<u>19,917,137</u>
<b>Total funds</b>	<u><u>19,805,108</u></u>	<u><u>9,039,935</u></u>	<u><u>(8,613,523)</u></u>	<u><u>-</u></u>	<u><u>(45,000)</u></u>	<u><u>20,186,520</u></u>

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

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

General Annual Grant (GAG) must be used for the normal running costs of the Academy Trust.

The other DfE/ESFA grant fund is used to track non-GAG revenue grant funding received from the DfE/ESFA and connected bodies, and principally included the material grants detailed separately in note 5.

The Catch-up premium fund tracks additional Covid-related funding provided by the DfE to support children and young people to catch up on missed learning caused by coronavirus.

Other Covid funding relates to mass testing grants provided by the DfE to support schools with the costs associated with the coronavirus National Testing Programme.

Duke of Edinburgh fund was gifted to the school by a former pupil to be used in connection with the Duke of Edinburgh Award.

The other government grants fund is used to track grants provided by government departments.

The fundraising for school needs fund is being used to track the fundraising income received in order to fund future capital projects.

The other restricted fund is used to track all other restricted income which does not fall into any other category above.

The pension reserve is a restricted fund to account for movements in the Local Government Pension Scheme balance.

The restricted fixed asset funds are carried forward to meet the specific costs of fixed asset projects. Total transfers into this fund of £710,832 represent capital assets acquired using, and capital loan repayments funded by, revenue income funds.

The Trustee loan represents deficit balances on conversion to academy status in 2012, which related to school building projects. Loan repayments are being made from unrestricted funds in accordance with the repayment terms (see note 17).

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

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**18. Statement of funds (continued)**

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

	<i>Balance at 1 September 2022</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers in/out</i>	<i>Gains/ (Losses)</i>	<i>Balance at 31 August 2023</i>
	£	£	£	£	£	£
<b>Unrestricted funds</b>						
General fund	151,926	218,659	(142,623)	(7,200)	-	220,762
School fund	52,944	6,001	-	-	-	58,945
	<u>204,870</u>	<u>224,660</u>	<u>(142,623)</u>	<u>(7,200)</u>	<u>-</u>	<u>279,707</u>
<b>Restricted general</b>						
General Annual Grant (GAG)	1,311,473	5,315,050	(5,010,848)	(703,632)	-	912,043
16 - 19 funding	-	1,465,667	(1,465,667)	-	-	-
Other DfE/ESFA	65,620	484,286	(518,417)	-	-	31,489
Duke of Edinburgh	10,000	-	-	-	-	10,000
Other government	-	22,192	(22,192)	-	-	-
Fundraising for school needs	-	4,015	(1,422)	-	-	2,593
Other restricted	937	11,930	(12,867)	-	-	-
Catch-up premium	10,722	-	(10,722)	-	-	-
COVID-19 funding	4,345	-	(4,345)	-	-	-
Pension reserve	(360,000)	-	(47,000)	-	407,000	-
	<u>1,043,097</u>	<u>7,303,140</u>	<u>(7,093,480)</u>	<u>(703,632)</u>	<u>407,000</u>	<u>956,125</u>
<b>Restricted fixed asset funds</b>						
Fixed assets	17,859,469	-	(777,513)	1,724,920	-	18,806,876
DfE/ESFA capital	-	571,467	-	(571,467)	-	-
LA capital grant	-	46,166	-	(46,166)	-	-
Trustee loan	(244,800)	-	-	7,200	-	(237,600)
Other government capital	-	403,655	-	(403,655)	-	-
	<u>17,614,669</u>	<u>1,021,288</u>	<u>(777,513)</u>	<u>710,832</u>	<u>-</u>	<u>18,569,276</u>
<b>Total Restricted funds</b>	<u>18,657,766</u>	<u>8,324,428</u>	<u>(7,870,993)</u>	<u>7,200</u>	<u>407,000</u>	<u>19,525,401</u>
<b>Total funds</b>	<u><u>18,862,636</u></u>	<u><u>8,549,088</u></u>	<u><u>(8,013,616)</u></u>	<u><u>-</u></u>	<u><u>407,000</u></u>	<u><u>19,805,108</u></u>

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**19. Analysis of net assets between funds**

**Analysis of net assets between funds - current period**

	<b>Unrestricted funds 2024 £</b>	<b>Restricted funds 2024 £</b>	<b>Restricted fixed asset funds 2024 £</b>	<b>Total funds 2024 £</b>
Tangible fixed assets	-	-	19,642,799	19,642,799
Current assets	269,383	1,198,446	-	1,467,829
Creditors due within one year	-	(693,708)	(7,200)	(700,908)
Creditors due in more than one year	-	-	(223,200)	(223,200)
<b>Total</b>	<b>269,383</b>	<b>504,738</b>	<b>19,412,399</b>	<b>20,186,520</b>

**Analysis of net assets between funds - prior period**

	<i>Unrestricted funds 2023 £</i>	<i>Restricted funds 2023 £</i>	<i>Restricted fixed asset funds 2023 £</i>	<i>Total funds 2023 £</i>
Tangible fixed assets	-	-	18,806,876	18,806,876
Current assets	353,432	1,886,796	-	2,240,228
Creditors due within one year	(73,725)	(930,671)	(7,200)	(1,011,596)
Creditors due in more than one year	-	-	(230,400)	(230,400)
<b>Total</b>	<b>279,707</b>	<b>956,125</b>	<b>18,569,276</b>	<b>19,805,108</b>

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**20. Reconciliation of net income to net cash flow from operating activities**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Net income for the period (as per Statement of financial activities)	426,412	535,472
<b>Adjustments for:</b>		
Depreciation	939,533	777,513
Capital grants from DfE and other capital income	(1,230,456)	(1,021,288)
Interest receivable	(26,949)	(17,189)
Defined benefit pension scheme cost less contributions payable	(34,000)	35,000
Defined benefit pension scheme finance cost	(11,000)	12,000
(Increase)/decrease in debtors	(28,139)	327,218
Decrease in creditors	(310,688)	(293,707)
<b>Net cash (used in)/provided by operating activities</b>	<b>(275,287)</b>	<b>355,019</b>

**21. Cash flows from financing activities**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Repayments of borrowing	(7,200)	(7,200)

**22. Cash flows from investing activities**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Dividends, interest and rents from investments	26,949	17,189
Purchase of tangible fixed assets	(1,775,456)	(1,724,920)
Capital grants from DfE Group	571,111	571,467
Capital funding received from sponsors and others	659,345	449,821
<b>Net cash used in investing activities</b>	<b>(518,051)</b>	<b>(686,443)</b>

**23. Analysis of cash and cash equivalents**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Cash in hand and at bank	1,137,565	1,938,103

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**24. Analysis of changes in net debt**

	At 1 September 2023 £	Cash flows £	Other non- cash changes £	At 31 August 2024 £
Cash at bank and in hand	1,938,103	(800,538)	-	1,137,565
Debt due within 1 year	(7,200)	7,200	(7,200)	(7,200)
Debt due after 1 year	(230,400)	-	7,200	(223,200)
	<u>1,700,503</u>	<u>(793,338)</u>	<u>-</u>	<u>907,165</u>

**25. Capital commitments**

	2024 £	2023 £
<b>Contracted for but not provided in these financial statements</b>		
Acquisition of tangible fixed assets	519,354	1,062,695
	<u>519,354</u>	<u>1,062,695</u>

**26. Pension commitments**

The Academy Trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Kent 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 £138,352 were payable to the schemes at 31 August 2024 (2023 - £104,072) 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.

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**26. Pension commitments (continued)**

**Valuation of the Teachers' Pension Scheme**

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

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

- employer contribution rates set at 28.68% of pensionable pay (including a 0.08% administration levy)
- 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 revised employer contribution rate, arising from the 2020 valuation, has been implemented from 1 April 2024. The next valuation result is due to be implemented from 1 April 2027.

The employer's pension costs paid to TPS in the year amounted to £871,000 (2023 - £710,000).

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

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

**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 £279,000 (2023 - £232,000), of which employer's contributions totalled £220,000 (2023 - £183,000) and employees' contributions totalled £59,000 (2023 - £49,000). The agreed contribution rates for future years are 22.5 per cent for employers, and 5.5 to 12.5 per cent for employees.

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

**Principal actuarial assumptions**

	<b>2024</b>	<i>2023</i>
	%	%
Rate of increase in salaries	3.85	3.90
Rate of increase for pensions in payment/inflation	2.85	2.90
Discount rate for scheme liabilities	5.05	5.30
Inflation assumption (CPI)	2.85	2.90

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**26. Pension commitments (continued)**

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

	<b>2024</b>	<i>2023</i>
	<b>Years</b>	<i>Years</i>
<i>Retiring today</i>		
Males	20.7	20.7
Females	23.3	23.2
<i>Retiring in 20 years</i>		
Males	22.0	22.0
Females	24.7	24.6

**Sensitivity analysis**

	<b>2024</b>	<i>2023</i>
	<b>£000</b>	<i>£000</i>
Discount rate +0.1%	(76)	(65)
Discount rate -0.1%	78	67
Mortality assumption - 1 year increase	121	105
Mortality assumption - 1 year decrease	(118)	(102)
CPI rate +0.1%	73	63
CPI rate -0.1%	(71)	(61)

**Share of scheme assets**

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

	<b>At 31 August</b>	<i>At 31 August</i>
	<b>2024</b>	<i>2023</i>
	<b>£</b>	<i>£</i>
Equities	2,385,000	2,336,000
Gilts	292,000	22,000
Corporate bonds	607,000	508,000
Property	386,000	371,000
Cash and other liquid assets	102,000	39,000
Investment funds	212,000	264,000
Infrastructure	195,000	139,000
<b>Total market value of assets</b>	<b>4,179,000</b>	<i>3,679,000</i>

The actual return on scheme assets was £289,000 (2023 - £(25,000)).

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**26. Pension commitments (continued)**

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

	<b>2024</b>	2023
	<b>£</b>	£
Current service cost	(183,000)	(216,000)
Interest income	201,000	146,000
Interest cost	(190,000)	(158,000)
Administrative expenses	(3,000)	(2,000)
<b>Total amount recognised in the Statement of financial activities</b>	<b>(175,000)</b>	<b>(230,000)</b>

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

	<b>2024</b>	2023
	<b>£</b>	£
<b>At 1 September</b>	<b>3,679,000</b>	<b>3,713,000</b>
Current service cost	183,000	216,000
Interest cost	190,000	158,000
Employee contributions	59,000	49,000
Actuarial losses/(gains)	133,000	(399,000)
Benefits paid	(65,000)	(58,000)
<b>At 31 August</b>	<b>4,179,000</b>	<b>3,679,000</b>

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

	<b>2024</b>	2023
	<b>£</b>	£
<b>At 1 September</b>	<b>3,679,000</b>	<b>3,353,000</b>
Interest income	201,000	146,000
Actuarial gains	88,000	8,000
Employer contributions	220,000	183,000
Employee contributions	59,000	49,000
Benefits paid	(65,000)	(58,000)
Administration expenses	(3,000)	(2,000)
<b>At 31 August</b>	<b>4,179,000</b>	<b>3,679,000</b>

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**27. Operating lease commitments**

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

	<b>2024</b>	<i>2023</i>
	£	£
Not later than 1 year	20,220	<i>19,288</i>
Later than 1 year and not later than 5 years	14,630	<i>5,590</i>
Later than 5 years	2,438	-
	<u>37,288</u>	<u><i>24,878</i></u>

**28. Related party transactions**

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

The following related party transactions took place during the financial year:

**Expenditure Related Party Transaction**

The wife of Mr. S. Messenger (resigned 31 August 2024), a member of the trust's executive and senior leadership team, is employed by the Academy Trust as a teacher. The appointment was made in open competition and Mr. S. Messenger was not involved in the decision-making process regarding appointment. Mr. S. Messenger's wife is paid within the normal pay scale for her role and receives no special treatment as a result of her relationship to a member of the senior leadership team.

The husband of Mrs. J. Gowen, a member of the trust's executive and senior leadership team, is employed by the Academy Trust as a teacher. His appointment was made before Mrs. J. Gowen became a trustee and therefore no issue has been found.

The wife of Mr. J. Dearden, a trustee, is employed by the Academy Trust as an office manager. Her appointment was made before Mr. J. Dearden became a trustee and therefore no issue has been found.

**Repayments of loans to a related party**

***Ashford Grammar School Endowment Fund (registered charity no. 307842)***

This charity is connected to the Academy Trust by virtue of the Hon. M.J. Knatchbull, Ben Greene and Philip Sibbald being trustees of both entities, as well as Richard Fraser and Simon Hallam, members of the Academy Trust, being trustees of the charity.

The charity provided the Academy Trust with a long term loan of £360,000 in 2006, prior to the School converting to academy status. This loan was for capital works and is repayable by annual instalments, with no interest payable, over 50 years.

During the year ended 31 August 2024 loan repayments of £7,200 were made (*2023 - £7,200*).

As at 31 August 2024 the Academy Trust owed £230,400 (*2023 - £237,600*) to the charity in respect of this loan.

The loan repayments fall outside of the usual Academy Trust Handbook related party rules since they are longstanding commitments and do not, in any case, relate to contracts for payments for services. The transactions therefore complied with the requirements of ESFA's Academy Trust Handbook.

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**The Norton Knatchbull School**  
**(A company limited by guarantee)**

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

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**29. Members' liability**

Each member of the Academy Trust 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.

**30. Agency arrangements**

The Academy Trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ending 31 August 2024 the Academy Trust received £30,059 (2023 - £32,775) and disbursed £60,901 (2023 - £13,102) from the fund. The Academy Trust also used 5% of the allocation towards its own administration costs. An amount of £430 (2023 - £49,921) is included in other creditors relating to undistributed funds.

**31. Controlling party**

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