

Company registration number 07115882 (England and Wales)

**KNOLE ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**ANNUAL REPORT AND ACCOUNTS**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

# KNOLE ACADEMY TRUST

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# KNOLE ACADEMY TRUST

## REFERENCE AND ADMINISTRATIVE DETAILS

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### Members

|                       |                       |
|-----------------------|-----------------------|
| - Kent County Council | Mr G Phillips         |
| - Sevenoaks School    | Mr N Chard            |
|                       | Lord R Sackville-West |
|                       | Mrs P Tolhurst        |
|                       | Mr P Fleming          |
| - Sevenoaks School    | Mrs A Beckett         |

### Governors

Mr N Clark  
Mr D Collins (Headteacher & Accounting Officer)  
Miss D Dewberry (now Mrs D Farron)  
Ms J Elzinga  
Miss T Homewood (Chair of Governors)  
Mr B Levy  
Mr N Reddin  
Ms S Rogers  
Mr M Spence (Chair - Finance, Premises, Audit & Risk Committee)  
Mr R Wedderburn-Day  
Miss J Whitehead  
Ms J Wildman  
Ms A Williams  
Ms S Wooders  
Mr M Fisher (Chair - Teaching and Learning Committee)  
Dr C Ives  
Ms A L Appleby

### Senior management team

|                                    |              |
|------------------------------------|--------------|
| - Headteacher & Accounting Officer | Mr D Collins |
| - Senior Deputy Headteacher        | Mrs S Barnes |

### Company secretary

Ms E Butters

### Company registration number

07115882 (England and Wales)

### Principal and registered office

Knole Academy  
Bradbourne Vale Road  
Sevenoaks  
Kent  
TN13 3LE  
United Kingdom

### Independent external auditor

Azets Audit Services  
First Floor  
River House  
1 Maidstone Road  
Sidcup  
Kent  
DA14 5RH  
United Kingdom

# KNOLE ACADEMY TRUST

## REFERENCE AND ADMINISTRATIVE DETAILS

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**Independent internal auditor**

Buzzacott LLP  
130 Wood Street  
London  
EC2V 6DL  
United Kingdom

**Bankers**

Lloyds Bank plc  
83 High Street  
Sevenoaks  
Kent  
TN13 1LG  
United Kingdom

**Solicitors**

Browne Jacobson LLP  
Castle Meadow Road  
Nottingham  
Nottinghamshire  
NG2 1BJ  
United Kingdom

# **KNOLE ACADEMY TRUST**

## **GOVERNORS' REPORT**

### ***FOR THE YEAR ENDED 31 AUGUST 2024***

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The governors present their annual report together with the accounts and auditor's report of the charitable company for the year 1 September 2023 to 31 August 2024. The annual report serves the purposes of both a trustees' report, and a directors' report and strategic report under company law.

During 2023/24, the academy trust operated as a single academy trust for pupils aged 11 to 19 serving a catchment area in and around Sevenoaks. It had a pupil capacity of 1,550 and had on roll 1,362 in the school census in October 2023. On 01 September 2024, the Knole Academy, previously operated by the Knole Academy Trust, joined the Aletheia Academies Trust (company number 07801612), following which all operations, assets, liabilities and balances transferred to Aletheia Academies Trust. From 01 September 2024, the Knole Academy Trust became dormant, subject only to dealing with the transfer of balances to the Aletheia Academies Trust.

The characteristics of the Academy set down in section 482 (2) of the Education Act 1996, as substituted, by the Education Act 2002, are that the school:

- has a broad curriculum with an emphasis on a particular subject area i.e. Expressive Arts and Languages;
- provides education for pupils of different abilities and who are wholly or mainly drawn from the area in which the school is situated

Funding is obtained from the Department for Education (DfE) through the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to particular purposes.

#### **Structure, governance and management**

##### Constitution

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

During 2023/24 the charitable company operated as Knole Academy.

The governors are the trustees of Knole Academy Trust and are also the directors of the charitable company for the purposes of company law. Details of the governors who served during the year, and to the date these accounts are approved, are included in the Reference and Administrative Details on page 1. The trustees/directors of the Knole Academy Trust will remain in post until the company is dissolved.

##### Members' liability

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

##### Governors' indemnities

The academy has not provided any indemnities to third parties during the year on behalf of any of the Governors.

##### Method of recruitment and appointment or election of governors

The Governing Body comprises the following Governors:

- Up to 15 Trustees, appointed under Article 50; and
- Up to 3 Trustees, appointed by the Sponsors; and
- A minimum of 2 Parent Trustees elected or appointed under Articles 53-56b;
- 1 representative appointed by Kent County Council (KCC);
- The Academy Trust may have co-opted Trustees appointed under Article 58;
- The Headteacher as an ex-officio governor.

# **KNOLE ACADEMY TRUST**

## **GOVERNORS' REPORT (CONTINUED)**

### ***FOR THE YEAR ENDED 31 AUGUST 2024***

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#### Policies and procedures adopted for the induction and training of governors

The training and induction provided for new Governors depended on their existing experience. Where necessary, the induction provided training in charity and educational legal and financial matters. All governors were provided with the information needed (including policies, minutes, budgets, etc.) to undertake their role as governors.

Policies had been considered and were tabled at committee level and amended and ratified where necessary.

The Academy had implemented a governor training programme. An audit was done to ensure governors receive the training they required. Training for all governors took place including safeguarding and GDPR. In addition, individual governors received training relating to their specific roles such as: chair of governors, advanced child protection and statutory website information. A governors' training day took place in September 2023.

#### Organisational structure

The Board of Governors, the majority of whom are non-executive, comprised those persons appointed under the Articles of Association. The Board met at four times during the year and has separate sub committees, including a Teaching and Learning Committee and a Finance, Premises, Audit and Risk Committee. Both of these Committees are formally constituted with terms of reference and comprise appropriately qualified and experienced members.

Governors delegate specific responsibilities to Committees, the activities of which are reported to and discussed at full Governing Body Meetings. The Headteacher undertook day to day management of the Academy and was supported by the Senior Deputy Headteacher. They comprise the senior leadership team and the Headteacher reports to the governing body. A number of Deputy Heads, who comprise the Leadership Team, report to the senior leadership team. The leadership team's responsibilities are:

- Headteacher, leads and manages the academy
- Senior Deputy Headteacher, Character and Culture, including Pastoral and AEN
- Deputy Head, English and Literacy
- Deputy Head, Mathematics and Numeracy
- Deputy Head, Curriculum/ International Baccalaureate Career-related Programme (IBCP)
- Deputy Head, Teaching and Learning/ CPD
- Deputy Head, Raising Standards
- Deputy Head, Sixth Form and Adult Learning
- Deputy Head, Pastoral (key stage 3 & 4)

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

The leadership team are the key management personnel of the trust. Trustees are also senior management although they received no pay or other remuneration in respect of their role as trustees. Where staff trustees were in place, they received remuneration for their role as staff and their pay was determined in the same way as applicable to all other staff. Further details of remuneration paid to staff who are trustees is set out within the notes to the accounts.

The pay of the Headteacher is set annually by a panel of governors, made up of the Chair of Governors and two other governors, having regard to performance against objectives set the previous year. Pay of other leadership team members is also set by the panel of governors, again having regard to performance against previously agreed objectives and any recommendations made by the Headteacher.

#### Related parties and other connected charities and organisations

Knole Academy Enterprises is a company (registered in England & Wales, company no. 09221523) to operate commercial activities on behalf of the academy, including the management of facilities. It was incorporated on 17 September 2014 as a company limited by Guarantee. Its members are the governors of Knole Academy Trust and it donates all of its profits to the Academy. Further details are set out in the notes to the accounts.

Mr Gordon Phillips is the principal sponsor of Knole Academy Trust. Sevenoaks School and Kent County Council are sponsors of Knole Academy Trust.

# **KNOLE ACADEMY TRUST**

## **GOVERNORS' REPORT (CONTINUED)**

### ***FOR THE YEAR ENDED 31 AUGUST 2024***

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#### **West Kent Single Academy Trust Alliance (WKSATA)**

West Kent Single Academy Trust Alliance (WKSATA) defines the relationship between a collection of single academy trusts in the West Kent area. The alliance is not a formal company or charity. In the since the 2022-23 academic year there were 6 schools within the alliance, who hold an equal status within the alliance, through Headteacher participation within the strategic board, which has been agreed at governance level. The schools in the alliance are Cranbrook Grammar School, Knole Academy, Hadlow Rural Community School, Hillview School for Girls, Tonbridge Grammar School and Trinity School. The participation within the alliance is reviewed and determined by each individual member school annually. The primary function is to retain the collaborative approach that local schools took during the pandemic for the benefit of the schools as a collective. The aim is to secure ongoing high performance across all schools and to learn from each other practices for the benefit of each child and staff member. Knole Academy aim is to always offer the highest levels of provision and standards and the alliance is an active collaborative approach to these aims.

#### **Objectives and activities**

##### Objects and aims

The principal object and activity of the charitable company was to advance for the public benefit, education in the UK, in particular by establishing and operating the Knole Academy to provide education for pupils of different abilities between the ages of 11 and 19 with an emphasis on languages and expressive arts.

In accordance with the articles of association the charitable company adopted a "Scheme of Government" approved by the Secretary of State for Education and Skills. The Scheme of Government specifies, amongst other things, the basis for admitting students to the Academy, the catchment area from which the students were drawn, and that the curriculum should comply with the substance of the national curriculum with an emphasis on languages and expressive arts and their practical applications.

##### Objectives, strategies and activities

The principal objectives, strategies and activities during the year are set out in the section below dealing with achievements and performance.

##### Public benefit

In setting our objectives and planning our activities, the governors have carefully considered the Charity Commission's general guidance on public benefit.

# KNOLE ACADEMY TRUST

## GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

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### Strategic report

#### Achievements and performance

##### Quality of Education

###### Development Priority; Instil an ability to apply knowledge effectively

1. To raise the aspiration of all learners in the academy **Partially Achieved** the academy achieved a significant increase in the number of students achieving grade 9s and there were improvements in 4+,5+ and 7+ grades. Basics figures were the best the academy has ever achieved.. Progress residual was below what we should have achieved, mainly driven by low attendance from a small but significant group of students

2.To increase the sharing of innovative practices. Extend the use of peer observation and review to disseminate best practice effectively. The school were active members of the WKSATA group and used peer reviews and external reviews extensively.

3. Review structure of T and L group and ECT training to improve quality assurance **Achieved** The ECT programme which is organised in collaboration with the other WKSATA schools has been well received by trainees. The core team of the T and L group is now established.

##### Personal development

###### Development Priority; Develop engagement with learning in the classroom and beyond

1. Remove barriers to attendance, motivate students and penalise non compliance. **Implemented with limited impact**, Attendance is significantly below pre Covid levels and Year 11 attendance was particularly poor. The interventions that we put in were effective but did not mitigate the national apathy towards attendance.

2. Develop understanding of wellbeing and mental health. **Achieved** Character curriculum is embedded. SLT trained in mental health first aid, various provisions and support have been implemented and signposted.

3. Ensure the PSHE, SMSC, careers and RSE are delivered effectively and consistently. **Achieved**-All programmes are established and quality assured. An Ofsted inspection in November 2022 observed the delivery and commented on the quality.

##### Behaviour and Attitudes

###### Development Priority; Promote collegiate responsibility for the vision of the academy

1. Implement the new behaviour policy to support the consistent and effective approach to behaviour **Partially achieved**, behaviour in lessons has improved with little or no disruption of learning. The academy has seen an increase in one off issues of poor behaviour outside of structured time, often relating to social media disputes. This is a legacy of reduced socialisation during lockdowns.

2. Drive improvements in lesson expectations to facilitate an observable improvement in behaviour for learning **Achieved**. As evidenced in the Ofsted inspection of November 2022, there is little evidence of lessons being disrupted by poor behaviour.

##### Leadership and Management

###### Development Priority; To work collaboratively to ensure that all staff can develop

1. Ensure that CPD is clearly defined and can measurably impact on performance achieved. The appraisal system is used to ensure that all staff undertake meaningful CPD that promotes their development in their job role.

2. Develop the West Kent Single Academy Trust Alliance (WKSATA) and explore collaborative opportunities. **Achieved**, in its second year of creation the links that have been developed have been very extensive and this makes a valued contribution to the running of the organisation. The alliance has developed its own ECT programme, established a middle leader training programme, networked a considerable number of staff including teaching and non teaching and jointly employed a FLO.

3. Review the future structure of Knole Academy trust in the light of the White Paper **Achieved, the Academy moved into the Aletheia Academies Trust with effect from September1 2024.**



# **KNOLE ACADEMY TRUST**

## **GOVERNORS' REPORT (CONTINUED)**

### ***FOR THE YEAR ENDED 31 AUGUST 2024***

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#### Key performance indicators

The academy monitored a number of performance indicators, some financial, others related to the educational outcome for the pupils. The performance indicators were:

1. Examination results - to maintain and improve year on year exam results for all students.
2. Pupil attendance - ensure attendance is as high as possible (target 100%) and outperform national averages including pupils where the academy receives pupil premium funding
3. Teaching staff - to recruit and retain high quality teachers in all subjects to boost exam results
4. Financial - to achieve a balanced budget over the 3 year planning period

In addition the Academy monitored other ratios such as: average staff costs and the percentage of GAG, ratio of current assets to current liabilities, average cash balance and reserves per pupil and months of expenditure held as cash. The Academy also undertakes benchmarking analysis of key areas of resourcing and expenditure.

#### **Financial review**

We receive our income from a number of different sources. The majority of our income comes from central government via the Education and Skills Funding Agency who provide us with a grant, based largely on our student numbers to cover our staffing and other general running costs (General Annual Grant - GAG). The ESFA also provide additional grants which are earmarked for specific purposes (such as Pupil Premium which must be used to raise the attainment of disadvantaged pupils). These appear in the accounts as DfE/ESFA grants. Where we receive grant or other funding from the Local Authority (such as where we undertake responsibilities on their behalf in respect of our students) this appears in the accounts as other government grants. Such income is collectively referred to as "Restricted Funds". Other non grant income is received from parents (for example as contributions to trip or other costs) and from third parties (for example bank interest on our account balances or from others who are charged for their use of our facilities). Such other income may be restricted or unrestricted, depending on whether it comes to us with conditions as to its use or whether it is available for spending at the discretion of the trustees.

We hold funds in two broad categories, funds which are available for spending and other funds which are not available for spending.

Spendable funds are in turn sub-categorised between those which are available for spending at the discretion of trustees ("Unrestricted Funds") and those which are subject to condition or restriction ("Restricted Funds").

Funds not available for spending include the book value of fixed assets such as land, buildings and equipment.

These have a value and are therefore included as assets in the accounts but clearly, we cannot spend this value. In common with all academies, our share of the Local Government Pension Scheme (LGPS) must also be reflected in our accounts and as this is not a conventional asset/liability, it does not need to form part of the spendable funds. We meet our obligations in respect of the LGPS by paying pension contributions, at rates set by the scheme's actuaries.

# **KNOLE ACADEMY TRUST**

## **GOVERNORS' REPORT (CONTINUED)**

### **FOR THE YEAR ENDED 31 AUGUST 2024**

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#### **Financial position**

At 31 August 2024 the academy had a restricted income fund balance of £86k (31 August 2023: £78k) and an unrestricted income fund balance of £983k (31 August 2023: £1,208k). In addition, the academy had a restricted fixed asset fund of £32,374k at 31 August 2024 (31 August 2023: £32,644k), and our share of the LGPS pension fund deficit as set out in note 18, was £nil at 31 August 2024 (31 August 2023: £nil).

As at 31 August 2024 total funds had decreased by £487k to £33,443k. This was due to a reduction in the fixed asset fund of £270k (fixed asset additions of £828k less the depreciation charged for the year of £1,098k) and a decrease of £217k in the general restricted and unrestricted funds.

Total income in the year was £10,845k (2023: £9,558k) and total costs were £11,279k (2023: £10,816k) which gave rise to a shortfall of £434k (2023: £1,258k). Excluding capital income of £771k (2023: £82k), the depreciation charge of £1,098k (2023: £1,126k) and the FRS102 pension fund credit of £53k (2023: cost of £91k) there was a shortfall of £160k (2023: £123k). Income has risen compared to 2023 by £1,287k largely due to an increase in GAG and 16-19 funding of £314k an increase in other ESFA grants in the year of £103k, increase in LA funding of £69k and CIF funding for the heating project of £743k. Costs have increased by £635k (excluding depreciation and the FRS102 pension fund accounting adjustment). This was largely due to an increase in staff and agency costs of £796k offset by a reduction in other direct and support costs,

During the year the academy commenced a project to upgrade the heating infrastructure in the main building, with an expected total cost of £1,223k. CIF Capital grant funding of £1,162k has been agreed with the academy contributing the balance of £61k. In the year to 31 August 2024 costs of £805k were incurred, £743k being funded from CIF Capital grant and the academy applying its contribution of £61k. Costs to completion of £419k are expected in 2024/15 which are due to be fully funded from the balance of CIF Capital grant.

#### **Reserves policy**

As articulated above, as at 31 August 2024 the academy had restricted income funds totalling £86k (31 August 2023: £78k) and unrestricted income funds of £983k (31 August 2023: £1,208k). As at 31 August 2024 total restricted and unrestricted income funds balance were £1,069k (2023: £1,286k).

The Governors keep the level of reserves under review throughout the year. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves.

During the year ending 31 August 2024 governors carried out a full review of reserves, including how reserves are allocated and spent over the next 3 year cycle including;

- Future building capital projects
- Risk of falling pupil numbers and higher future costs such as energy and staff costs.
- Additional staff training costs, particularly relating to new International Baccalaureate courses being run by the academy.

#### **Going concern**

On 01 September 2024, the Knole Academy, previously operated by the Knole Academy Trust, joined the Aletheia Academies Trust (company number 07801612), following which all operations, assets, liabilities and balances transferred to Aletheia Academies Trust. From 01 September 2024, the Knole Academy Trust became dormant, subject only to dealing with the transfer of balances to the Aletheia Academies Trust.

#### **Investment policy**

There are no investments held beyond cash deposits retained with the major UK clearing banks. Speculative investments are not permitted.

# KNOLE ACADEMY TRUST

## GOVERNORS' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2024

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#### Principal risks and uncertainties

The governors have assessed the major risks to which the Academy is exposed, in particular those relating to pupil numbers, teaching, provision of facilities, finances and budget, and other operational areas of the Academy. The governors have implemented a number of systems to assess risks that the Academy faces, and have developed policies and procedures to mitigate those risks. Where significant financial risk still remains they have ensured they have adequate insurance cover. The Academy has an effective system of internal financial controls and this is explained in more detail in the Statement on Internal Control.

The risk management process has been codified in a risk register implemented by the Leadership Team and overseen by Governors and additional detail is provided below

#### **Reputational risk and potential impact on pupil numbers. Mitigated by:**

- Communications strategy to inform and involve stakeholders in school affairs
- Direct involvement of local community in school activities / programmes
- Making the school an attractive and welcoming place for visitors
- Maintaining extra-curricular outreach
- Improving governmentally published outcomes for the academy

#### **Failure to recruit adequate staffing to deliver the planned curriculum. Mitigated by:**

- Develop publicity campaign to attract new teachers into the marketplace
- Identify professional development courses to build excellence in the teaching profession
- Share resources between schools
- Continue to build teacher capacity in the use of learning technologies
- Effectively induct new teachers
- Monitor and review this risk as a regular agenda item
- Promotion of school as a desirable place to work e.g. work / life balance
- Continue to support Oaks consortium to encourage new teacher trainees into teaching

#### **Failure to protect the academy IT infrastructure from cybercrime and adequately protect data. Mitigated by:**

- Regular meetings with IT support staff and IT management
- Firewalls in place
- Software updated to ensure support for virus and threat protection
- Admin rights restrict unauthorised downloading of potential threats
- Data backed-up in cloud via secure provider
- Policies on data handling and technology use for staff and students

#### **Failure to effectively safeguard learners including risk of radicalisation. Mitigated by:**

- Regular reports to relevant social services and related services
- DSL training in place and significant number of other staff trained in Child protection
- Oversight of governor in charge of safeguarding
- Checks on statutory requirements for website
- Annual safeguarding staff training for all staff including Prevent training

#### **Failure of financial reporting, planning, and budget management. Mitigated by:**

- Accounting records maintained and backed-up
- Robust monitoring of 3 year plans by governors
- Regular monitoring of in year performance vs budget by FPA&R committee and full governing body
- Internal and external audit reviews of financial records and processes
- Maintenance of reserves to help mitigate the impact of unexpected cost pressures

#### **Failure to maintain a safe, well maintained environment for pupils to learn. Mitigated by:**

- Consideration of the academy's Good Estates Management for Schools (GEMS) report
- Review of site managers report tabled at each Finance, Premises, Audit & Risk Committee meeting
- Adequate resources directed in the academy's annual budget

#### **Fundraising**

The Academy Trust does not work with professional fundraisers or companies to carry out fundraising on its behalf. All fundraising is undertaken by the trust in a manner that seeks to ensure that it is not unreasonably intrusive or persistent. Contact is made through email, academy newsletters, our websites and via students.

# **KNOLE ACADEMY TRUST**

## **GOVERNORS' REPORT (CONTINUED)**

***FOR THE YEAR ENDED 31 AUGUST 2024***

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### **Plans for future periods**

As noted earlier in this report, the Knole Academy joined the Aletheia Academies Trust from 01 September 2024 following which all operations of the Knole Academy Trust transferred to it. The Knole Academy Trust will apply to be dissolved once all dealings with the transfer have been completed.

### **Funds held as custodian trustee on behalf of others**

No funds are held as custodian trustee on behalf of others.

### **Auditor**

In so far as the governors are aware:

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

The governors' report, incorporating a strategic report, was approved by order of the Governing Body, as the company directors, on 06 December 2024 and signed on its behalf by:

Miss T Homewood  
**Chair of Governors**

# **KNOLE ACADEMY TRUST**

## **GOVERNANCE STATEMENT**

***FOR THE YEAR ENDED 31 AUGUST 2024***

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### **Scope of responsibility**

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

The Governing Body 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 Knole Academy Trust and the Secretary of State for Education. The accounting officer is also responsible for reporting to the Governing Body 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. Attendance during the year at meetings of the Governing Body was as follows:

| <b>Governors</b>  | <b>Meetings attended</b> | <b>Out of possible</b> |
|---|--------------------------|------------------------|
| Mr N Clark  | 3                        | 4                      |
| Mr D Collins (Headteacher & Accounting Officer)                 | 4                        | 4                      |
| Miss D Dewberry (now Mrs D Farron)                              | 3                        | 4                      |
| Ms J Elzinga  | 4                        | 4                      |
| Miss T Homewood (Chair of Governors)                            | 4                        | 4                      |
| Mr B Levy   | 2                        | 4                      |
| Mr N Reddin   | 3                        | 4                      |
| Ms S Rogers   | 1                        | 4                      |
| Mr M Spence (Chair - Finance, Premises, Audit & Risk Committee) | 3                        | 4                      |
| Mr R Wedderburn-Day   | 4                        | 4                      |
| Miss J Whitehead  | 2                        | 4                      |
| Ms J Wildman  | 2                        | 4                      |
| Ms A Williams   | 3                        | 4                      |
| Ms S Wooders  | 2                        | 4                      |
| Mr M Fisher (Chair - Teaching and Learning Committee)           | 3                        | 4                      |
| Dr C Ives   | 3                        | 4                      |
| Ms A L Appleby  | 3                        | 4                      |

No changes to the Board or its governance occurred during the year.

### **Conflicts of interest**

The academy required each governor to complete a declaration of interests form at the beginning of each academic year. New governors were also be asked to complete a declaration of interests form if they join after the start of the academic year. The trust publishes information about the interests of members and governors on its website. If an individual's circumstances change after the register of interests is completed, they must immediately alert the chair and the clerk that they need to make amendments or further declarations. The register is available to finance staff to ensure that no conflicts arise when procuring goods or services. At the beginning of each governors meeting, including committee meetings, governors are asked to confirm they have no conflicts of interest.

### **Meetings**

The Governing Body has met on fewer than 6 occasions during the year. The Governors' Report and this Governance Statement describe how effective governance and oversight is exercised. Membership of the governing body was stable during the academic year.

# **KNOLE ACADEMY TRUST**

## **GOVERNANCE STATEMENT (CONTINUED)**

### **FOR THE YEAR ENDED 31 AUGUST 2024**

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#### **Governance reviews**

No external review of governance was held during the year. An Ofsted inspection had taken place in November 2022 which as part of its normal remit reviewed governance. The governors were described by Ofsted as “skilled and experienced. They know the school well and make sure that the school is well led and managed effectively. They provide effective support and challenge for leaders.”

Members of the Finance, Premises, Audit, and Risk recognised the wealth of acquired financial and business expertise appointed to the committee. The capacity to challenge and deliver effective scrutiny is supplemented by an accountant, an auditor, and a multi academy trust finance manager. The Teaching and Learning Committee includes a well-informed group of Governors with backgrounds in education. The Governance Professional presented as knowledgeable and keenly aware of her responsibilities. Minutes are of good quality and promote clear evidence of the nature of discussions and themes explored. All Governors complete annual training on Safeguarding.

As evidenced by the Governance Professional there is compliance with current mandatory and legislative obligations. Arrangements relating to Teachers’ Pay and Performance Management are in place. The school website is accessible and fully meets the DFE requirements. She is the guardian of the Terms of Reference, maintains the Register of Business Interests, and manages the Governor’s Development Training Log. There is clear evidence of her impartiality, independence, and professionalism. The Chair of Governors carries out annual reviews of each Governor’s contribution to the Board’s performance and the composition of the Governing Body was considered as appropriate. It was acknowledged that the Governing Body benefited from examining good practices from elsewhere. The school had adopted a clear vision and identified priorities for future development and improvement. Governors play and have played a central role in formulating the vision and identifying priorities during their annual strategic planning days. The work of the governing body was commended in the November 2022 Ofsted inspection

#### **Conclusion**

The Governing Body had progressively developed into the role and became increasingly effective as a consequence of experience gained and training accessed. There is clear evidence that they were able to identify and act upon areas where performance could be improved, and practice strengthened. Governors understand their roles, remit, and responsibilities. They were aware of the need to maximise challenge and provide support. Board members identified channels of communication with stakeholders as a key area for development. Governors were aware that practice was further enhanced through regular access to governor training. There was an understanding and focus on succession planning and the Governing Body benefited from examining good practice elsewhere. It was acknowledged that regular skills/knowledge audits ensured there was sufficient and appropriate specialist expertise in all areas of school operations. Governors have been active through the academic year in reviewing various options regarding the structural future which included the transition to joining the Aletheia Academies Trust from 01 September 2024.

The Finance, Premises, Audit & Risk Committee is a sub-committee of the main Governing Body. Members of the Finance, Premises, Audit, and Risk recognised the wealth of acquired financial and business expertise appointed to the committee. Its purpose is to assist and support the Governing Body, ensuring sound oversight is exercised over the management of the Academy’s finances and resources. The capacity to challenge and deliver effective scrutiny is supplemented by an accountant, an auditor, and a multi academy trust finance manager.

The Teaching and Learning Committee, also a subcommittee of the main Governing body, includes a well-informed group of Governors with backgrounds in education. The Governance Professional presented as knowledgeable and keenly aware of her responsibilities. Minutes are of good quality and promote clear evidence of the nature of discussions and themes explored. All Governors complete annual training on Safeguarding.

The Finance, Premises, Audit & Risk Committee is a sub-committee of the main Governing Body.

# KNOLE ACADEMY TRUST

## GOVERNANCE STATEMENT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2024

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Attendance at meetings in the year was as follows:

| Governors   | Meetings attended | Out of possible |
|---|-------------------|-----------------|
| Mr N Clark  | 3                 | 3               |
| Mr D Collins (Headteacher & Accounting Officer)                 | 3                 | 3               |
| Miss T Homewood (Chair of Governors)                            | 3                 | 3               |
| Mr N Reddin   | 3                 | 3               |
| Ms S Rogers   | 3                 | 3               |
| Mr M Spence (Chair - Finance, Premises, Audit & Risk Committee) | 3                 | 3               |
| Mr R Wedderburn-Day   | 2                 | 3               |
| Ms S Wooders  | 3                 | 3               |
| Ms A L Appleby  | 3                 | 3               |

#### Review of value for money

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

The accounting officer for the academy trust has delivered improved value for money during the year by:

- **Supporting students to reach their potential**

Pupil premium funding was used to enable pupils in receipt of free school meals to make expected progress. Literacy catch-up funding was used to employ high quality literacy teachers to enable low literacy levels to be addressed. Post 16 bursary funding was used to enable students from low-income families to access the post 16 curriculum.

- **Robust governance and oversight of Academy finances**

The Academy's governors were committed to ensuring that governance of the Academy's financial management was robust. The governors were mindful of their responsibilities in ensuring that the Academy's resources were managed effectively to support the objectives in the Academy's Improvement Plan as well as ensuring the estates safety and management, whilst considering the long-term development of the Academy. The Academy's governors, Leadership Team and staff strived for the best possible outcomes for pupils, achieved at reasonable cost.

The Finance, Premises, Audit and Risk Committee met as often as was necessary to fulfil its responsibilities. The Committee had clear Terms of Reference which were reviewed annually. The Committee included the Headteacher and the Chair of Governors. Members were invited to join the Committee on the basis that they have appropriate skills and experience. Further training was provided as required. The Finance, Premises, Audit and Risk Committee received regular budget monitoring provided in a consistent format and with explanatory notes; considered and ratified policies; scrutinised the Academy budget forecast; ensuring that the Academy complied with agreed policies and procedures; and challenge decision makers on spending proposals. The Committee considered the annual reports and financial statements of the Academy, and made recommendations to the full governing body, who approved core financial statements and related documents.

Ensuring that the trust gains good value for money, and effective and efficient use of resources, the Academy took a prudent approach to expenditure. As approximately 89% of the Academy's GAG income is spent on staffing, the staffing structure was reviewed annually to ensure that it was fit for purpose and could adapt and respond to support the successful attainment of the objectives within the Academy's Improvement plan. The Academy has a high proportion of skilled and experienced staff, thus ensuring that pupil: staff ratios were maintained at a high level whilst providing value for money. Staff were deployed to provide best value, and temporary changes to permanent contracts were sometimes used to meet the needs of the academy.

# **KNOLE ACADEMY TRUST**

## **GOVERNANCE STATEMENT (CONTINUED)**

### **FOR THE YEAR ENDED 31 AUGUST 2024**

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- **Maximising income generation**

The Academy generated income through providing facilities for local groups via lettings. The Academy had a Lettings policy in place that explored opportunities to maximise income through the hire of the site in this area.

- **Lessons Learned**

The Governors and Leadership Team sought to continue the work done to ensure the Academy ran smoothly. All decisions regarding purchasing and service provision were taken with an emphasis on obtaining value for money and improving outcomes for pupils.

#### **The purpose of the system of internal control**

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

#### **Capacity to handle risk**

The Governing Body has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Governing Body is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 1 September 2023 to 31 August 2024 and up to the date of approval of the annual report and accounts. This process is regularly reviewed by the Governing Body.

#### **The risk and control framework**

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

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

Buzzacott LLP conducted 3 internal audit visits during the year, following each of which a report was issued, setting out findings and recommendations. These reports are provided to the Finance, Premises, Audit and Risk Committee for their consideration.

Financial control measures continue to be maintained during the year. Standard financial operating procedures had been followed such as relating to the payment of suppliers and bank reconciliations.

The areas of work conducted by Buzzacott LLP were:

- Capital and major procurement
- Income generation & commercial activity
- Financial Data Analytics

The Governing Body are satisfied that the internal audit function has been fully delivered in line with the ESFA's requirements. No category A - high risk, B – medium or C – Low risk were found. The only points raised were of an advisory nature.



# **KNOLE ACADEMY TRUST**

## **GOVERNANCE STATEMENT (CONTINUED)**

***FOR THE YEAR ENDED 31 AUGUST 2024***

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### **Review of effectiveness**

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

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

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

### **Conclusion**

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

Approved by order of the Governing Body on 06 December 2024 and signed on its behalf by:

Mr D Collins  
**Headteacher & Accounting Officer**

Miss T Homewood  
**Chair of Governors**

# **KNOLE ACADEMY TRUST**

## **STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE**

***FOR THE YEAR ENDED 31 AUGUST 2024***

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

I confirm that I and the academy trust's Governing Body are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Trust Handbook 2023.

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

Mr D Collins  
**Accounting Officer**

06 December 2024

# **KNOLE ACADEMY TRUST**

## **STATEMENT OF GOVERNORS' RESPONSIBILITIES**

***FOR THE YEAR ENDED 31 AUGUST 2024***

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The governors (who act as trustees for Knole Academy Trust and are also the directors of Knole Academy Trust for the purposes of company law) are responsible for preparing the governors' report and the accounts in accordance with the Academies Accounts Direction 2023 to 2024 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 accounts for each financial year. Under company law, the governors must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period.

In preparing these accounts, the governors are required to:

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

The 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 accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The 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 that 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 accounts may differ from legislation in other jurisdictions.

Approved by order of the members of the Governing Body on 06 December 2024 and signed on its behalf by:

Miss T Homewood  
**Chair of Governors**

# **KNOLE ACADEMY TRUST**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF KNOLE ACADEMY TRUST**

***FOR THE YEAR ENDED 31 AUGUST 2024***

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### **Opinion**

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

In our opinion the accounts:

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

### **Basis for opinion**

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

### **Emphasis of matter - Going concern**

We draw your attention to note 1.2 in the financial statements, which indicates that the financial statements have been prepared on the basis that the Academy Trust is no longer a going concern as the company transferred its entire activities, assets and liabilities to the Aletheia Academies Trust on 1 September 2024. Our opinion is not modified in this respect.

### **Other information**

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

We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the governors' report including the incorporated strategic report for the financial year for which the accounts are prepared is consistent with the accounts; and
- the governors' report including the incorporated strategic report has been prepared in accordance with applicable legal requirements.

# **KNOLE ACADEMY TRUST**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF KNOLE ACADEMY TRUST (CONTINUED)**

***FOR THE YEAR ENDED 31 AUGUST 2024***

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

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the accounts are not in agreement with the accounting records and returns; or
- certain disclosures of 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 governors**

As explained more fully in the statement of governors' responsibilities, the governors are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the governors determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error. In preparing the accounts, the governors are responsible for assessing the academy trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the governors either intend to liquidate the charitable company, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the accounts**

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

### **Extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

# **KNOLE ACADEMY TRUST**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF KNOLE ACADEMY TRUST (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2024**

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In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of senior leadership, Governors/Trustees and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the company through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations including compliance with the Academies Accounts Direction 2023 to 2024 issued by the Education and Skills Funding Agency;
- Performing audit work over the recognition of grant income and the allocation of expenditure to funds;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

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 of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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

### **Use of our report**

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

**Michelle Wilkes FCA (Senior Statutory Auditor)**  
for and on behalf of Azets Audit Services

16 December 2024

**Chartered Accountants**  
**Statutory Auditor**

First Floor  
River House  
1 Maidstone Road  
Sidcup  
Kent  
United Kingdom  
DA14 5RH

# **KNOLE ACADEMY TRUST**

## **INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO KNOLE ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY**

***FOR THE YEAR ENDED 31 AUGUST 2024***

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In accordance with the terms of our engagement letter dated 15 July 2024 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2023 to 2024, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Knole Academy Trust during the period 1 September 2023 to 31 August 2024 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Knole Academy Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Knole 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 Knole Academy Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

### **Respective responsibilities of Knole Academy Trust's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Knole Academy Trust's funding agreement with the Secretary of State for Education dated 27 January 2009 and the Academy Trust Handbook, extant from 1 September 2023, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

### **Approach**

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

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

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

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

Our work included identification and assessment of the design and operational effectiveness of the controls, policies and procedures that have been implemented to ensure compliance with the framework of authorities including high level financial control areas and areas assessed of presenting a higher risk of impropriety. We undertook detailed testing, based on our assessment of risk of material irregularity, where such controls, policies and procedures apply to classes of transactions. This work was integrated with our audit on the financial statements to the extent evidence from the conduct of that audit supports the regularity conclusion as well as additional testing based on our assessment of risk of material irregularity.

# **KNOLE ACADEMY TRUST**

## **INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO KNOLE ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY (CONTINUED)**

***FOR THE YEAR ENDED 31 AUGUST 2024***

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### **Conclusion**

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

### **Reporting Accountant**

Azets Audit Services  
First Floor  
River House  
1 Maidstone Road  
Sidcup  
Kent  
DA14 5RH  
United Kingdom

Dated: .....



# KNOLE ACADEMY TRUST

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2024

|   | Notes | Unrestricted<br>funds<br>£'000 | Restricted funds:<br>General<br>£'000 | Fixed asset<br>£'000 | Total<br>2024<br>£'000 | Total<br>2023<br>£'000 |
|---|-------|--------------------------------|---------------------------------------|----------------------|------------------------|------------------------|
| <b>Income and endowments from:</b>                          |       |                                |                                       |                      |                        |                        |
| Donations and capital grants                                | 3     | 14                             | 44                                    | 771                  | 829                    | 90                     |
| Charitable activities:                                      |       |                                |                                       |                      |                        |                        |
| - Funding for educational operations                        | 4     | 277                            | 9,347                                 | -                    | 9,624                  | 9,128                  |
| Other trading activities                                    | 5     | 363                            | -                                     | -                    | 363                    | 324                    |
| Investments   | 6     | 29                             | -                                     | -                    | 29                     | 16                     |
| <b>Total</b>  |       | <u>683</u>                     | <u>9,391</u>                          | <u>771</u>           | <u>10,845</u>          | <u>9,558</u>           |
| <b>Expenditure on:</b>                                      |       |                                |                                       |                      |                        |                        |
| Raising funds   | 7     | -                              | 4                                     | -                    | 4                      | 7                      |
| Charitable activities:                                      |       |                                |                                       |                      |                        |                        |
| - Educational operations                                    | 8     | 364                            | 9,813                                 | 1,098                | 11,275                 | 10,809                 |
| <b>Total</b>  | 7     | <u>364</u>                     | <u>9,817</u>                          | <u>1,098</u>         | <u>11,279</u>          | <u>10,816</u>          |
| <b>Net income/(expenditure)</b>                             |       | 319                            | (426)                                 | (327)                | (434)                  | (1,258)                |
| Transfers between funds                                     | 16    | (544)                          | 487                                   | 57                   | -                      | -                      |
| <b>Other recognised gains/(losses)</b>                      |       |                                |                                       |                      |                        |                        |
| Actuarial (losses)/gains on defined benefit pension schemes | 18    | -                              | (39)                                  | -                    | (39)                   | 382                    |
| Adjustment for restriction on pension assets                | 18    | -                              | (14)                                  | -                    | (14)                   | -                      |
| <b>Net movement in funds</b>                                |       | <u>(225)</u>                   | <u>8</u>                              | <u>(270)</u>         | <u>(487)</u>           | <u>(876)</u>           |
| <b>Reconciliation of funds</b>                              |       |                                |                                       |                      |                        |                        |
| Total funds brought forward                                 |       | <u>1,208</u>                   | <u>78</u>                             | <u>32,644</u>        | <u>33,930</u>          | <u>34,806</u>          |
| Total funds carried forward                                 |       | <u>983</u>                     | <u>86</u>                             | <u>32,374</u>        | <u>33,443</u>          | <u>33,930</u>          |

# KNOLE ACADEMY TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2024

| Comparative year information<br>Year ended 31 August 2023 | Notes | Unrestricted<br>funds<br>£'000 | Restricted funds:<br>General | Fixed asset<br>£'000 | Total<br>2023<br>£'000 |
|---|-------|--------------------------------|------------------------------|----------------------|------------------------|
| <b>Income and endowments from:</b>                        |       |                                |                              |                      |                        |
| Donations and capital grants                              | 3     | 8                              | -                            | 82                   | 90                     |
| Charitable activities:                                    |       |                                |                              |                      |                        |
| - Funding for educational operations                      | 4     | 292                            | 8,836                        | -                    | 9,128                  |
| Other trading activities                                  | 5     | 324                            | -                            | -                    | 324                    |
| Investments   | 6     | 16                             | -                            | -                    | 16                     |
| <b>Total</b>  |       | <u>640</u>                     | <u>8,836</u>                 | <u>82</u>            | <u>9,558</u>           |
| <b>Expenditure on:</b>                                    |       |                                |                              |                      |                        |
| Raising funds   | 7     | -                              | 7                            | -                    | 7                      |
| Charitable activities:                                    |       |                                |                              |                      |                        |
| - Educational operations                                  | 8     | 304                            | 9,379                        | 1,126                | 10,809                 |
| <b>Total</b>  | 7     | <u>304</u>                     | <u>9,386</u>                 | <u>1,126</u>         | <u>10,816</u>          |
| <b>Net income/(expenditure)</b>                           |       | 336                            | (550)                        | (1,044)              | (1,258)                |
| Transfers between funds                                   | 16    | (759)                          | 465                          | 294                  | -                      |
| <b>Other recognised gains/(losses)</b>                    |       |                                |                              |                      |                        |
| Actuarial gains on defined benefit pension schemes        | 18    | -                              | 382                          | -                    | 382                    |
| <b>Net movement in funds</b>                              |       | (423)                          | 297                          | (750)                | (876)                  |
| <b>Reconciliation of funds</b>                            |       |                                |                              |                      |                        |
| Total funds brought forward                               |       | <u>1,631</u>                   | <u>(219)</u>                 | <u>33,394</u>        | <u>34,806</u>          |
| Total funds carried forward                               |       | <u>1,208</u>                   | <u>78</u>                    | <u>32,644</u>        | <u>33,930</u>          |

# KNOLE ACADEMY TRUST

## BALANCE SHEET

AS AT 31 AUGUST 2024

|  |       | 2024         |               | 2023         |               |
|--|-------|--------------|---------------|--------------|---------------|
|  | Notes | £'000        | £'000         | £'000        | £'000         |
| <b>Fixed assets</b>                            |       |              |               |              |               |
| Tangible assets                                | 12    |              | 32,374        |              | 32,644        |
| <b>Current assets</b>                          |       |              |               |              |               |
| Debtors  | 13    | 817          |               | 546          |               |
| Investments                                    |       | 486          |               | 725          |               |
| Cash at bank and in hand                       |       | 886          |               | 644          |               |
|  |       | <u>2,189</u> |               | <u>1,915</u> |               |
| <b>Current liabilities</b>                     |       |              |               |              |               |
| Creditors: amounts falling due within one year | 14    | (1,120)      |               | (629)        |               |
|  |       | <u></u>      |               | <u></u>      |               |
| <b>Net current assets</b>                      |       |              | 1,069         |              | 1,286         |
| <b>Net assets excluding pension asset</b>      |       |              | 33,443        |              | 33,930        |
| Defined benefit pension scheme asset           | 18    |              | -             |              | -             |
|  |       |              | <u></u>       |              | <u></u>       |
| <b>Total net assets</b>                        |       |              | <u>33,443</u> |              | <u>33,930</u> |
| <b>Funds of the academy trust:</b>             |       |              |               |              |               |
| <b>Restricted funds</b>                        | 16    |              |               |              |               |
| - Fixed asset funds                            |       |              | 32,374        |              | 32,644        |
| - Restricted income funds                      |       |              | 86            |              | 78            |
|  |       |              | <u>32,460</u> |              | <u>32,722</u> |
| <b>Total restricted funds</b>                  |       |              | 32,460        |              | 32,722        |
| <b>Unrestricted income funds</b>               | 16    |              | 983           |              | 1,208         |
|  |       |              | <u>983</u>    |              | <u>1,208</u>  |
| <b>Total funds</b>                             |       |              | <u>33,443</u> |              | <u>33,930</u> |

The accounts on pages 23 to 47 were approved by the governors and authorised for issue on 06 December 2024 and are signed on their behalf by:

Miss T Homewood  
**Chair of Governors**

Company registration number 07115882 (England and Wales)

# KNOLE ACADEMY TRUST

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2024

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|   | Notes | 2024<br>£'000 | £'000 | 2023<br>£'000 | £'000 |
|---|-------|---------------|-------|---------------|-------|
| <b>Cash flows from operating activities</b>   |       |               |       |               |       |
| Net cash provided by/(used in) operating activities                                 | 19    |               | 31    |               | (210) |
| <b>Cash flows from investing activities</b>   |       |               |       |               |       |
| Dividends, interest and rents from investments                                      |       | 29            |       | 16            |       |
| Capital grants from DfE Group   |       | 771           |       | 82            |       |
| Purchase of tangible fixed assets   |       | (828)         |       | (376)         |       |
| (Sale)/purchase of investments  |       | 239           |       | (154)         |       |
| <b>Net cash provided by/(used in) investing activities</b>                          |       |               | 211   |               | (432) |
| <b>Net increase/(decrease) in cash and cash equivalents in the reporting period</b> |       |               | 242   |               | (642) |
| Cash and cash equivalents at beginning of the year                                  |       |               | 644   |               | 1,286 |
| <b>Cash and cash equivalents at end of the year</b>                                 |       |               | 886   |               | 644   |

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# **KNOLE ACADEMY TRUST**

## **NOTES TO THE FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED 31 AUGUST 2024**

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#### **1 Accounting policies**

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

##### **1.1 Basis of preparation**

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

##### **1.2 Going concern**

The governors assess whether the use of going concern is appropriate, ie whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charitable company to continue as a going concern.

On 01 September 2024, the Knole Academy, previously operated by the Knole Academy Trust, joined the Aletheia Academies Trust (company number 07801612), following which all operations, assets, liabilities and balances transferred to Aletheia Academies Trust. From 01 September 2024, the Knole Academy Trust became dormant, subject only to dealing with the transfer of balances to the Aletheia Academies Trust.

##### **1.3 Income**

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

###### Grants

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

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

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

###### Sponsorship income

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

###### Donations

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

###### Other income

Other income, including the hire of facilities, is recognised in the period it is receivable and to the extent the academy trust has provided the goods or services.

# KNOLE ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2024

---

#### 1 Accounting policies

(Continued)

##### Donated goods, facilities and services

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the accounts until they are sold. This income is recognised within 'Income from other trading activities'.

##### Donated fixed assets

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

#### 1.4 Expenditure

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

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

All resources expended are inclusive of irrecoverable VAT.

##### Expenditure on raising funds

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

##### Charitable activities

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

#### 1.5 Tangible fixed assets and depreciation

Assets costing £5,000 or more per item (or less if they form part of a larger purchase or project) are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

A long term lease (125 years) with Kent County Council for the land and buildings at Bradbourne Vale Road, Sevenoaks, was entered into in November 2020.

# KNOLE ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2024

---

#### 1 Accounting policies

(Continued)

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

|                                |  |
|--------------------------------|--|
| Leashold land and buildings    | Buildings - 12 - 42 years (straight line); land over term of lease (125 years) |
| Leasehold improvements         | 10 - 30 years (straight line);   |
| Computer equipment             | 3 years (straight line)  |
| Fixtures, fittings & equipment | 5 years (straight line)  |
| Motor vehicles                 | 4 years (straight line)  |

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use and reclassified to freehold or leasehold land and buildings.

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

#### 1.6 Liabilities

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

#### 1.7 Leased assets

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

#### 1.8 Investments

Current asset investments comprise cash held on deposit for more than 90 days.

#### 1.9 Financial instruments

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

##### Financial assets

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

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

##### Financial liabilities

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

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

# **KNOLE ACADEMY TRUST**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

### **FOR THE YEAR ENDED 31 AUGUST 2024**

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#### **1 Accounting policies**

**(Continued)**

##### **1.10 Taxation**

The academy trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the academy trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by chapter 3 part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

##### **1.11 Pensions benefits**

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

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

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

##### **1.12 Fund accounting**

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

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

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

#### **2 Critical accounting estimates and areas of judgement**

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



# KNOLE ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2024

#### 2 Critical accounting estimates and areas of judgement

(Continued)

##### Critical accounting estimates and assumptions

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

##### *Useful economic lives of tangible assets*

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 13 for the carrying amount of the property plant and equipment, and note 1.5 for the useful economic lives for each class of assets.

##### *LGPS*

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

The pension value also includes an asset ceiling adjustment and the assumptions used to calculate this are:

- The scheme is open to new entrants;
- There is a minimum funding requirement in relation to the LGPS;
- There is the ability to recover a surplus through the ability to reduce future contributions (not refund)
- In calculating the surplus, the present value of current and past service costs is offset against the future contributions over the future period;
- The present value in the above calculations are calculated using an annuity representing participation into perpetuity.

##### Critical areas of judgement

There are no critical areas of judgement.

#### 3 Donations and capital grants

|                 | Unrestricted<br>funds<br>£'000 | Restricted<br>funds<br>£'000 | Total<br>2024<br>£'000 | Total<br>2023<br>£'000 |
|-----------------|--------------------------------|------------------------------|------------------------|------------------------|
| Capital grants  | -                              | 771                          | 771                    | 82                     |
| Other donations | 14                             | 44                           | 58                     | 8                      |
|                 | 14                             | 815                          | 829                    | 90                     |

# KNOLE ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

### 4 Funding for the academy trust's educational operations

| Educational operations                          | Unrestricted<br>funds<br>£'000 | Restricted<br>funds<br>£'000 | Total<br>2024<br>£'000 | Total<br>2023<br>£'000 |
|---|--------------------------------|------------------------------|------------------------|------------------------|
| <b>DfE/ESFA grants</b>                          |                                |                              |                        |                        |
| General annual grant (GAG)                      | -                              | 7,327                        | 7,327                  | 6,966                  |
| 16-19 core education funding                    | -                              | 845                          | 845                    | 892                    |
| Other DfE/ESFA grants:                          |                                |                              |                        |                        |
| - Pupil premium                                 | -                              | 282                          | 282                    | 279                    |
| - Rates   | -                              | 65                           | 65                     | 56                     |
| - Teachers Pension Grant                        | -                              | 110                          | 110                    | 34                     |
| - Teacher Pay Grant                             | -                              | 137                          | 137                    | -                      |
| - Recovery premium                              |                                | 72                           | 72                     | 74                     |
| - Supplementary grant                           |                                | -                            | -                      | 228                    |
| - Mainstream Schools Additional grant           |                                | 269                          | 269                    | 112                    |
| - National Tutoring                             |                                | (11)                         | (11)                   | 17                     |
| - Others  | -                              | 4                            | 4                      | 10                     |
|   | -                              | 9,100                        | 9,100                  | 8,668                  |
| <b>Other government grants</b>                  |                                |                              |                        |                        |
| Local authority grants                          | -                              | 243                          | 243                    | 174                    |
| Other government grants                         | -                              | 4                            | 4                      | -                      |
|   | -                              | 247                          | 247                    | 174                    |
| <b>COVID-19 additional funding</b>              |                                |                              |                        |                        |
| <b>DfE/ESFA</b>                                 |                                |                              |                        |                        |
| Other DfE/ESFA COVID-19 funding                 | -                              | -                            | -                      | (6)                    |
| <b>Other incoming resources</b>                 | 20                             | -                            | 20                     | 33                     |
| <b>Total funding for educational operations</b> | 20                             | 9,347                        | 9,367                  | 8,869                  |
| <b>Voluntary fund</b>                           | 257                            | -                            | 257                    | 259                    |
| <b>Total funding</b>                            | 277                            | 9,347                        | 9,624                  | 9,128                  |

# KNOLE ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

### 5 Other trading activities

|                                     | Unrestricted<br>funds<br>£'000 | Restricted<br>funds<br>£'000 | Total<br>2024<br>£'000 | Total<br>2023<br>£'000 |
|-------------------------------------|--------------------------------|------------------------------|------------------------|------------------------|
| Income from facilities and services | 13                             | -                            | 13                     | 17                     |
| Catering income                     | 10                             | -                            | 10                     | -                      |
| Knole Academy Enterprises           | 312                            | -                            | 312                    | 291                    |
| Other income                        | 28                             | -                            | 28                     | 16                     |
|                                     | <u>363</u>                     | <u>-</u>                     | <u>363</u>             | <u>324</u>             |

### 6 Investment income

|                     | Unrestricted<br>funds<br>£'000 | Restricted<br>funds<br>£'000 | Total<br>2024<br>£'000 | Total<br>2023<br>£'000 |
|---------------------|--------------------------------|------------------------------|------------------------|------------------------|
| Short term deposits | 29                             | -                            | 29                     | 16                     |
|                     | <u>29</u>                      | <u>-</u>                     | <u>29</u>              | <u>16</u>              |

### 7 Expenditure

|                                  | Staff costs<br>£'000 | Non-pay expenditure |                | Total<br>2024<br>£'000 | Total<br>2023<br>£'000 |
|----------------------------------|----------------------|---------------------|----------------|------------------------|------------------------|
|                                  |                      | Premises<br>£'000   | Other<br>£'000 |                        |                        |
| Expenditure on raising funds     |                      |                     |                |                        |                        |
| - Direct costs                   | -                    | -                   | 4              | 4                      | 7                      |
| Academy's educational operations |                      |                     |                |                        |                        |
| - Direct costs                   | 6,883                | 953                 | 1,011          | 8,847                  | 8,057                  |
| - Allocated support costs        | 1,097                | 907                 | 424            | 2,428                  | 2,752                  |
|                                  | <u>7,980</u>         | <u>1,860</u>        | <u>1,439</u>   | <u>11,279</u>          | <u>10,816</u>          |

#### Net income/(expenditure) for the year includes:

|   | 2024<br>£'000 | 2023<br>£'000 |
|---|---------------|---------------|
| Operating lease rentals                           | 74            | 60            |
| Depreciation of tangible fixed assets             | 1,098         | 1,126         |
| Fees payable to auditor for:                      |               |               |
| - Audit   | 16            | 13            |
| - Other services                                  | 3             | 4             |
| Net interest on defined benefit pension liability | (12)          | 6             |
|   | <u>1,158</u>  | <u>1,209</u>  |

# KNOLE ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

### 8 Charitable activities

|                        | Unrestricted<br>funds<br>£'000 | Restricted<br>funds<br>£'000 | Total<br>2024<br>£'000 | Total<br>2023<br>£'000 |
|------------------------|--------------------------------|------------------------------|------------------------|------------------------|
| <b>Direct costs</b>    |                                |                              |                        |                        |
| Educational operations | 277                            | 8,570                        | 8,847                  | 8,057                  |
| <b>Support costs</b>   |                                |                              |                        |                        |
| Educational operations | 87                             | 2,341                        | 2,428                  | 2,752                  |
|                        | <u>364</u>                     | <u>10,911</u>                | <u>11,275</u>          | <u>10,809</u>          |

### Analysis of costs

|  | 2024<br>£'000 | 2023<br>£'000 |
|--|---------------|---------------|
| <b>Direct costs</b>                          |               |               |
| Teaching and educational support staff costs | 6,906         | 6,009         |
| Staff development                            | 18            | 26            |
| Depreciation                                 | 953           | 948           |
| Technology costs                             | 48            | 69            |
| Educational supplies and services            | 348           | 433           |
| Examination fees                             | 134           | 135           |
| Other direct costs                           | 440           | 437           |
|  | <u>8,847</u>  | <u>8,057</u>  |
| <b>Support costs</b>                         |               |               |
| Support staff costs                          | 1,097         | 1,175         |
| Depreciation                                 | 145           | 178           |
| Technology costs                             | 109           | 112           |
| Maintenance of premises and equipment        | 251           | 351           |
| Energy costs                                 | 282           | 401           |
| Rent, rates and other occupancy costs        | 168           | 168           |
| Insurance                                    | 48            | 39            |
| Security and transport                       | 23            | 32            |
| Catering                                     | 89            | 73            |
| Finance costs                                | (12)          | 6             |
| Other support costs                          | 199           | 190           |
| Governance costs                             | 29            | 27            |
|  | <u>2,428</u>  | <u>2,752</u>  |

# KNOLE ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

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### 9 Staff

#### Staff costs and employee benefits

Staff costs during the year were:

|   | <b>2024</b>  | <b>2023</b>  |
|---|--------------|--------------|
|   | <b>£'000</b> | <b>£'000</b> |
| Wages and salaries                      | 5,865        | 5,166        |
| Social security costs                   | 596          | 519          |
| Pension costs                           | 1,324        | 1,189        |
| Other employee benefits                 | 23           | 21           |
|   | <hr/>        | <hr/>        |
| Staff costs - employees                 | 7,808        | 6,895        |
| Agency staff costs                      | 172          | 289          |
|   | <hr/>        | <hr/>        |
|   | 7,980        | 7,184        |
| Staff development and other staff costs | 18           | 26           |
|   | <hr/>        | <hr/>        |
| Total staff expenditure                 | 7,998        | 7,210        |
|   | <hr/> <hr/>  | <hr/> <hr/>  |

#### Staff numbers

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

|                            | <b>2024</b>   | <b>2023</b>   |
|----------------------------|---------------|---------------|
|                            | <b>Number</b> | <b>Number</b> |
| Teachers                   | 81            | 82            |
| Administration and support | 88            | 78            |
| Management                 | 10            | 10            |
|                            | <hr/>         | <hr/>         |
|                            | 179           | 170           |
|                            | <hr/> <hr/>   | <hr/> <hr/>   |

The number of persons employed, expressed as a full time equivalent, was as follows:

|                            | <b>2024</b>   | <b>2023</b>   |
|----------------------------|---------------|---------------|
|                            | <b>Number</b> | <b>Number</b> |
| Teachers                   | 75            | 78            |
| Administration and support | 63            | 59            |
| Management                 | 10            | 10            |
|                            | <hr/>         | <hr/>         |
|                            | 148           | 147           |
|                            | <hr/> <hr/>   | <hr/> <hr/>   |

# KNOLE ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2024

#### 9 Staff

(Continued)

##### Higher paid staff

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

|                     | 2024<br>Number | 2023<br>Number |
|---------------------|----------------|----------------|
| £60,000 - £70,000   | 8              | 6              |
| £70,001 - £80,000   | 3              | 1              |
| £80,001 - £90,000   | 2              | 1              |
| £110,001 - £120,000 | -              | 1              |
| £120,001 - £130,000 | 1              | -              |
|                     | =====          | =====          |

##### Key management personnel

The key management personnel of the academy trust comprise the governors and the senior management team as listed on page 1. The total amount of key management personnel employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £291k (2023: £266k).

#### 10 Governors' remuneration and expenses

One or more of the governors has been paid remuneration or has received other benefits from an employment with the academy trust. 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, and not in respect of their services as governors.

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

Mr D Collins (Headteacher)

Remuneration: £120,001 - £125,000 (2023: £110,000 - £115,000 )

Employers pension contributions £30,001 - £35,000 (2023: £25,000 - £30,000)

During the year, travel and subsistence payments amounting to £591 were reimbursed or paid directly to 1 governors (2023: £63 - 1 governors).

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

#### 11 Governors' and officers' insurance

In accordance with normal commercial practice, the academy trust has purchased insurance to protect governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business. The insurance provides cover up to £5m on any one claim and the cost for the year ended 31 August 2024 was £96 (2023: £96). The cost of this insurance is included in the total insurance cost.

# KNOLE ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

### 12 Tangible fixed assets

|                       | Leashold land<br>and buildings | Leasehold<br>improvements | Computer<br>equipment | Fixtures,<br>fittings &<br>equipment | Motor<br>vehicles | Total  |
|-----------------------|--------------------------------|---------------------------|-----------------------|--------------------------------------|-------------------|--------|
|                       | £'000                          | £'000                     | £'000                 | £'000                                | £'000             | £'000  |
| <b>Cost</b>           |                                |                           |                       |                                      |                   |        |
| At 1 September 2023   | 34,507                         | 563                       | 885                   | 264                                  | 109               | 36,328 |
| Additions             | -                              | 805                       | 11                    | 12                                   | -                 | 828    |
| At 31 August 2024     | 34,507                         | 1,368                     | 896                   | 276                                  | 109               | 37,156 |
| <b>Depreciation</b>   |                                |                           |                       |                                      |                   |        |
| At 1 September 2023   | 2,595                          | 123                       | 612                   | 245                                  | 109               | 3,684  |
| Charge for the year   | 916                            | 37                        | 140                   | 5                                    | -                 | 1,098  |
| At 31 August 2024     | 3,511                          | 160                       | 752                   | 250                                  | 109               | 4,782  |
| <b>Net book value</b> |                                |                           |                       |                                      |                   |        |
| At 31 August 2024     | 30,996                         | 1,208                     | 144                   | 26                                   | -                 | 32,374 |
| At 31 August 2023     | 31,912                         | 440                       | 273                   | 19                                   | -                 | 32,644 |

Transactions relating to land and buildings during the year include:

- heating refurbishments - £805k

A long term lease (125 years) with Kent County Council for the land and buildings at Bradbourne Vale Road, Sevenoaks, was entered into in November 2020. Included in the valuation is leasehold land valued at £10,230,000.

### 13 Debtors

|                                    | 2024<br>£'000 | 2023<br>£'000 |
|------------------------------------|---------------|---------------|
| Trade debtors                      | 18            | 5             |
| Amounts owed by group undertakings | 185           | 291           |
| VAT recoverable                    | 206           | 70            |
| Prepayments and accrued income     | 408           | 180           |
|                                    | 817           | 546           |

### 14 Creditors: amounts falling due within one year

|                                    | 2024<br>£'000 | 2023<br>£'000 |
|------------------------------------|---------------|---------------|
| Trade creditors                    | 567           | 122           |
| Other taxation and social security | 137           | 127           |
| Other creditors                    | 183           | 145           |
| Accruals and deferred income       | 233           | 235           |
|                                    | 1,120         | 629           |

# KNOLE ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2024

#### 15 Deferred income

|                                     | 2024<br>£'000   | 2023<br>£'000   |
|-------------------------------------|-----------------|-----------------|
| Deferred income is included within: |                 |                 |
| Creditors due within one year       | 125             | 68              |
|                                     | <u>        </u> | <u>        </u> |
| Deferred income at 1 September 2023 | 68              | 93              |
| Released from previous years        | (68)            | (93)            |
| Resources deferred in the year      | 125             | 68              |
|                                     | <u>        </u> | <u>        </u> |
| Deferred income at 31 August 2024   | 125             | 68              |
|                                     | <u>        </u> | <u>        </u> |

Deferred income relates to trip income collected in advance of the trip taking place of £125k (2023: £68k).

#### 16 Funds

|                                     | Balance at<br>1 September<br>2023<br>£'000 | Income<br>£'000 | Expenditure<br>£'000 | Gains,<br>losses and<br>transfers<br>£'000 | Balance at<br>31 August<br>2024<br>£'000 |
|-------------------------------------|--|-----------------|----------------------|--|--|
| <b>Restricted general funds</b>     |  |                 |                      |  |  |
| General Annual Grant (GAG)          | -  | 8,172           | (8,659)              | 487  | -  |
| Pupil premium                       | -  | 282             | (282)                | -  | -  |
| Other DfE/ESFA grants               | -  | 646             | (646)                | -  | -  |
| Other government grants             | -  | 247             | (247)                | -  | -  |
| Other restricted funds              | 78   | 44              | (36)                 | -  | 86                                       |
|                                     | <u>        </u>                            | <u>        </u> | <u>        </u>      | <u>        </u>                            | <u>        </u>                          |
| Funds excluding pensions            | 78   | 9,391           | (9,870)              | 487  | 86                                       |
| Pension reserve                     | -  | -               | 53                   | (53)                                       | -  |
|                                     | <u>        </u>                            | <u>        </u> | <u>        </u>      | <u>        </u>                            | <u>        </u>                          |
|                                     | 78   | 9,391           | (9,817)              | 434  | 86                                       |
|                                     | <u>        </u>                            | <u>        </u> | <u>        </u>      | <u>        </u>                            | <u>        </u>                          |
| <b>Restricted fixed asset funds</b> |  |                 |                      |  |  |
| DfE group capital grants            | -  | 771             | -                    | (771)                                      | -  |
| Fixed asset fund                    | 32,644                                     | -               | (1,098)              | 828  | 32,374                                   |
|                                     | <u>        </u>                            | <u>        </u> | <u>        </u>      | <u>        </u>                            | <u>        </u>                          |
|                                     | 32,644                                     | 771             | (1,098)              | 57   | 32,374                                   |
|                                     | <u>        </u>                            | <u>        </u> | <u>        </u>      | <u>        </u>                            | <u>        </u>                          |
| <b>Total restricted funds</b>       | 32,722                                     | 10,162          | (10,915)             | 491  | 32,460                                   |
|                                     | <u>        </u>                            | <u>        </u> | <u>        </u>      | <u>        </u>                            | <u>        </u>                          |
| <b>Unrestricted funds</b>           |  |                 |                      |  |  |
| General funds                       | 1,208                                      | 683             | (364)                | (544)                                      | 983                                      |
|                                     | <u>        </u>                            | <u>        </u> | <u>        </u>      | <u>        </u>                            | <u>        </u>                          |
| <b>Total funds</b>                  | 33,930                                     | 10,845          | (11,279)             | (53)                                       | 33,443                                   |
|                                     | <u>        </u>                            | <u>        </u> | <u>        </u>      | <u>        </u>                            | <u>        </u>                          |



# KNOLE ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2024**

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### 16 Funds

(Continued)

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

#### General Annual Grant

Income received from the ESFA to cover the normal running costs of the Academy Trust. Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2024.

#### Other DFE/ESFA grants

This includes 16-19 funding, rates relief, Teachers Pension grant, Teachers pay grant, recovery premium, Mainstream Schools Additional grant, National Tutoring grant, Cadet expansion funding and RAAC grant.

#### Other government grants

This includes additional pupil premium and high needs funding received from the Local Authority.

#### Other restricted funds

Other restricted funds relate to funding from a donor for Duke of Edinburgh award, funding for students who can't afford to go on trips and other expenditure approved by the donor. Also included are donations for Knole Community Store and donations regarding the Parent and Staff Association.

#### Transfer between funds

The transfer between funds represents the purchase of capital items from restricted grants and the school's contribution towards capital projects.

# KNOLE ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

### 16 Funds

(Continued)

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

|                                     | Balance at<br>1 September<br>2022<br>£'000 | Income<br>£'000 | Expenditure<br>£'000 | Gains,<br>losses and<br>transfers<br>£'000 | Balance at<br>31 August<br>2023<br>£'000 |
|-------------------------------------|--|-----------------|----------------------|--|--|
| <b>Restricted general funds</b>     |  |                 |                      |  |  |
| General Annual Grant (GAG)          | -  | 7,858           | (8,317)              | 459  | -  |
| Pupil premium                       | -  | 279             | (279)                | -  | -  |
| Other DfE/ESFA COVID-19<br>funding  | -  | (6)             | 6                    | -  | -  |
| Other DfE/ESFA grants               | -  | 531             | (531)                | -  | -  |
| Other government grants             | -  | 174             | (174)                | -  | -  |
| Other restricted funds              | 72   | -               | (6)                  | 6  | 72                                       |
|                                     | <u>72</u>                                  | <u>8,836</u>    | <u>(9,301)</u>       | <u>465</u>                                 | <u>72</u>                                |
| Funds excluding pensions            | 72   | 8,836           | (9,301)              | 465  | 72                                       |
| Pension reserve                     | (291)                                      | -               | (91)                 | 382  | -  |
|                                     | <u>(219)</u>                               | <u>8,836</u>    | <u>(9,392)</u>       | <u>847</u>                                 | <u>72</u>                                |
| <b>Restricted fixed asset funds</b> |  |                 |                      |  |  |
| DfE group capital grants            | -  | 82              | -                    | (82)                                       | -  |
| Fixed asset fund                    | 33,394                                     | -               | (1,126)              | 376  | 32,644                                   |
|                                     | <u>33,394</u>                              | <u>82</u>       | <u>(1,126)</u>       | <u>294</u>                                 | <u>32,644</u>                            |
| <b>Total restricted funds</b>       | <u>33,175</u>                              | <u>8,918</u>    | <u>(10,518)</u>      | <u>1,141</u>                               | <u>32,716</u>                            |
| <b>Unrestricted funds</b>           |  |                 |                      |  |  |
| General funds                       | 1,631                                      | 640             | (304)                | (759)                                      | 1,208                                    |
|                                     | <u>1,631</u>                               | <u>640</u>      | <u>(304)</u>         | <u>(759)</u>                               | <u>1,208</u>                             |
| <b>Total funds</b>                  | <u>34,806</u>                              | <u>9,558</u>    | <u>(10,822)</u>      | <u>382</u>                                 | <u>33,924</u>                            |

### 17 Analysis of net assets between funds

|  | Unrestricted<br>Funds<br>£'000 | Restricted funds:<br>General<br>£'000 | Fixed asset<br>£'000 | Total<br>Funds<br>£'000 |
|--|--------------------------------|---------------------------------------|----------------------|-------------------------|
| <b>Fund balances at 31 August 2024 are<br/>represented by:</b> |                                |                                       |                      |                         |
| Tangible fixed assets  | -                              | -                                     | 32,374               | 32,374                  |
| Current assets   | 1,571                          | 86                                    | 532                  | 2,189                   |
| Current liabilities  | (588)                          | -                                     | (532)                | (1,120)                 |
|  | <u>983</u>                     | <u>86</u>                             | <u>32,374</u>        | <u>33,443</u>           |
| <b>Total net assets</b>  | <u>983</u>                     | <u>86</u>                             | <u>32,374</u>        | <u>33,443</u>           |

# KNOLE ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

### 17 Analysis of net assets between funds

(Continued)

|  | Unrestricted<br>Funds<br>£'000 | Restricted funds:<br>General<br>£'000 | Fixed asset<br>£'000 | Total<br>Funds<br>£'000 |
|--|--------------------------------|---------------------------------------|----------------------|-------------------------|
| <b>Fund balances at 31 August 2023 are represented by:</b> |                                |                                       |                      |                         |
| Tangible fixed assets                                      | -                              | -                                     | 32,644               | 32,644                  |
| Current assets   | 1,837                          | 78                                    | -                    | 1,915                   |
| Current liabilities  | (629)                          | -                                     | -                    | (629)                   |
| <b>Total net assets</b>                                    | <b>1,208</b>                   | <b>78</b>                             | <b>32,644</b>        | <b>33,930</b>           |

### 18 Pension and similar obligations

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

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

Contributions amounting to £161k were payable to the schemes at 31 August 2024 (2023: £127k) and are included within creditors.

#### Teachers' Pension Scheme

##### Introduction

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

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

##### Valuation of the Teachers' Pension Scheme

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

# KNOLE ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2024

#### 18 Pension and similar obligations

(Continued)

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

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

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

The employer's pension costs paid to the TPS in the period amounted to £1,176k (2023: £931k).

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

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

#### Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 22.5% for employers and 5.5 to 12.5% for employees.

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

| Total contributions made | 2024<br>£'000 | 2023<br>£'000 |
|--------------------------|---------------|---------------|
| Employer's contributions | 342           | 301           |
| Employees' contributions | 89            | 79            |
| Total contributions      | 431           | 380           |

# KNOLE ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

|           |  |                    |                   |
|-----------|--|--------------------|-------------------|
| <b>18</b> | <b>Pension and similar obligations</b>   | <b>(Continued)</b> |                   |
|           | <b>Principal actuarial assumptions</b>   | <b>2024</b>        | <b>2023</b>       |
|           |  | <b>%</b>           | <b>%</b>          |
|           | Rate of increase in salaries   | 3.8                | 3.90              |
|           | Rate of increase for pensions in payment/inflation   | 2.8                | 2.90              |
|           | Discount rate for scheme liabilities   | 5.05               | 5.35              |
|           | Inflation assumption (CPI)   | 2.8                | 2.90              |
|           |  | <u>          </u>  | <u>          </u> |
|           | The current mortality assumptions include sufficient allowance for future improvements in mortality rates. The assumed life expectations on retirement age 65 are: |                    |                   |
|           |  | <b>2024</b>        | <b>2023</b>       |
|           |  | <b>Years</b>       | <b>Years</b>      |
|           | Retiring today   |                    |                   |
|           | - Males  | 20.7               | 20.7              |
|           | - Females  | 23.3               | 23.2              |
|           | Retiring in 20 years   |                    |                   |
|           | - Males  | 22.0               | 22.0              |
|           | - Females  | 24.7               | 24.6              |
|           |  | <u>          </u>  | <u>          </u> |
|           | <b>Sensitivity analysis</b>  |                    |                   |
|           | Scheme liabilities would have been affected by changes in assumptions as follows:  |                    |                   |
|           |  | <b>2024</b>        | <b>2023</b>       |
|           | Discount rate + 0.1%   | -85                | -74               |
|           | Discount rate - 0.1%   | 87                 | 76                |
|           | Mortality assumption + 1 year  | 150                | 132               |
|           | Mortality assumption - 1 year  | -145               | -128              |
|           | CPI rate + 0.1%  | 85                 | 73                |
|           | CPI rate - 0.1%  | -83                | -72               |
|           | Long term salary increase +0.1%  | 4                  | 4                 |
|           | Long term salary increase -0.1%  | -4                 | -4                |
|           |  | <u>          </u>  | <u>          </u> |
|           | <b>Defined benefit pension scheme net asset</b>  | <b>2024</b>        | <b>2023</b>       |
|           |  | <b>£'000</b>       | <b>£'000</b>      |
|           | Scheme assets  | 5,064              | 4,503             |
|           | Scheme obligations   | (5,003)            | (4,456)           |
|           |  | <u>          </u>  | <u>          </u> |
|           | Net asset  | 61                 | 47                |
|           | Restriction on scheme assets   | (61)               | (47)              |
|           |  | <u>          </u>  | <u>          </u> |
|           | Total liability recognised   | -                  | -                 |
|           |  | <u>          </u>  | <u>          </u> |

# KNOLE ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

### 18 Pension and similar obligations

(Continued)

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

|                              | 2024<br>Fair value<br>£'000 | 2023<br>Fair value<br>£'000 |
|------------------------------|-----------------------------|-----------------------------|
| Equities                     | 2,890                       | 2,860                       |
| Gilts                        | 354                         | 26                          |
| Other bonds                  | 736                         | 622                         |
| Cash                         | 123                         | 47                          |
| Property                     | 468                         | 454                         |
| Other assets                 | 493                         | 494                         |
|                              | <hr/>                       | <hr/>                       |
| Total market value of assets | 5,064                       | 4,503                       |
| Restriction on scheme assets | (61)                        | (47)                        |
|                              | <hr/>                       | <hr/>                       |
| Net assets recognised        | 5,003                       | 4,456                       |
|                              | <hr/> <hr/>                 | <hr/> <hr/>                 |

The actual return on scheme assets was £352,000 (2023: £(58,000)).

#### Amount recognised in the statement of financial activities

|   | 2024<br>£'000 | 2023<br>£'000 |
|---|---------------|---------------|
| Current service cost  | 301           | 386           |
| Interest income   | (247)         | (185)         |
| Interest cost   | 235           | 191           |
| Benefit changes, curtailments and settlements gains or losses | (4)           | (3)           |
| Administration expenses                                       | 4             | 3             |
|   | <hr/>         | <hr/>         |
| Total amount recognised                                       | 289           | 392           |
|   | <hr/> <hr/>   | <hr/> <hr/>   |

The net gain recognised on scheme assets has been restricted because the full pension surplus is not expected to be recovered through refunds or reduced contributions in the future.

#### Changes in the present value of defined benefit obligations

|                        | 2024<br>£'000 | 2023<br>£'000 |
|------------------------|---------------|---------------|
| At 1 September 2023    | 4,456         | 4,501         |
| Current service cost   | 297           | 383           |
| Interest cost          | 235           | 191           |
| Employee contributions | 89            | 79            |
| Actuarial loss/(gain)  | 144           | (625)         |
| Benefits paid          | (218)         | (73)          |
|                        | <hr/>         | <hr/>         |
| At 31 August 2024      | 5,003         | 4,456         |
|                        | <hr/> <hr/>   | <hr/> <hr/>   |

# KNOLE ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

|           |   |                    |                   |
|-----------|---|--------------------|-------------------|
| <b>18</b> | <b>Pension and similar obligations</b>  | <b>(Continued)</b> |                   |
|           | <b>Changes in the fair value of the academy trust's share of scheme assets</b>          |                    |                   |
|           |   | <b>2024</b>        | <b>2023</b>       |
|           |   | <b>£'000</b>       | <b>£'000</b>      |
|           | At 1 September 2023   | 4,503              | 4,210             |
|           | Interest income   | 247                | 185               |
|           | Actuarial (gain)/loss   | 105                | (196)             |
|           | Employer contributions  | 342                | 301               |
|           | Employee contributions  | 89                 | 79                |
|           | Benefits paid   | (218)              | (73)              |
|           | Effect of non-routine settlements and administration expenses                           | (4)                | (3)               |
|           |   | <hr/>              | <hr/>             |
|           | At 31 August 2024   | 5,064              | 4,503             |
|           | Restriction on scheme assets  | (61)               | (47)              |
|           |   | <hr/>              | <hr/>             |
|           | Net assets recognised   | 5,003              | 4,456             |
|           |   | <hr/> <hr/>        | <hr/> <hr/>       |
| <b>19</b> | <b>Reconciliation of net expenditure to net cash flow from operating activities</b>     |                    |                   |
|           |   | <b>2024</b>        | <b>2023</b>       |
|           |   | <b>£'000</b>       | <b>£'000</b>      |
|           | Net expenditure for the reporting period (as per the statement of financial activities) | (434)              | (1,258)           |
|           | Adjusted for:   |                    |                   |
|           | Capital grants from DfE and other capital income  | (771)              | (82)              |
|           | Investment income receivable  | 6                  | (16)              |
|           | Defined benefit pension costs less contributions payable                                | 18                 | 85                |
|           | Defined benefit pension scheme finance (income)/cost                                    | 18                 | 6                 |
|           | Depreciation of tangible fixed assets   | 1,098              | 1,126             |
|           | (Increase)/decrease in debtors  | (271)              | 19                |
|           | Increase/(decrease) in creditors  | 491                | (90)              |
|           |   | <hr/>              | <hr/>             |
|           | <b>Net cash provided by/(used in) operating activities</b>                              | <b>31</b>          | <b>(210)</b>      |
|           |   | <hr/> <hr/>        | <hr/> <hr/>       |
| <b>20</b> | <b>Analysis of changes in net funds</b>   |                    |                   |
|           |   | <b>1 September</b> | <b>Cash flows</b> |
|           |   | <b>2023</b>        | <b>31 August</b>  |
|           |   | <b>£'000</b>       | <b>2024</b>       |
|           |   |                    | <b>£'000</b>      |
|           | Cash  | 644                | 886               |
|           |   | <hr/>              | <hr/>             |
|           |   | <hr/> <hr/>        | <hr/> <hr/>       |

# KNOLE ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2024

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#### 21 Long-term commitments

##### Operating leases

At 31 August 2024 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

|                                   | 2024<br>£'000 | 2023<br>£'000 |
|-----------------------------------|---------------|---------------|
| Amounts due within one year       | 64            | 77            |
| Amounts due in two and five years | 93            | 95            |
|                                   | <u>157</u>    | <u>172</u>    |

#### 22 Capital commitments

|   | 2024<br>£'000 | 2023<br>£'000 |
|---|---------------|---------------|
| Expenditure contracted for but not provided in the accounts | 419           | -             |
|   | <u>419</u>    | <u>-</u>      |

The capital commitment at the year end relates to the ongoing Heating Pipework Distribution and Radiator Replacement Project. This is being funded by a CIF grant as well as a school contribution.

#### 23 Related party transactions

Owing to the nature of the academy trust 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. The following related party transactions took place in the financial period.

In entering into these transactions, the Academy Trust has complied with the requirements of the Academies Trust Handbook 2023.

##### Expenditure related party transactions

The wife of D Collins, Headteacher, is employed by the Academy as a teacher. Her appointment was made in open competition and D Collins was not involved in the decision making process regarding the appointment. The amount paid is within the normal pay scale for her role and no special treatment is received as a result of her relationship to D Collins.

##### Income related party transactions

The Academy operates a trading company (Knole Academy Enterprises - company number 09221523 England and Wales), to raise funds primarily from the hire of sports and other facilities. The company is a related party by virtue that its members and directors are also directors of the Academy. During the year the Academy received reimbursement of costs incurred on behalf of the company of £127k (2023: £120k) and donation income of £185k (2023: £171k). At 31 August 2024, the Academy was owed £185k (2023: £291k) from the company which is included in debtors.

During the year Mr. G Phillips donated £Nil (2023: £6K) to the Academy Trust.

#### 24 Post balance sheet events

On 1 September 2024, Knole Academy Trust joined Aletheia Academies Trust.



# **KNOLE ACADEMY TRUST**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

### ***FOR THE YEAR ENDED 31 AUGUST 2024***

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#### **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 he or she is a member, or within one year after he or she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he or she ceases to be a member.

#### **26 Agency arrangements**

The Academy Trust distributes 16-19 bursary funds to students as an agent for the ESFA. In the year to 31 August 2024 the Trust had an unspent balance brought forward of £18k (2023: £16k) and received £15k (2023: £13k). £14k (2023: £11k) was disbursed from the fund during the year. An amount of £19k (2023: £18k) is included within creditors: amounts falling due in less than one year.

A further £3k (2023: £Nil) was received from IBCP Strategic Group Funds and this has been included within creditors: amounts falling due in less than one year.