

ANGLO EUROPEAN ACADEMY TRUST
(A Company Limited by Guarantee)
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

ANGLO EUROPEAN ACADEMY TRUST
(A Company Limited by Guarantee)

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REFERENCE AND ADMINISTRATIVE DETAILS

Members Mr S Roberts
Mrs C Brunskill
Mrs C Costello (appointed 1 September 2022)
Mrs N Maher

Governors Mrs N Maher, Chair of Governors
Mr K Hoyle
Mr P Mason
Mr A Mason
Mrs H Gulowsen
Mrs N Chatha
Mr M Frost
Mr O Young (resigned 5 September 2022)
Mrs C Penn
Dr M Welton
Mrs J Griffin
Mrs J Gee, Headteacher
Mrs A Barbier
Mrs A Smith

Company registered number 07846848

Company name Anglo European Academy Trust

Principal and registered office Willow Green
Ingatestone
Essex
CM4 0DJ

Accounting Officer Mrs J Gee

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REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
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**Senior Management
Team**

Mrs J Gee, Headteacher and Accounting Officer
Mr M Seager, Deputy Headteacher
Mrs R Wootton, Deputy Head
Mr M Ashworth, Assistant Headteacher
Mrs S Nichols, Assistant Headteacher
Mr R Marshal, Assistant Headteacher
Mr B Knights, Assistant Headteacher
Mrs V Miller, Director of Finance
Mrs C Peeters, Associate Deputy Headteacher

Independent Auditors

Price Bailey LLP
Chartered Accountants
Causeway House
1 Dane Street
Bishop's Stortford
Hertfordshire
CM23 3BT

ANGLO EUROPEAN ACADEMY TRUST
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GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2023

The Governors present their Annual Report together with the financial statements and Auditor's Report of Anglo European Academy Trust (the Academy) for the year ended 31 August 2023. The Annual Report serves the purposes of both a Governors' Report, and a Directors' Report under company law.

The Academy operates as a school for pupils aged 11-19 serving a catchment area of children permanently residing in the priority admission area of the parishes of Ingatestone, Mountnessing and Margarettong or children attending Ingatestone and Fryerning Junior School, Margarettong Primary School, Roxwell Primary School or Mountnessing Primary School and on roll for Year 6.

Structure, Governance and Management

The Academy is a Company limited by guarantee and an exempt charity. The Academy's Memorandum and Articles of Association are its primary governing documents. The Governors of the Academy are also the Directors for the purposes of company law. The terms Trustee, Director and Governor are interchangeable. The Academy is commonly known as Anglo European School (the School). Details of the Governors who served during the year are included in the Reference and Administrative Details section.

Members' Liability

Each Member of the Academy undertakes to contribute to the assets of the Academy 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 and Officers' Indemnities

The Trust has opted to be covered under the Government's Risk Protection Arrangements (RPA) scheme to protect Trustees, Governors and Officers from claims arising from negligent acts, omissions or errors whilst performing Trust business.

Method of Recruitment and Appointment or Election of Governors

The arrangements are as set out in the Articles of Association and Funding Agreement which have been updated this year. The Board understands the mix of skills required for an effective governing body and undertakes a skills audit regularly. Where skills gaps are required, the Governing Body will seek new Governors with those particular skills to address succession planning.

Governors are appointed for a fixed term. The Headteacher is a full member of the Governing Body (or the Board). Parent Governors are elected to office or appointed if there are insufficient candidates offering themselves for election. The Articles of Association make provision for a minimum of 3 members (we have 5 including the Chair of Governors) and no less than 3 Trustees. We can have up to 12 Trustees with a minimum of two parent Trustees, we have 3 with the ability to Co-opt other Trustees under Article 58. We co-opt staff governors we have 2, but employees of the Trust must not exceed one third of the total number of Trustees.

Policies and Procedures Adopted for the Induction and Training of Governors

The Academy is committed to providing adequate opportunities for all new Governors who are required to attend a training programme appropriate to their background and experience to enable them to perform their role effectively. Governors attend internal training days provided by school staff or attend training provided by relevant providers to keep their knowledge and understanding up to date. Newly appointed Governors are encouraged to attend Induction Training. The induction programme would involve a briefing by the Chair of Governors and the Headteacher, followed by a tour of the School, meetings with students and staff, the provision of handbook, policy and procedures documents supplied by the Headteacher and Clerk that are appropriate to the role they undertake as Governors.

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Arrangements for setting pay and remuneration of key management personnel

Key Management Personnel include Staff Governors and those staff to whom the Governors have delegated significant authority and responsibility in the day-to-day running of the School.

Pay and remuneration of Key Management Personnel is decided by a variety of contributory factors, such as the school group size, ISR, the pay scales for each role and the level of experience of each staff member. In addition, pay levels may be affected by nationally agreed pay awards, the ability to recruit and retain in post, all of which are in accordance with the School's Appointment and Pay Policies.

All amendments to Key Management's pay and remuneration is approved by the Pay Committee and ratified by the Board.

Trade Unions

The Academy had no relevant union officials during the year but has two internal staff representatives for the NEU. All internal union meetings with staff are conducted after school hours.

Related Parties and other Connected Charities and Organisations

Owing to the nature of the Academy's operations and the composition of the Governing Body being drawn from local public and private sector organisations, it is inevitable that from time to time transactions will take place with organisations in which Governors may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy's financial regulations and normal procedures. Any transaction where the Governor may have a pecuniary interest is only undertaken in accordance with the 'at cost' principle described in the Academies Financial Handbook.

The Academy cooperated with the following organisations during the academic year in pursuit of its charitable activities: Anglia Ruskin University and Chelmsford Star Co-operative.

The Academy does not have a formal sponsor.

Objectives and Activities Objects and Aims

The principal object and aim of the Academy is the operation of Anglo European School to provide free education and care for pupils of different abilities between the ages of 11 and 19. Specifically, to enable each child to realise their academic potential and to develop social, moral and international values.

Objectives, Strategies and Activities

Strategic Aims

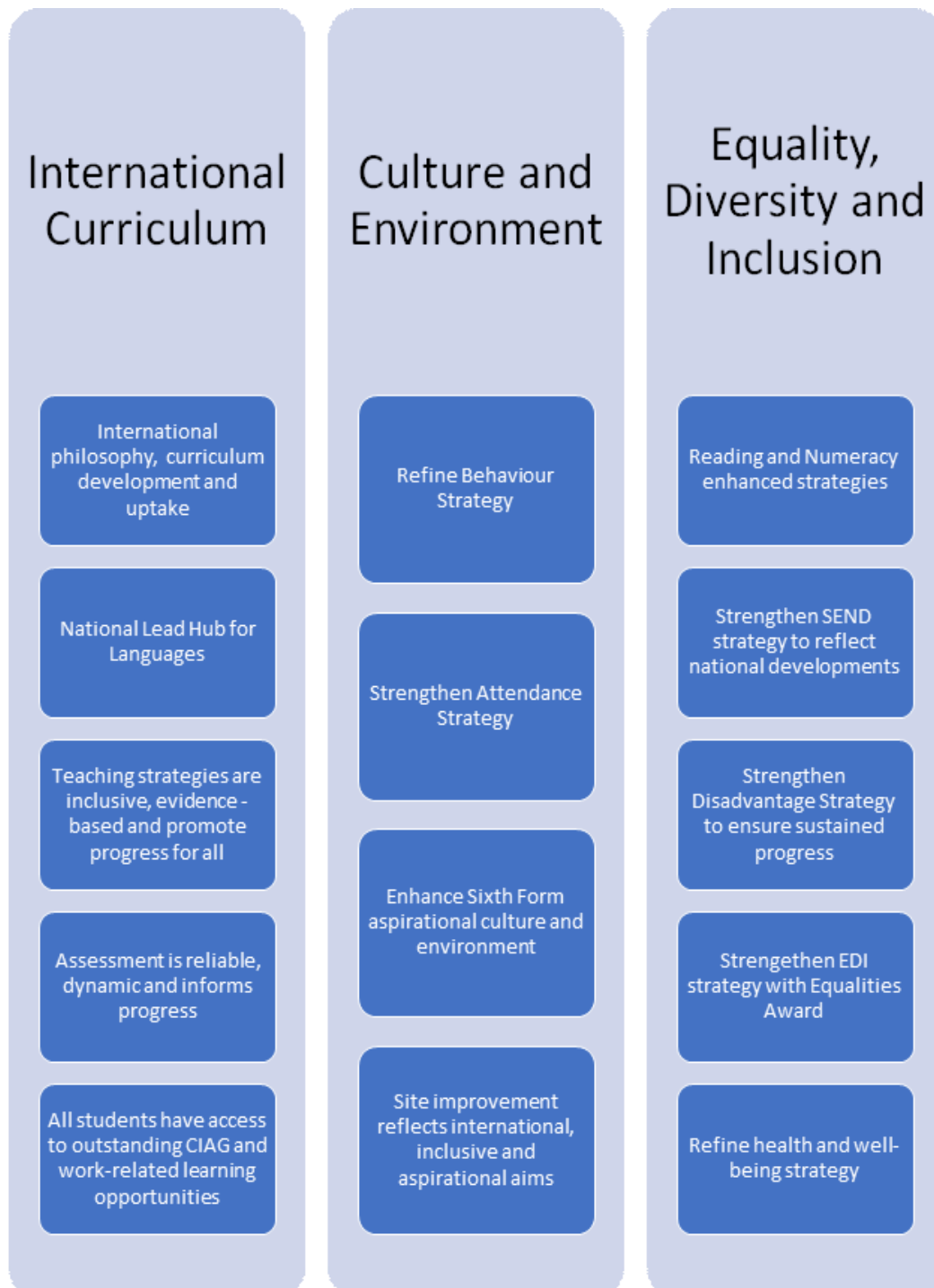
1. To further develop our international ethos through a challenging, international, diverse, baccalaureate curriculum and the strengthening of international partnerships, lead NCLE Hub status and the strengthening of the IB Philosophy and courses.
2. To secure outstanding progress for all students through an outstanding, diverse curriculum and ensuring an ambitious and aspirational learning experience for key groups, notably SEND, AMA & Disadvantaged and a strategic approach to narrowing gaps in their progress.
3. To ensure the consistency of the quality of excellent provision for teaching, learning and assessment, developing a numerate and literate community where Mathematics and Reading are enjoyed, and students are successful in both, in line or exceeding chronological expectations.
4. Develop metacognitive learners through effective teacher modelling, appropriate challenge, purposeful talk and fostering a culture of intrinsic motivation to learn and be successful.

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5. Foster a culture and environment which is safe, healthy, aspirational and inclusive for all students.
6. All leaders work collaboratively, confidently and ambitiously to drive aspirational standards and ensure change is affected.
7. To foster a safe, health, inclusive and aspirational culture through the regeneration of the site which facilitates future growth and improvement.

These aims are underpinned by our school development plan which falls under three key headings:



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Public Benefit

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

Key Performance Indicators

The Finance, Resources, Risk and Audit Committee gives due consideration to as to whether the financial position is robust and stable, enabling the provision of sufficient resources to enable the School to fulfil its educational obligations. It also monitors premises costs to General Annual Grant (GAG) income, capitation spend for curriculum departments to GAG income, total income less grants and cash flow on a regular basis to ensure that the budget is set and managed appropriately.

Strategic Report

Review of Achievements and Performance

The Academy has continued to improve against the strategic and developmental objectives and to manage the School safely and appropriately despite the aftermath of Covid, the discovery of RAAC in the Sixth Form building in February 2023 causing major disruption to the site and two external inspections.

Managing the financial estate continues to be challenging in the face of rising costs, staffing shortages and further deterioration to the condition of the buildings. We have had two inspections; Ofsted returned to confirm that the school remained "Good" and the IBO conducted our 5-Year IB Review with a full inspection of leadership, teaching and learning and the embedding of IB philosophy and principles which gave us a very positive outcome.

The increase in Teachers' Pay Award this year required additional funding from the school and the uncertainty over increases to Professional Support Pay remains. The agreement over teachers' pay was preceded by a long period of industrial action where the school managed a hybrid model of on-site support and remote learning. This disenchantment with pay and conditions has led to a notable shortage in new teachers applying to join the profession and an increase in earlier than expected retirement which has compounded tensions around recruitment. Despite these significant pressures, the school continues to grow and thrive, which is a testament to its leadership, staff, parent support and students who have shown great resilience and strength in furthering school improvement.

There has been a continued focus on the development of curriculum planning, mapping and schemes of work to ensure all subject have a curriculum which is well designed, sequenced, planned for progression, diverse and reflective of international principles. This year's focus has been mapping careers information, advice and guidance throughout the curriculum, working with the Essex Careers Hub and training staff as Careers leaders and assistants from our own staff.

The school has focused relentlessly on improving provision and outcomes for SEND students with notable success. This has involved development of the SEND, pastoral and welfare teams, investment in leadership, resources and testing and training of teachers, working with the Zenith Trust, EEF and Unity Research Schools to support this work. Leaders have been trained in Trauma Perceptive Practice and the outcomes over the last two years have sustained improvement.

We continue to focus on improving outcomes for our Disadvantaged students who suffered particularly during lockdown and continue to perform behind their peers both in terms of progress and attainment. This has been underpinned by the development of the Anglo Reading Curriculum which focuses on developing fluency and comprehension in reading for all students so that no student leaves KS3 without having reached their chronological age in reading alongside a revised strategy for driving these students towards aspirational goals and supporting them both pastorally and academically along the way.

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The discovery of RAAC in E Block, our main Sixth Form Centre led to its immediate closure and displaced 322 students with immediate effect. We continue to work very closely with the Department for Education, who have funded a temporary propping solution to allow us to regain access to these teaching spaces, to provide high quality temporary accommodation whilst works are taking place and in managing what has been a critical health and safety incident. E Block is now safe, refurbished and operational, whilst a feasibility study is taking place to determine the long-term, permanent works needed to secure new accommodation for our Sixth Form.

Another significant project has been a successful bid to be a National Lead Hub for Language Learning, led by the National Consortium for Languages Education at IOE. This newly established body will work with key stakeholders across the languages community, including the Goethe-Institut, the British Council, and UCL, with the backing of £14.9 million over the next 3 years to re-energise language learning in state-maintained primary and secondary schools in England. It will promote high-quality language teaching in schools, increase GCSE language take-up at GCSE, level up opportunities for disadvantaged students, address the under-performance of boys in languages, and recognise and support the rich diversity of languages in addition to English spoken in our school communities. 60 schools applied, they interviewed 28 and appointed 15 Hubs nationally and Anglo European School has been designated one of these 15.

	2023	2022	2021	2020
NOR 11-16	1191	1174	1149	1160
NOR 16-19	323	327	315	329
Staff Costs as % of expenditure	82.03%	83.40%	84.20%	84.10%
Staff Costs as % of ESFA funding	89.20%	85.50%	81.10%	80.90%
Average Teacher FTE salary	£44,970	£40,418	£41,040	£40,369
Pupil to teacher ratio	16.4	15.7	15.6	14.7
Whole School Attendance	92.90%	92.10%	90.28%	94.87%

Student Achievement and Progress for 2023:

This report is based on internal analysis of the results, including ALPS and SISRA; all curriculum leaders have completed examination reviews; the 2023 performance tables have not yet been validated and the Inspection Data Summary Report (IDSR) has not yet been updated for this summer's results so this data is from raw examination results.

GCSE outcomes

Our GCSE outcomes were positive and although not as outstanding as the year before, followed the national pattern of a return to 2019 grading. Our students entered an average of 10 GCSEs with many taking Citizenship or an additional language as an extra qualification. This continues to be above the national average.

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Progress 8 is the Government's preferred measure for the progress made by students in a GCSE cohort. The School's P8 score for 2023 is estimated to be +0.11 and will be confirmed once the IDSR is published. We expect this to be graded as "above average" building on the above average progress in 2022 of +0.22. This was especially pleasing and this cohort were challenging and their attendance returning from Covid was particularly weaker than other year groups. All prior attainment groups are making good progress.

	Cohort	P8 cohort	Progress 8 by subject							
			Overall	Eng	Ma	Ebacc	Open	Sci	Lang	Hum
2017	200	178 (89%)	-0.1	+0.17	-0.47	+0.3	-0.45	-0.33	+0.58	-0.02
2018	207	188 (91%)	+0.24	+0.47	-0.23	+0.55	+0.12	+0.09	+0.72	+0.45
2019	220	189 (86%)	+0.05	+0.21	-0.23	+0.21	-0.05	-0.42	+0.62	+0.15
2020	218	188 (86%)	+0.3	+0.6	-0.02	+0.55	+0.07	+0.02	+0.52	+0.41
2021	234	213 (91%)	+0.23	+0.54	-0.23	+0.36	+0.21	-0.14	+0.58	+0.35
2022	218	181 (83%)	+0.22	+0.27	-0.3	+0.52	+0.21	+0.09	+0.97	+0.36
2023	221	184 (83%)	+0.11	+0.28	-0.36	+0.42	-0.01	-0.11	+0.77	+0.23

The P8 score is based on the subjects in the Ebacc (Maths, English, Science, Language, Geography/History) and then the other subjects as "open" choices. In general:

- English Languages and Geography/History add additional value to the School's P8 score
- Mathematics and Science have a lower P8 contribution than the other subjects (although the science contribution last year showed improvement and has only fallen this year in line with national trends and is still an improvement on 2019 outcomes.) The weaker outcomes in the Open bucket can be attributed to Business Studies and Technology which experienced significant staff absences as a result of 2/3 staff leaving Technology at Christmas and a colleague on long term sickness in Business Studies.

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We are able to analyse the contribution of subgroups of students to the P8 score. In general:

	Cohort	P8 cohort	Progress 8 by key group								
			Overall	Male	Disad.	EHCP	SEN su pp.	EAL	HPA	MPA	LPA
2017	200	178 (89%)	-0.10	-0.34	-0.32	-0.03	-0.88	+0.14	-0.09	-0.08	-0.47
2018	207	188 (91%)	+0.24	-0.05	+0.07	-0.12	-0.56	+0.35	+0.19	+0.39	+0.16
2019	220	189 (86%)	+0.05	-0.33	-0.33	n/a	-0.15	+0.31	-0.07	+0.25	+0.34
2020	218	188 (86%)	+0.30	-0.02	+0.04	n/a	-0.28	+0.63	+0.28	+0.36	+0.01
2021	234	213 (91%)	+0.23	+0.07	+0.05	-0.91	+0.18	+0.37	+0.16	+0.33	+0.32
2022	218	181 (83%)	+0.22	+0.22	-0.43	-0.92	+0.12	+0.26	+0.12	+0.28	-0.10
2023	221	184 (83%)	+0.11	-0.07	-0.60	-	+0.23	+0.24	+0.14	+0.05	+0.48

- Girls continue to have a higher P8 score than boys.
- SEND students have a higher P8 score than their peers and a positive score for the second examination year running. This is a notable achievement and reflects the work, training and research investment in this area at AES.
- Disadvantaged students' performance continues to be a concern and although this a national and region issue, and we do better than both Essex and National averages, the school's gap in progress is too large.
- Students with English as an Additional Language (EAL) tend to make better progress than their peers and this is significant this year. For the great majority of EAL students at the Anglo, they are truly bilingual and this is to their advantage and reflects the cognitive benefits of learning multiple languages.
- Students with Low Prior Attainment (LPA) have done noticeably well compared to previous years and may well have benefitted from the scaffolding and modelling in place for their SEND peer.

Attainment 8

Attainment 8 is the Government's preferred measure for the attainment of students in a GCSE cohort. The School's A8 score for 2023 is 54.8. Although it is lower than last year's scores, they are still higher than the 2019 A8 which was the last set of examination results without adjustments. Although the national figures are still to be released, the Essex average has been published at 46.4.

The A8 score is also based on the subjects in the Ebacc (Maths, English, Science, Language, Geography/History) and then the other subjects as "open" choices. In general:

- English and Languages add additional value to the school's A8 score
- Mathematics and Science have a lower A8 contribution than the other subjects
- The Geography/History contribution is positive although the overall humanities contribution is low due to the number of our students studying Religious Studies or Business Studies, which are not included as a humanity.

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	Cohort	Overall	Attainment 8 points by subject (in Ebacc elements)						
			Eng	Ma	Ebacc	Open	Sci	Lang	Hum
2017	200	52.4							
2018	207	56.5							
2019	220	53.7	5.8	5.0	5.5	5.3	4.9	5.3	4.0
2020	218	58.1	6.1	5.3	6.0	5.7	5.4	5.7	4.9
2021	234	57.4	6.1	5.1	5.8	5.9	5.3	5.5	4.3
2022	218	58.5	6.4	5.3	6.1	5.8	5.7	6.1	4.3
2023	221	54.8	5.8	5.0	5.7	5.3	5.2	5.6	4.0

SEND students

We have small numbers of SEND overall (8% of the School) and there were no EHCPs in this Year 11 cohort. The SEND cohort's attainment is not as high as their peers. A8 for all students is 54.8 with our SEND cohort is 48.4 with a gap of 6.4. However, in terms of progress, this cohort has a positive score for the second year running. P8 for our SEND cohort is +0.23, compared to their peers with +0.1 which is an amazing achievement and reflective of the strategic focus the school has given this group over the last two years.

Disadvantaged students

As noted above, disadvantaged students do not attain as well as their peers at the Anglo and they do not make as much progress from their KS2 performance to GCSE outcomes. For the years when students took examinations, the gap in the A8 score is 8 on average (approximately a grade in each subject) and in the P8 score is 0.4 on average (nearly half a grade less progress). The gaps in 2022 were wider than previous years and this may have been a consequence in the disruption in education that was felt more deeply by disadvantaged students. This trend has continued in 2023, where P8 for disadvantaged students is now 0.60 and P8 is 41.0 as opposed to 54.8 for all students with a gap of 13.8. This reflects regional figures: Essex P8 is 46.4 for all students and P8 for disadvantaged is 34.2, with a gap of 15.2. Although this is a recognised national issue, the school has reviewed and revised its strategy and is seeking to work with Essex LA and other schools to share best practice and improve performance to close these gaps in performance and progress for all our disadvantaged students. There is a particular focus on their performance in Mathematics this year.

6th Form Outcomes

Our Sixth Form offers a broad range of routes and qualifications to meet the needs of a wide range of learners. Students study a broad and balanced curriculum as evidenced by the 'typical student' offering which ensures that they develop a wide range of skills suitable for their next destination. Our languages offer also evidences our belief in a curriculum that equips our students for the global workplace and encourages them to explore higher education or employment beyond the UK. Typically, a student takes 4 qualifications – 3 A Levels/BTEC or IBHs, alongside and EPQ or IBS or 2 standards if taking the IBD.

6th form routes					
	Cohort	A level route	AIB route	IBCP	IBDP
2019	155	45%	33%	5%	17%
2020	158	44%	34%	5%	17%
2021	149	38%	34%	5%	23%
2022	162	27%	53%	7%	13%
2023	146	36%	40%	7%	17%

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For this year group, what was particularly pleasing was the increase of students taking the International Baccalaureate Diploma. This is a strategic focus for the school to improve uptake for this internationally recognised course of study.

Attainment (all routes)				
	Cohort	APS per student	APS per entry	%ABB+ or 666+
2019	155	119	34.4	21%
2020	158	142	38.1	28%
2021	149	143	37.9	34%
2022	162	127	35.2	23%
2023	146	121	42.7	21%

The general trend is a return to 2019 grading levels, as expected and reflecting the national trends. A drop in attainment at the top end of the attainment range was notable and again reflected national trends but this is an area of focus for improvement for the sixth form team moving forward.

IB outcomes

Attainment (IBDP)				
	Cohort	APS per student	APS per entry	%666+
2019	26	192	38.8	38%
2020	27	197	40.3	44%
2021	35	216	43.5	60%
2022	24	191	39.2	30%
2023	26	166	36.8	31%

The performance of IBDP students in the 2023 cohort is comparable with previous years, in particular the last examination cohort of 2019 as the IB avoid significant grade inflation. The Average Points Score (APS) of 166 dipped this year which is disappointing but we still achieved attainment higher than the global average. 31% of the Diploma students achieved 666 or above in their higher subjects, which represents outstanding achievement and it was pleasing to see this rise, although not quite back in line with 2019 figures yet.

A level Outcomes

ALPS QI Grade			
	Cohort	QI score	QI Grade
2019	155	0.96	4
2020	158	1.04	2
2021	149	1.04	2
2022	162	0.96	4
2023	146	0.95	5

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This value-added data reflects the return to 2019 grading and the impact of value added judged against GCSE outcomes which were Teacher Assessed Grades so we need to be cautious with comparisons in progress data this year. This data should also be taken in the context that a number of our most talented and motivated students opting to take the IB Diploma which consistently has strong positive value-added scores are not reflected in this data. For this cohort, this summer's examinations were particularly noteworthy as they had not sat formal examinations in secondary school before. They were the second cohort to have their GCSE examinations cancelled and replaced with centre assessed grades.

Attainment (A level route only)				
	Cohort	APS per student	APS per entry	%ABB+
2019	70	114	37.4	29%
2020	69	141	40.8	46%
2021	57	132	39.5	39%
2022	62	119	35.8	35%
2023	52	130	36.4	29%

The performance of students taking A level examinations were notably better than the last set of formal examinations in 2019 and sustained improvement on last year's results. Students taking the A level route achieved, on average, an APS of 130 (equivalent to BBB or CCCC). However, 29% gained grades in excess of ABB which sees a return to 2019 grading levels and this reflects the national picture but is disappointing for students at the top end and remains a focus for us in terms of attaining aspirational outcomes for the most able. Students on the AIB and IBCP routes take a combination of A levels and IB standard courses. Their Average Point Score performance is still notably better than 2019; achieving an APS of 112 (BCC5), despite a slight dip from last year's outcomes but again we see a dip at the top end for those achieving at least ABB in their A levels, following the general trend for the school and nationally.

Going Concern

The Governing Body has a reasonable expectation that the Academy 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.

Attainment (A levels & IB Cert combined) (not IBDP)				
	Cohort	APS per student	APS per entry	%ABB+
2019	129	103	28.4	19%
2020	131	130	33.9	32%
2021	114	120	31.7	28%
2022	138	116	32.5	23%
2023	120	112	33.4	18%

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Financial Review

The principal source of funding for the Academy is the GAG and other grants that it receives from the Education and Skills Funding agency (ESFA). For the year ended 31 August 2023 the Academy received £9,226,257 of GAG and other restricted income (excluding capital grants) (2022: £9,257,166). A high percentage of this income is spent on salaries and support costs to deliver the Academy's primary objective of the provision of education. The academy also received £704,393 of unrestricted income (2022: £687,289). During the year the Academy spent £10,010,738 on general running costs (excluding capital and pension). The Academy brought forward from 21/22, £5,918 restricted funds (excluding pension reserve) and £858,325 unrestricted funding (2022: £726,177). The carry forward for 22/23 is £3,799 restricted general funding (excluding pension reserve) and £780,356 unrestricted funding.

Due to the accounting rules for the Local Government Pension Scheme under FRS102, the Academy is recognising a pension fund deficit of £46,000 (2022: £1,096,000). This does not mean that an immediate liability for this amount crystallises and such a deficit generally results in a cash flow effect in the form of increased employer contributions over a number of years. While there has been a significant reduction in the opening deficit of £1,050,000 resulting from the application of actuarial assumptions, this does not guarantee that contribution rates will reduce and ease the cash flow effect on the Academy.

The return of students to full on-site education, with significant increases in mental health and trauma related illness has led to unprecedented need and we have had to increase our pastoral support to work with significant numbers of persistent absenteeism, employing two student welfare managers to work alongside the Attendance manager in the main school and sixth form to liaise with families and external agencies to support students return to school. We have also had to engage the services of Alternative Provision and increased counselling services to support two students who are struggling to cope with school. These were unforeseen budgetary demands.

Increased energy consumption with accompanied energy price rises, increased contract demands for cleaning, site maintenance and IT services continue to make significant demands on our budget. Whilst these presented an increased challenge, the school has worked diligently to maintain a positive carried forward figure to 2023-24.

An increase of 6.5% teachers' pay award was only partly funded by the government and left the school to find 3.5% in addition to that which had been budgeted for. The pending Professional Support Staff pay rises are yet to be agreed and provide uncertainty with future budgeting. We do, however, remain committed to meeting national advisory levels for our staff.

The other significant pressure on the school finances is as a result of increased and unexpected maintenance as the building condition of some blocks on school site continue to deteriorate. This was exacerbated by the discovery of RAAC concrete in December 2022 and the subsequent closure of E Block. Although the Department for Education is funding temporary buildings, propping works and related revenue needs relating to this block, concerns relating to other blocks such as cracking in A Block walls are having to undergo structural surveys at cost to the school and may lead to significant maintenance works and additional costs in the coming year.

Reserves Policy

The Governors are aware of the requirement to balance current and future needs and always aim to set a balanced budget with annual income balancing annual expenditure. The Governors monitor estimated year-end carry forward figures via the monthly reports from the Director of Finance/Business Manager. The budget plan identifies how any carry forward will be allocated in the plan for the following academic year, including the identification of any funds earmarked for a specific project or purpose.

The Academy's current level of free reserves (total funds less the amount held in fixed assets and restricted funds) is £780,356 (2022: £858,325).

ANGLO EUROPEAN ACADEMY TRUST
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GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

The Academy's balance on restricted general funds (excluding pension reserve) plus the balance on unrestricted funds at 31 August 2023 was £784,155 (2022 £864,243).

The cash balance of the Academy has been healthy all year, ending the year with a balance of £1,617,261. The Governors monitor cash flow as part of the committees Director of Finance/ Business Manager reports.

Investment Policy

An Investment Policy was approved by the Governing Body as part of the Financial Regulations Policy in 2021.

The aim of the policy is to ensure funds that the Academy does not immediately need to cover anticipated expenditure are invested to maximise the Academy's income but with minimal risk. The aim is to research where funds may be deposited applying prudence in ensuring there is minimum risk. The Trustees do not consider the investment of surplus funds as a primary activity, rather as good stewardship and as and when circumstances allow.

Principal Risks and Uncertainties

The School maintains a risk register identifying the major risks to which it is exposed, and identifying actions and procedures to mitigate those risks. A formal review of the risk register process is undertaken on an annual basis and the internal control systems and the exposure to said risks are monitored on behalf of the Governors at each Finance meeting. The principal risks facing the Academy are outlined below; those facing it at an operational level are addressed by its systems and by internal financial and other controls.

The Governors report that the Academy's financial and internal controls conform to guidelines issued by the ESFA, and that improvements to the wider framework of systems dealing with business risk and risk management strategy continue to be made and formally documented.

It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

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

The Governors assess the other principal risks and uncertainties facing the Academy as follows:

- the Academy has considerable reliance on continued Government funding through the ESFA and there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms;
- failures in governance and/or management - the risk in this area arises from potential failure to effectively manage the Academy's finances, internal controls, compliance with regulations and legislation, statutory returns. The Governors continue to review and ensure that appropriate measures are in place to mitigate these risks;
- reputational - the continuing success of the school is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk Governors, ensure that student progress and outcomes are closely monitored and reviewed;

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

- safeguarding and child protection - the Governors continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health & safety and discipline. However, threats to our students are increasing including the impact of social media, radicalisation, bullying and grooming. An expanded and well-trained safeguarding team and enhanced SLT mitigates against these risks.
- staffing - the success of the school is reliant on the quality of its staff and the Governors monitor and review policies and procedures and recruitment to ensure continued development and training of staff as well as ensuring there is clear succession planning and a response to the wider threat of more flexible working in other industries which makes education less competitive.
- fraud and mismanagement of funds - The Academy has appointed a Responsible Officer to carry out independent and external checks on financial systems and records as required by the Academy Financial Handbook. All finance staff receive training to keep up to date with financial practice requirements and develop their skills in this area;
- financial instruments – the Academy only deals with bank balances, cash and trade creditors, with limited trade (and other) debtors. The risk in this area is considered to be low; and
- defined benefit pension liability – as the Government has agreed to meet the defined benefit pension liability of any school ceasing to exist the main risk to the Academy is an annual cash flow funding of part of the deficit. Governors take these payments into account when setting the annual budget plan.

The Academy has continued to strengthen its risk management process throughout the year by improving the process and ensuring staff awareness. This risk assessment register is now a standing item on the Finance, Resources, Risk and Audit Committee. The management of risks to the School is undertaken in accordance with the Funding Agreement and the Academies Financial Handbook. The Governing Body is responsible for risk management and for maintaining a sound system of internal control that supports the achievement of policies, aims and objectives, whilst safeguarding public funds and other funds and assets for which it is responsible. The Finance, Resources, Risk and Audit Committee advise the Governing Body in this role and both are advised and informed by the Senior Leadership Team.

Fundraising

The School's principle income is provided by the ESFA in the form of recurring grants. The School generates a small amount of money via lettings.

The School considers its fund-raising strategy annually in liaison with the Student Charities and Giving Committee and the Anglo School Association, in line with the School's strategic priorities and direction. The purpose of any fundraising is published so that all contributors know where their donations are intended. All fundraising is monitored and records of income are maintained. Regular meetings are held with the Anglo School Association who raise funds regularly for the School. These funds support projects identified in the school development plan.

Plans for Future Periods:

- To continue to improve student performance against a backdrop of teacher shortages and financial challenges
- To regenerate the site, benefitting from the Building Schools Programme
- To conduct a feasibility plan for transition to a Multi-Academy Trust.

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

Funds Held as Custodian Trustee on behalf of Others :

The Academy distributes 16-19 bursary funds to students as an agent of the ESFA. In the accounting period ending 31st August 2023, the Trust received and disbursed amounts from the fund as detailed in the financial statements and in accordance to its policy and practice which has been reviewed following legislative changes this year.

Provision of Information to Auditors

Insofar as the Governors are aware, there is no relevant audit information of which the Academy'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.

The Auditors, Price Bailey LLP, are willing to continue in office and resolution to appoint them will be proposed at the Annual General Meeting.

The Governors' Report, incorporating a strategic report, was approved by order of the Governing Body, as the company directors, on 20 December 2023 and signed on its behalf by:

Mrs N Chatha
Deputy Chair

ANGLO EUROPEAN ACADEMY TRUST
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GOVERNANCE STATEMENT

Scope of responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that Anglo European 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 Trustees, we have reviewed and taken account of the guidance in DfE's Governance Handbook and competency framework for governance. The Board of Trustees has delegated the day-to-day responsibility to the 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 Anglo European School and the Secretary of State for Education. The Accounting Officer is also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Governors' Report and in the Statement of Governors' Responsibilities. The Governing Body has formally met 4 times during the year with subsequent subcommittee meetings for the Finance and Resources, Personnel and Curriculum Meetings once termly, and 4 times in respect of the Finance, Risk and resources Committee. We are therefore satisfied that the school maintains oversight of funds.

Attendance during the year at meetings of the Governing Body was as follows:

Governor	Meetings attended	Out of a possible
Mrs N Maher	4	4
Mr K Hoyle	2	4
Mr P Mason	4	4
Mr A Mason	2	4
Mrs H Gulowsen	2	4
Mrs N Chatha	4	4
Mr M Frost	1	4
Mr O Young	0	4
Mrs C Penn	3	4
Dr M Welton	1	4
Mrs J Griffin	3	4
Mrs J Gee	4	4
Mrs A Barbier	4	4
Mrs A Smith	3	4

Review of the Year

The Articles of Association were updated to reflect the current structure of Governance. The removal of the necessity for staff governors and the addition of the option of co-opting governors who meet skills gaps identified in the annual skills audit has further strengthened capacity to support and challenge school leaders. Olly Young resigned in September 2022.

The governors reviewed its key objectives for the year during the first Full Governing Body meeting of the year and are satisfied that the current Year End outcomes demonstrates that the governors have received full, detailed reporting on budgetary changes and adjustments to enable them to question and challenge the managing of funds this year, leading to a secure financial outcome which enables further on-going development.

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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

The governors have had increased training through the NGA, via 3 conference days at school and via training from external providers such as Strictly Education and Juniper as well as attending DfE sessions. Thus, they have improved their analytical skills at evaluating the impact of the inclusive curriculum and the culture and context of the school's performance. It has strengthened its leadership in terms of safeguarding, (with both Vice Chair and Chair being Level 3 Safeguarding trained), behaviour and personal development and successfully managed two external inspections – from Ofsted and the IBO in relation to the delivery of the International Baccalaureate.

Governors have also worked closely with staff at all levels of the school to understand issues impacting on staff wellbeing. They have provided effective support and challenge for the implementation of the school development plan, with a particular focus on the international ethos, and the expansion and take up of IB programmes.

Throughout the year, a working party has been working to evaluate the issues around possible opportunities and threats presented by joining a MAT. This is ongoing.

The board reviewed their effectiveness against these key aims, receive termly reports from the headteacher containing robust data on student progress and school performance data, as well as receiving termly reports on specific aspects of the school development plan at committee level, supplemented by school visits and meetings with leaders to triangulate the evidence. Furthermore, the governors conducted an annual skills audit to identify strengths and areas for development and coverage of necessary skills.

Review of value for money

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

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

- Staffing review to consider further efficiencies.
- Further reduction in agency staff replaced by a more efficient cover supervision team.
- Cost efficiencies in the curriculum such as losing media studies from the sixth form curriculum to be replaced by computer science which we can staff with current teachers.
- Negotiating effective renewals of contracts to ensure value for money.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Anglo European Academy Trust for the year 1 September 2022 to 31 August 2023 and up to the date of approval of the Annual Report and financial statements.

ANGLO EUROPEAN ACADEMY TRUST
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GOVERNANCE STATEMENT (CONTINUED)

Capacity to handle risk

The Governing Body has reviewed the key risks to which the Academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Governing Body is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy's significant risks that has been in place for the year 1 September 2022 to 31 August 2023 and up to the date of approval of the Annual Report and financial statements. This process is regularly reviewed by the Governing Body.

The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Governing Body;
- 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; and
- identification and management of risks.

The Governing Body has decided not to appoint an internal auditor. However, the Governors have appointed Paul Mason, a Governor, to carry out a programme of internal checks.

The reviewer's role includes giving advice on financial and other matters and performing a range of checks on the Academy's financial systems. In particular, the checks carried out in the current period included:

- Payroll processing and effectiveness of Edupay system
- Purchases and Procurement
- Financial oversight, planning, reporting and monitoring
- Risk Management
- Internal scrutiny including governance, scheme of delegation and financial regulations
- Income
- the accounting system
- School policies
- Fixed asset management

On a termly basis, the reviewer reports to the Governing Body through the Finance, Resources, Risk and Audit committee on the operation of the systems of control and on the discharge of the Governing Body's financial responsibilities and annually prepares a short annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

The Responsible Officer has delivered their schedule of work as planned and there were no material control issues arising as a result of his work.

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GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework (continued)

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 reviewer;
- the financial management and governance self-assessment process;
- the school resource management self-assessment tool;
- the work of the executive managers within the Academy who have responsibility for the development and maintenance of the internal control framework.
- the work of the external Auditors;

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

Approved by order of the members of the Governing Body on 20 December 2023 and signed on their behalf by:

Mrs N Chatha
Deputy Chair

Mrs J Gee
Accounting Officer

ANGLO EUROPEAN ACADEMY TRUST
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STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Anglo European Academy Trust I have considered my responsibility to notify the Academy Governing Body and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy, under the funding agreement in place between the Academy and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2022.

I confirm that I and the Academy Governing Body are able to identify any material irregular or improper use of all funds by the Academy, or material non-compliance with the terms and conditions of funding under the Academy's funding agreement and the Academy Trust Handbook 2022 including responsibility for entity safety and management.

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 Governing Body and ESFA.

Mrs J Gee
Accounting Officer

Date: 20 December 2023

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

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

The 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 the Governing Body and signed on its behalf by:

Mrs N Chatha
Deputy Chair

Date: 20 December 2023

ANGLO EUROPEAN ACADEMY TRUST
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INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF ANGLO EUROPEAN ACADEMY TRUST

Opinion

We have audited the financial statements of Anglo European Academy Trust (the 'Academy') for the year ended 31 August 2023 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 2022 to 2023 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's affairs as at 31 August 2023 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023 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 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'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.

ANGLO EUROPEAN ACADEMY TRUST
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INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF ANGLO EUROPEAN ACADEMY TRUST (CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The 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.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the Academy 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 Governors' Responsibilities Statement, the Governors (who are also the Directors of the Charitable Company 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'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 or to cease operations, or have no realistic alternative but to do so.

ANGLO EUROPEAN ACADEMY TRUST
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INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF ANGLO EUROPEAN ACADEMY TRUST (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

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

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:

We gained an understanding of the legal and regulatory framework applicable to the Academy and the sector in which it operates and considered the risk of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations. This included those regulations directly related to the financial statements, including financial reporting and tax legislation and academy sector regulations including GDPR, employment law, health and safety and safeguarding.

The risks were discussed with the audit team and we remained alert to any indications of non-compliance throughout the audit. We carried out specific procedures to address the risks identified. These included the following:

- We reviewed systems and procedures to identify potential areas of management override risk. In particular, we carried out testing of journal entries and other adjustments for appropriateness.
- We reviewed key controls, authorisation procedures and decision making processes for any unusual or one-off transactions.
- We reviewed minutes of Governor meetings and other relevant sub-committees of the Board and agreed the financial statement disclosures to underlying supporting documentation.
- We have made enquiries of the Accounting Officer and senior management team to identify laws and regulations applicable to the Academy. We assessed details of any breaches where applicable in order to assess the impact upon the Academy.
- We have reviewed any correspondence with the ESFA / DfE and the procedures in place for the reporting of incidents to the Governors including reporting of any serious incidents to the Regulator if necessary.

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

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

ANGLO EUROPEAN ACADEMY TRUST
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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF ANGLO
EUROPEAN ACADEMY TRUST (CONTINUED)**

Use of our Report

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

Suzanne Goldsmith (Senior Statutory Auditor)

for and on behalf of

Price Bailey LLP

Chartered Accountants

Statutory Auditors

Causeway House

1 Dane Street

Bishop's Stortford

Hertfordshire

CM23 3BT

Date: 20 December 2023

ANGLO EUROPEAN ACADEMY TRUST
(A Company Limited by Guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO ANGLO EUROPEAN ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 16th August 2023 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2022 to 2023, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Anglo European Academy Trust during the year 1 September 2022 to 31 August 2023 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Anglo European Academy Trust's Accounting Officer and the Reporting Accountant

The accounting officer is responsible, under the requirements of Anglo European Academy Trust's funding agreement with the Secretary of State for Education dated 11th July 2011 and the Academy Trust Handbook, extant from 1 September 2022, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

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

The work undertaken to draw to our conclusion includes:

- An assessment of the risk of material irregularity, impropriety and non-compliance.
- Consideration and corroboration of the evidence supporting the Accounting Officer's statement on regularity, propriety and compliance and how the Academy complies with the framework of authorities.
- Evaluation of the general control environment of the Academy, extending the procedures required for financial statements to include regularity, propriety and compliance
- Discussions with and representations from the Accounting Officer and other key management personnel.

ANGLO EUROPEAN ACADEMY TRUST
(A Company Limited by Guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO ANGLO EUROPEAN ACADEMY TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)

- An extension of substantive testing from our audit of the financial statements to cover matters pertaining to regularity, in order to support the regularity conclusion, including governance, internal controls, procurement and the application of income.

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 2022 to 31 August 2023 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Reporting Accountant
Price Bailey LLP
Chartered Accountants
Statutory Auditors

Date: 20 December 2023

ANGLO EUROPEAN ACADEMY TRUST
(A Company Limited by Guarantee)

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

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:						
Donations and capital grants	3	7,362	485,871	1,032,909	1,526,142	125,742
Other trading activities	5	229,314	-	-	229,314	241,205
Investments	6	67	-	-	67	225
Charitable activities	4	467,650	8,740,386	-	9,208,036	8,920,786
Total income		704,393	9,226,257	1,032,909	10,963,559	9,287,958
Expenditure on:						
Charitable activities	7	782,362	9,315,376	1,484,695	11,582,433	9,877,897
Total expenditure		782,362	9,315,376	1,484,695	11,582,433	9,877,897
Net movement in funds before other recognised gains/(losses)		(77,969)	(89,119)	(451,786)	(618,874)	(589,939)
Other recognised gains/(losses):						
Actuarial gains on defined benefit pension schemes	23	-	1,137,000	-	1,137,000	4,201,000
Net movement in funds		(77,969)	1,047,881	(451,786)	518,126	3,611,061
Reconciliation of funds:						
Total funds brought forward		858,325	(1,090,082)	13,743,987	13,512,230	9,901,169
Net movement in funds		(77,969)	1,047,881	(451,786)	518,126	3,611,061
Total funds carried forward		780,356	(42,201)	13,292,201	14,030,356	13,512,230

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

The notes on pages 32 to 57 form part of these financial statements.

ANGLO EUROPEAN ACADEMY TRUST
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07846848

BALANCE SHEET
AS AT 31 AUGUST 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	13	12,817,433	13,287,686
Current assets			
Stocks	14	4,484	6,043
Debtors	15	438,952	82,430
Cash at bank and in hand		1,612,777	1,750,598
		2,056,213	1,839,071
Creditors: amounts falling due within one year	16	(797,290)	(518,527)
Net current assets		1,258,923	1,320,544
Total assets less current liabilities		14,076,356	14,608,230
Defined benefit pension scheme liability	23	(46,000)	(1,096,000)
Total net assets		14,030,356	13,512,230
Funds of the Academy			
Restricted funds:			
Fixed asset funds	17	13,292,201	13,743,987
Restricted income funds	17	3,799	5,918
Restricted funds excluding pension asset	17	13,296,000	13,749,905
Pension reserve	17	(46,000)	(1,096,000)
Total restricted funds	17	13,250,000	12,653,905
Unrestricted income funds	17	780,356	858,325
Total funds		14,030,356	13,512,230

The financial statements on pages 29 to 57 were approved and authorised for issue by the Governors and are signed on their behalf, by:

Mrs N Chatha
Deputy Chair

Date: 20 December 2023

The notes on pages 32 to 57 form part of these financial statements.

ANGLO EUROPEAN ACADEMY TRUST
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash used in operating activities	19	(1,070,083)	(63,855)
Cash flows from investing activities	20	932,262	(8,932)
Change in cash and cash equivalents in the year		(137,821)	(72,787)
Cash and cash equivalents at the beginning of the year		1,750,598	1,823,385
Cash and cash equivalents at the end of the year	21, 22	<u>1,612,777</u>	<u>1,750,598</u>

The notes on pages 32 to 57 form part of these financial statements

ANGLO EUROPEAN ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

1. Accounting policies

A summary of the principal accounting policies adopted (which have been applied consistently, except where noted), 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, 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 2022 to 2023 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

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

The Academy's functional and presentational currency is Pounds Sterling.

1.2 Company status

The Academy is a Company limited by guarantee. The Members are noted on page 1. In the event of the Academy being wound up, the liability in respect of the guarantee is limited to £10 per Member.

The Registered Office is Willow Green, Ingatestone, Essex, CM4 0DJ.

1.3 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 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 has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

The Academy derives the majority of its income from local and national Government grant funding which is secured for a number of years, under the terms of the Academy Funding Agreement with the Secretary of State for Education. This will ensure that the Trust can continue operating for a period of at least 12 months following the date of this Report. The financial statements do not contain any adjustments that would be required if the Academy were not able to continue as a going concern.

ANGLO EUROPEAN ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

1. Accounting policies (continued)

1.4 Income

All incoming resources are recognised when the Academy 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.

1.5 Fund accounting

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

1.6 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the Statement of Financial Activities over the expected useful lives of the assets concerned. Other grants are credited to the Statement of Financial Activities as the related expenditure is incurred.

ANGLO EUROPEAN ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

1. Accounting policies (continued)

1.7 Expenditure

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

• **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

1.8 Tangible fixed assets

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

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

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

Depreciation is provided on the following bases:

Long-term leasehold property	- 125 years straight line
Long term leasehold improvements	- 35 years straight line
Furniture and equipment	- 10 years straight line
Computer equipment	- 5 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.

ANGLO EUROPEAN ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

1. Accounting policies (continued)

1.9 Stocks

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

1.10 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.

1.11 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.

1.12 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 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.

1.13 Financial instruments

The Academy only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Academy 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 note 16. 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.

ANGLO EUROPEAN ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

1. Accounting policies (continued)

1.14 Pensions

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

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

1.15 Agency arrangements

The Academy acts as an agent in distributing 16-19 bursary funds from the ESFA. Payments received from the ESFA and subsequent disbursements are excluded from the Statement of Financial Activities incorporating Income and Expenditure Account as the Academy does not have control over the charitable application of the funds. The funds received and paid and any balances held are disclosed in note 28.

ANGLO EUROPEAN ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

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 Governors make 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 23, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

3. Income from donations and capital grants

	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £	Total funds 2022 £
Donations	7,362	485,871	-	493,233	94,950
Capital grants	-	-	1,032,909	1,032,909	30,792
Total 2023	<u>7,362</u>	<u>485,871</u>	<u>1,032,909</u>	<u>1,526,142</u>	<u>125,742</u>
Total 2022	<u>16,278</u>	<u>78,672</u>	<u>30,792</u>	<u>125,742</u>	

In 2022, income from donations was £94,950 of which £16,278 was unrestricted and £78,672 restricted.

In 2022, capital grants of £30,792 were in relation to restricted fixed assets.

ANGLO EUROPEAN ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

4. Funding for the Academy's charitable activities

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Provision of Education				
DfE/ESFA grants				
General Annual Grant (GAG)	-	6,348,225	6,348,225	6,323,941
Other DfE/ESFA grants				
Pupil Premium	-	173,722	173,722	122,524
Teachers Pay & Pension grants	-	62,935	62,935	90,913
Sixth Form Funding	-	1,672,815	1,672,815	1,605,808
ESFA Supplementary grant	-	298,932	298,932	83,613
Other ESFA grants	-	116,610	116,610	85,294
	-	8,673,239	8,673,239	8,312,093
Other Government grants				
Statemented SEN	-	44,158	44,158	27,208
Pupil Premium - Local Authority	-	1,100	1,100	2,381
Homes for Ukraine	-	21,889	21,889	-
	-	67,147	67,147	29,589
Catering income	467,650	-	467,650	491,595
COVID-19 additional funding (DfE/ESFA)				
Covid-19 additional funding	-	-	-	87,509
Total 2023	467,650	8,740,386	9,208,036	8,920,786
Total 2022	429,581	8,491,205	8,920,786	

In 2022, income from DfE/ESFA grants was £8,312,093, all of which was restricted.

In 2022, income from other Government grants was £29,589, all of which was restricted.

In 2022, other income from the Academy's provision of education comprised £429,581 of catering income, all of which was unrestricted, and £62,514 of other income, all of which was restricted.

In 2022, income from COVID-19 Additional Funding DfE/ESFA was all restricted.

ANGLO EUROPEAN ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

5. Income from other trading activities

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Lettings income	24,520	24,520	18,865
Other income	179,517	179,517	199,362
Music income	25,277	25,277	22,978
Total 2023	229,314	229,314	241,205
Total 2022	241,205	241,205	

In 2022, lettings income was £18,865, all of which was unrestricted.

In 2022, other income was £199,362, all of which was unrestricted.

In 2022, music tuition income was £22,978, all of which was unrestricted.

6. Investment income

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Interest received	67	67	225
Total 2022	225	225	

In 2022, all investment income was in relation to unrestricted funds.

ANGLO EUROPEAN ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

7. Expenditure

	Staff Costs 2023 £	Premises 2023 £	Other 2023 £	Total 2023 £	Total 2022 £
Provision of Education:					
Direct costs	5,615,579	-	823,767	6,439,346	6,114,739
Support costs	2,061,519	1,860,499	1,221,069	5,143,087	3,763,158
Total 2023	<u><u>7,677,098</u></u>	<u><u>1,860,499</u></u>	<u><u>2,044,836</u></u>	<u><u>11,582,433</u></u>	<u><u>9,877,897</u></u>
Total 2022	<u><u>7,667,786</u></u>	<u><u>915,107</u></u>	<u><u>1,295,004</u></u>	<u><u>9,877,897</u></u>	

In 2023, of total expenditure, £782,362 was from unrestricted funds (2022: £555,141), £9,315,376 was from restricted funds (2022: £9,011,802) and £1,484,695 was from restricted fixed asset funds (2022: £310,954)

In 2022, direct expenditure consisted of £5,655,648 staff costs and £459,091 other costs.

In 2022, support expenditure consisted of £2,012,138 staff costs, £915,107 premises costs and £835,913 other costs.

ANGLO EUROPEAN ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

8. Charitable Activities

	2023 £	2022 £
Direct costs	6,439,346	6,114,739
Support costs	5,143,087	3,763,158
	11,582,433	9,877,897

	2023 £	2022 £
Analysis of support costs		
Support staff costs	2,061,519	2,012,138
Depreciation	237,119	186,530
Impairment	333,848	-
Technology costs	240,499	95,459
Premises costs (excluding depreciation)	648,244	610,868
Capital grant costs	975,136	117,709
Other costs	622,354	717,389
Governance costs	21,474	18,825
Legal costs	2,894	4,240
	5,143,087	3,763,158

9. Net expenditure

Net expenditure for the year includes:

	2023 £	2022 £
Operating lease rentals	29,632	23,466
Depreciation of tangible fixed assets	237,119	186,530
Impairment of tangible fixed assets	333,848	-
Fees paid to Auditors for:		
- audit	10,005	8,700
- other services	6,390	5,560
	10,395	14,260

ANGLO EUROPEAN ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

10. Staff

a. Staff costs

Staff costs during the year were as follows:

	2023 £	2022 £
Wages and salaries	5,690,084	5,383,693
Social security costs	555,722	548,167
Pension costs	1,346,865	1,614,150
	<u>7,592,671</u>	<u>7,546,010</u>
Agency staff costs	84,427	103,479
Staff restructuring costs	-	18,297
	<u>7,677,098</u>	<u>7,667,786</u>

Staff restructuring costs comprise:

	2023 £	2022 £
Settlement agreement	-	18,297
	<u>-</u>	<u>18,297</u>

b. Special staff severance payments

A settlement agreement of £nil (2022: £18,297) was made to one member of staff during the year. This was non-contractual. The relevant internal procedures were followed in making this payment.

ANGLO EUROPEAN ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

10. Staff (continued)

c. Staff numbers

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

	2023 No.	2022 No.
Teachers	97	100
Administration and support	8	7
Management	84	100
	189	207

d. Higher paid staff

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

	2023 No.	2022 No.
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	1
	1	1

e. Key management personnel

The key management personnel of the Academy 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 was £875,595 (2022 - £843,506).

Included in the above total are employer's national insurance contributions of £78,689 (2022 - £76,458) and employer's pension contributions of £153,506 (2022 - £149,321)

ANGLO EUROPEAN ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

11. Governors' remuneration and expenses

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

		2023	2022
		£	£
Mrs J Gee, Headteacher	Remuneration	110,000 - 115,000	110,000 - 115,000
	Pension contributions paid	25,000 - 30,000	25,000 - 30,000
Mrs C Penn	Remuneration	30,000 - 35,000	20,000 - 25,000
	Pension contributions paid	5,000 - 10,000	5,000 - 10,000
Mrs A Smith	Remuneration	30,000 - 35,000	10,000 - 15,000
	Pension contributions paid	5,000 - 10,000	0 - 5,000

During the year ended 31 August 2023, no Governor expenses have been incurred (2022 - £NIL).

12. Governors' and Officers' insurance

The Academy 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.

ANGLO EUROPEAN ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

13. Tangible fixed assets

	Long-term leasehold property £	Furniture and equipment £	Computer equipment £	Motor vehicles £	Total £
Cost or valuation					
At 1 September 2022	14,533,182	1,145,886	-	8,925	15,687,993
Additions	17,500	21,806	61,408	-	100,714
At 31 August 2023	<u>14,550,682</u>	<u>1,167,692</u>	<u>61,408</u>	<u>8,925</u>	<u>15,788,707</u>
Depreciation					
At 1 September 2022	1,445,676	945,706	-	8,925	2,400,307
Charge for the year	120,195	116,924	-	-	237,119
Impairment charge	333,848	-	-	-	333,848
At 31 August 2023	<u>1,899,719</u>	<u>1,062,630</u>	<u>-</u>	<u>8,925</u>	<u>2,971,274</u>
Net book value					
At 31 August 2023	<u><u>12,650,963</u></u>	<u><u>105,062</u></u>	<u><u>61,408</u></u>	<u><u>-</u></u>	<u><u>12,817,433</u></u>
At 31 August 2022	<u><u>13,087,506</u></u>	<u><u>200,180</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>13,287,686</u></u>

14. Stocks

	2023 £	2022 £
Raw materials and consumables	<u><u>4,484</u></u>	<u><u>6,043</u></u>

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15. Debtors

	2023 £	2022 £
Due within one year		
Trade debtors	10,088	-
Other debtors	693	-
Prepayments and accrued income	304,982	50,857
Tax recoverable	123,189	31,573
	438,952	82,430
	438,952	82,430

16. Creditors: Amounts falling due within one year

	2023 £	2022 £
Trade creditors	302,030	18,041
Other taxation and social security	134,819	134,903
Other creditors	199,684	145,167
Accruals and deferred income	160,757	220,416
	797,290	518,527
	797,290	518,527
	2023 £	2022 £
Deferred income brought forward	85,207	77,383
Resources deferred during the year	72,684	85,207
Amounts released from previous periods	(85,207)	(77,383)
Deferred income carried forward	72,684	85,207
	72,684	85,207

Resources deferred at the year end relate mainly to deferred capital income and school trips.

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17. Statement of funds

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
Unrestricted funds						
Unrestricted funds	858,325	704,393	(782,362)	-	-	780,356
Restricted general funds						
GAG	-	6,348,225	(6,348,225)	-	-	-
Other DfE/ESFA grants	4,946	2,268,634	(2,273,580)	-	-	-
Other Government grants	-	65,947	(65,947)	-	-	-
Other restricted funds	-	57,580	(57,580)	-	-	-
Restricted trip donations	972	485,871	(483,044)	-	-	3,799
Pension reserve	(1,096,000)	-	(87,000)	-	1,137,000	(46,000)
	<u>(1,090,082)</u>	<u>9,226,257</u>	<u>(9,315,376)</u>	<u>-</u>	<u>1,137,000</u>	<u>(42,201)</u>
Restricted fixed asset funds						
Restricted fixed asset fund	13,287,686	-	(570,967)	100,714	-	12,817,433
Devolved Formula Capital	-	57,773	-	(39,306)	-	18,467
Other ESFA capital grants	-	975,136	(913,728)	(61,408)	-	-
Other capital grants	456,301	-	-	-	-	456,301
	<u>13,743,987</u>	<u>1,032,909</u>	<u>(1,484,695)</u>	<u>-</u>	<u>-</u>	<u>13,292,201</u>
Total Restricted funds	<u>12,653,905</u>	<u>10,259,166</u>	<u>(10,800,071)</u>	<u>-</u>	<u>1,137,000</u>	<u>13,250,000</u>
Total funds	<u><u>13,512,230</u></u>	<u><u>10,963,559</u></u>	<u><u>(11,582,433)</u></u>	<u><u>-</u></u>	<u><u>1,137,000</u></u>	<u><u>14,030,356</u></u>

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

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

Unrestricted funds

This represents income received that does not have restrictions.

General Annual Grant (GAG)

This represents funding from the ESFA to cover the costs of recurrent expenditure.

Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG it could carry forward at 31 August 2023.

Other DfE/ESFA grants

Other DfE/ESFA grants relate to the restricted income received from both the Department for Education and the Education and Skills Funding Agency to assist with the costs of the Academy in relation to specific activities.

Other Government grants

This represents allocated funding for special educational needs pupils and various other small grants from local and national Government bodies for the provision of specific services to pupils of the Academy.

Other restricted funds

This represents contributions made by parents to the running of educational visits for the pupils of the Academy and the associated costs of running the trips as well as other small donations for the provision of specific services to pupils of the Academy.

Pension reserve

This fund represents the Academy's share of the deficit on the Local Government Pension Scheme (LGPS) transferred on conversion from a state controlled school.

Restricted fixed asset fund

Restricted fixed asset fund represents the value of fixed assets held in line with the charitable objectives of the Academy. The transfer between funds represents additions purchased through capital income and GAG.

Capital income

This represents funding from the DfE, ESFA or other sources for specific capital projects.

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17. Statement of funds (continued)

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

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/(out) £	Gains/ (Losses) £	Balance at 31 August 2022 £
Unrestricted funds						
Unrestricted funds	726,177	687,289	(555,141)	-	-	858,325
Restricted general funds						
GAG	-	6,323,941	(6,314,784)	(9,157)	-	-
Other DfE/ESFA grants	-	2,075,661	(2,070,715)	-	-	4,946
Other Government grants	-	29,589	(29,589)	-	-	-
Other restricted funds	-	140,686	(139,714)	-	-	972
Pension reserve	(4,840,000)	-	(457,000)	-	4,201,000	(1,096,000)
	<u>(4,840,000)</u>	<u>8,569,877</u>	<u>(9,011,802)</u>	<u>(9,157)</u>	<u>4,201,000</u>	<u>(1,090,082)</u>
Restricted fixed asset funds						
Restricted fixed asset fund	13,434,267	-	(186,530)	39,949	-	13,287,686
Devolved Formula Capital	-	30,792	-	(30,792)	-	-
Other ESFA capital grants	124,424	-	(124,424)	-	-	-
Other capital grants	456,301	-	-	-	-	456,301
	<u>14,014,992</u>	<u>30,792</u>	<u>(310,954)</u>	<u>9,157</u>	<u>-</u>	<u>13,743,987</u>
Total Restricted funds	<u>9,174,992</u>	<u>8,600,669</u>	<u>(9,322,756)</u>	<u>-</u>	<u>4,201,000</u>	<u>12,653,905</u>
Total funds	<u><u>9,901,169</u></u>	<u><u>9,287,958</u></u>	<u><u>(9,877,897)</u></u>	<u><u>-</u></u>	<u><u>4,201,000</u></u>	<u><u>13,512,230</u></u>

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18. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £
Tangible fixed assets	-	-	12,817,433	12,817,433
Current assets	780,356	801,089	474,768	2,056,213
Creditors due within one year	-	(797,290)	-	(797,290)
Provisions for liabilities and charges	-	(46,000)	-	(46,000)
Total	<u>780,356</u>	<u>(42,201)</u>	<u>13,292,201</u>	<u>14,030,356</u>

Analysis of net assets between funds - prior year

	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £
Tangible fixed assets	-	-	13,287,686	13,287,686
Current assets	858,325	524,445	456,301	1,839,071
Creditors due within one year	-	(518,527)	-	(518,527)
Provisions for liabilities and charges	-	(1,096,000)	-	(1,096,000)
Total	<u>858,325</u>	<u>(1,090,082)</u>	<u>13,743,987</u>	<u>13,512,230</u>

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19. Reconciliation of net expenditure to net cash flow from operating activities

	2023 £	2022 £
Net expenditure for the year (as per Statement of Financial Activities)	(618,874)	(589,939)
Adjustments for:		
Depreciation	237,119	186,530
Capital grants from DfE and other capital income	(1,032,909)	(30,792)
Interest receivable	(67)	(225)
LGPS adjustment	87,000	457,000
Decrease/(increase) in stocks	1,559	(1,471)
Decrease/(increase) in debtors	(356,522)	176,785
Increase/(decrease) in creditors	278,763	(261,743)
Impairment	333,848	-
Net cash used in operating activities	(1,070,083)	(63,855)

20. Cash flows from investing activities

	2023 £	2022 £
Interest received	67	225
Purchase of tangible fixed assets	(100,714)	(39,949)
Capital grants from DfE Group	1,032,909	30,792
Net cash provided by/(used in) investing activities	932,262	(8,932)

21. Analysis of cash and cash equivalents

	2023 £	2022 £
Cash in hand and at bank	1,612,777	1,750,598
Total cash and cash equivalents	1,612,777	1,750,598

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

22. Analysis of changes in net debt

	At 1 September 2022 £	Cash flows £	At 31 August 2023 £
Cash at bank and in hand	1,750,598	(137,821)	1,612,777
	<u>1,750,598</u>	<u>(137,821)</u>	<u>1,612,777</u>

23. Pension commitments

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

The latest actuarial valuation of the TPS related to the period ended 31 March 2016 and of the LGPS 31 March 2022.

Contributions amounting to £147,318 were payable to the schemes at 31 August 2023 (2022 - £137,866) 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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23. 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 specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

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

The next valuation result is due to be implemented from 1 April 2023.

The employer's pension costs paid to TPS in the year amounted to £942,013 (2022 - £935,270).

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

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The Academy has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Academy 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 2023 was £444,000 (2022 - £374,000), of which employer's contributions totalled £357,000 (2022 - £300,000) and employees' contributions totalled £ 87,000 (2022 - £74,000). The agreed contribution rates for future years are 25 per cent for employers and 5.5 - 6.5 per cent for employees.

As described in note 1.14 the LGPS obligation relates to the employees of the Academy, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Academy at the balance sheet date.

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

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23. Pension commitments (continued)

Principal actuarial assumptions

	2023 %	2022 %
Rate of increase in salaries	3.9	4.00
Rate of increase for pensions in payment/inflation	2.9	3.00
Discount rate for scheme liabilities	5.35	4.25
Inflation assumption (CPI)	2.9	3.00

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

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

Sensitivity analysis

As at the 31 August 2023 the Academy had a pension liability £46,000 (2022 - £1,096,000). The sensitivity analysis detailed below would increase/(decrease) the closing defined benefit obligation in the following way:

	2023 £000	2022 £000
Discount rate +0.1%	(95)	(132)
Discount rate -0.1%	97	135
Mortality assumption - 1 year increase	166	189
Mortality assumption - 1 year decrease	(161)	(184)
CPI rate +0.1%	94	128
CPI rate -0.1%	(92)	(125)

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23. Pension commitments (continued)

Share of scheme assets

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

	At 31 August 2023 £	At 31 August 2022 £
Equities	3,290,000	2,922,000
Gilts	73,000	100,000
Corporate bonds	-	230,000
Property	443,000	491,000
Cash and other liquid assets	166,000	155,000
Alternative assets	896,000	778,000
Other managed funds	789,000	516,000
Total market value of assets	5,657,000	5,192,000

The actual return on scheme assets was £251,000 (2022 - £12,000).

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

	2023 £	2022 £
Current service cost	402,000	678,000
Interest income	228,000	84,000
Interest cost	(267,000)	(161,000)
Administrative expenses	3,000	(2,000)
Total amount recognised in the Statement of Financial Activities	366,000	599,000

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

	2023 £	2022 £
At 1 September	6,288,000	9,839,000
Current service cost	402,000	678,000
Interest cost	267,000	161,000
Employee contributions	87,000	74,000
Actuarial gains	(1,257,000)	(4,273,000)
Benefits paid	(84,000)	(191,000)
At 31 August	5,703,000	6,288,000

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23. Pension commitments (continued)

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

	2023 £	2022 £
At 1 September	5,192,000	4,999,000
Interest income	228,000	84,000
Actuarial losses	(120,000)	(72,000)
Employer contributions	357,000	300,000
Employee contributions	87,000	74,000
Benefits paid	(84,000)	(191,000)
Administration expenses	(3,000)	(2,000)
At 31 August	<u>5,657,000</u>	<u>5,192,000</u>

24. Operating lease commitments

At 31 August 2023 the Academy had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2023 £	2022 £
Not later than 1 year	17,899	5,867
Later than 1 year and not later than 5 years	17,899	-
	<u>35,798</u>	<u>5,867</u>

25. Members' liability

Each Member of the Charitable Company undertakes to contribute to the assets of the Company in the event of it being wound up while 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 cease to be a Member.

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26. Related party transactions

Owing to the nature of the Academy and the composition of the Governing Body 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 made on or after 1 April 2019 and obtaining their approval where required, and with the Academy's financial regulations and normal procurement procedures relating to connected and related party transactions.

Expenditure Related Party Transactions

There were no related party transactions during the year (2022 - Nil) other than the remuneration of certain Governors as disclosed in note 11.

27. Post balance sheet events

Further to the discovery and temporary repair of RAAC in the sixth form block during the year, the Academy are in consultation with the DfE regarding a long term solution for the site and a decision is expected in January 2024.

28. Agency arrangements

The Academy distributes 16-19 bursary funds to students as an agent for the ESFA. In the accounting period ended 31 August 2023 the Academy received £41,148 (2022 - £22,447) and disbursed £28,769 (2022 - £17,501) from the fund. £12,379 is carried forward to 23/24 in line with ESFA rules.