

Company registration number 07837770 (England and Wales)

**THE EXCEL ACADEMY PARTNERSHIP
(A COMPANY LIMITED BY GUARANTEE)**

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

THE EXCEL ACADEMY PARTNERSHIP

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THE EXCEL ACADEMY PARTNERSHIP

REFERENCE AND ADMINISTRATIVE DETAILS

Members

S Hall
A Hopgood
K Cromarty
M Fleming
S Scott
C Hillary

Trustees

A F Darnell
R Warneford
A J Hopgood (Vice Chair)
Dr A Quidwai
A M Byers (Accounting Officer) (Resigned 31 August 2024)
S E Hall (Chair of Trustees)
D A J Rogers
V E Walton

Senior leadership team

| | |
|----------------------------|--|
| - Head Teacher/CEO | A Byers (Accounting Officer - until 31 August 2024) |
| - Business Director | W Pattison (Chief financial officer, Accounting Officer from 31 August 2024) |
| - Deputy Head Teacher | J Rayson |
| - Deputy Head Teacher | H Machin |
| - Deputy Head Teacher | L Mersh-Roberts |
| - Assistant Head Teacher | L Lutynski |
| - Assistant Head Teacher | F Ward |
| - Assistant Head Teacher | K O'Neill |
| - Director of Safeguarding | M Osbourne |

Company registration number

07837770 (England and Wales)

Registered office

Newton Drive
Durham
DH1 5BQ
United Kingdom

Independent auditor

Azets Audit Services
Wynyard Park House
Wynyard Avenue
Wynyard
TS22 5TB
United Kingdom

Bankers

Lloyds Bank plc
19 Market Place
Durham
County Durham
DH1 3NL
United Kingdom

THE EXCEL ACADEMY PARTNERSHIP

REFERENCE AND ADMINISTRATIVE DETAILS

Solicitors

Womble Bond Dickinson
St Anns Wharf
112 Quayside
Newcastle Upon Tyne
Tyne And Wear
NE1 3DX
United Kingdom

THE EXCEL ACADEMY PARTNERSHIP

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2024

The trustees present their annual report together with the financial statements and auditor's report of the charitable company for the period 1st September 2023 –31st August 2024. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The trust operates an academy for pupils aged 11 -18 serving an extensive area around central Durham. It has a capacity of 1,330 and had a roll of approximately 1280 students. Recent years have seen a growth in student roll, though a reduction in sixth form numbers. The school is expected to grow to 1600 students over the coming years and permission has been given from the DFE and Regional Board to build the new school to assume this eventual cohort. The growth is expected to be gradual.

Structure, governance and management

Constitution

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The Directors of Excel Academy Partnership are also the directors of the charitable company for the purposes of company law.

The charitable company is known as The Excel Academy Partnership.

The trust was formed as a Multi-Academy Trust which has the infrastructure to govern a family of schools through Local Governing Boards. At present, the trust has responsibility for one secondary school, Framwellgate School Durham, however work is underway to expand the trust with an initial two Durham schools likely to join from January 2025. A lot of strategic discussions have taken place over the course of this last year, and a revisit of the governance review which concentrated on preparedness for growth. Articles have been updated to the most recent model and alongside this, and the appointment of an interim CEO and COO, the Trust is well prepared for expansion. Details of the trustees who served during the year are included in the Reference and Administrative Details on page 1.

Members' liability

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

Trustees' indemnities

The academy has purchased a risk management arrangement to protect trustees from claims arising against negligent acts, errors or omissions occurring whilst on academy business. This is included in the DfE RPA scheme.

Method of recruitment and appointment or election of trustees

The term of office for any Director shall be 4 years, save that this time limit shall not apply to the Headteacher or any post held ex officio. Subject to remaining eligible to be a particular type of Governor, any Governor may be re-appointed or re-elected. Any Chair or Vice Chair to any Board or Committee shall have a term of office of one year, which will be considered for re-election on an annual basis.

Recruitment of Trustees follows protocols outlined in the Standing Orders approved by the Board. When new Trustees are sought to fill a vacancy, the Chair and / or Vice Chair will meet with potential new Trustees alongside the CEO prior to appointment. Recruitment exercises will explore channels as the Board thinks fit and in line with the terms of reference for the organisation. Having reached the conclusion of its deliberations regarding any particular vacancy, the Chair will present findings of discussions with potential new appointments to the Trust Board, including in confidence the names of those persons whom it has considered, and shall recommend the preferred nominee(s) for appointment. New appointments will be made in accordance with the Memorandum of Association.

THE EXCEL ACADEMY PARTNERSHIP

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

Policies and procedures adopted for the induction and training of trustees

The training and induction provided for new trustees depends on their existing experience. Where necessary induction and training is provided on a range of subject areas including charity, educational, legal and financial matters. All new trustees are given the opportunity to tour the academy and the chance to meet with staff and students. All trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role. The Trust has a developed governance training programme, in line with work also undertaken by the Local Governing Board. This has taken account of skills, and knowledge gaps. The Local Governing Board and Trust undertook a skills audit and have a targeted training schedule in place which will help to address any gaps in knowledge. Trustees of the Trust Board have undertaken specific targeted training to further strengthen overall and specific areas of knowledge. More details around governance, skills and training are available on the dedicated governance page on the school website at. Training over recent years has included financial management, teaching and learning and curriculum based sessions, and will be refreshed as and when necessary to ensure Trustees and Governors are up to date with relevant information to allow them to successfully discharge their duties. Training was undertaken in September 2023 around suspensions and exclusions given the increase in incidents locally and nationally resulting in an increase in significant behavioural issues. This allowed Governors to undertake their statutory duties.

Organisational structure

The governance and leadership structure within the Academy Trust is consistent with the requirements by law and recommendations in the Academy Trust Handbook and all other relevant guidance. The Members of the Academy are the guardians of the governance of the Trust. They are responsible for high level monitoring of the Trust and in their general hands off role will only intervene where there are significant concerns about the running of the Academy by Trustees.

The Trust Board is responsible for the general control and management of the administration of the Trust in accordance with the provisions set out in the memorandum and articles of association. They ensure clarity of vision, ethos and strategic direction and hold the executive to account.

The Board is responsible for all matters including educational performance, health and safety, financial performance, risk management, employment issues, safeguarding and overall compliance with all relevant laws, legislation, regulations and guidance. The Trust Board has two Board level committees to support in their role of scrutiny and challenge.

The Personnel committee considers anything relating to employment of staff and the audit committee is responsible for all financial and risk related matters.

The Local Governing Board is a committee of the Trust Board and, once an operational multi academy trust with a family of schools, an LGB will exist for each school undertaking due diligence through its work as directed by the Trust Board, and through powers of delegation, in order to provide appropriate assurance.

The Scheme of Delegation is agreed by the Trust Board in order to ensure it is able to discharge its duties across all areas of responsibility. The Scheme of Delegation and supporting terms of reference and standing orders are reviewed at least annually to ensure they remain effective, up to date and relevant. Furthermore, the Trust Board operates a policy management schedule which ensures correct delegation of duties allowing policies and procedures to be updated and considered in the most appropriate way.

The CEO / Head teacher of Framwellgate School Durham and CFO are responsible for supporting the Academy Trust at an executive level, implementing policies laid down by the trustees and reporting back to them.

The Board has worked hard over the last few years to maximise separation of duties across the governance structure and as the Article of Association have now been updated to the latest version in advance of becoming an expanded Trust, further work has been done in readiness for this eventuality.

THE EXCEL ACADEMY PARTNERSHIP

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

Arrangements for setting pay and remuneration of key management personnel

Pay is determined in line with the Academy's pay policy which is reviewed and ratified annually by the Personnel Committee of the Trust Board. The pay policy for teaching and leadership staff complies with Teachers' Pay and Conditions, and performance related increments are based on successful performance achieved through the application of the Academy appraisal system. Support staff pay has already undergone a thorough job evaluation process, with any new positions or significant changes to roles mid year being job evaluated to ensure consistency of grade and responsibility. Support staff pay, including for senior leadership posts, is applied in line with Green Book pay and conditions, and is not performance related. The Academy does not pay governors or trustees.

Trade union facility time

Under the provisions of the Trade Union (Facility Time Publication Requirements) Regulations 2018, where an academy trust has more than 49 full time equivalent employees throughout any 7 months within the reporting period, it must include information included in Schedule 2 of the Regulations. The Excel Academy Partnership did not employ any union officials who undertook official union duties during 2023-24. As a result there is no cost or time associated with such responsibilities during the financial year.

Related parties and other connected charities and organisations

There are no related parties or other connected charities or organisations linked with Framwellgate School Durham.

All details are stated in note 23 to the Financial Statements.

Objectives and activities

Objects and aims

The principal object and activity of the charitable company is the operation of Framwellgate School Durham to provide education for students of all abilities between the ages of 11 and 18.

In accordance with the articles of association the charitable company has adopted a 'Scheme of Government' approved by the Secretary of State for Education. The Scheme of Government specifies, amongst other things, the basis for admitting students to the Academy, the catchment area from which the students are drawn, and that the curriculum should comply with the substance of the national curriculum.

THE EXCEL ACADEMY PARTNERSHIP

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

Objectives, strategies and activities

The main headline objectives of the academy during the year ended 31 August 2024 are detailed below:

- Improve outcomes for students in all year groups but with a specific focus on Y11 GCSE results and the performance of key groups
- Continue to develop the culture and ethos of the school, focusing on routines and behaviour
- Improve student attendance so that it returns to pre-pandemic levels

| SCHOOL IMPROVEMENT PLAN | | |
|---|--|---|
| Priorities | Context / Actions | How will we judge success? |
| 1. Improve outcomes for students in all year groups but with a specific focus on Y11 GCSE results and the performance of key groups | Following a disappointing set of GCSE exam results in 2022, our priority last year was to improve outcomes for Year 11 students. Outcomes in 2023 showed genuine improvement, despite the removal of post-covid mitigations. Provisional PB figures appear to be on or around zero (0.01), up from -0.37 the previous year, previous underperformance in the humanities was addressed with positive SPI scores in both. English remained very strong, and the open bucket, early entry, and vocational subjects all performed well. A comprehensive revision and support programme supported this work. In addition, recent curriculum changes meant that students were following a more academic curriculum (64% EBacc entry compared to 32% in 2022). Despite this, the improvement in outcomes was not universal. Maths attainment was significantly lower than English and affected the final A9/P8 scores and the headline 5+ En/Ma figure which was lower than all previous years and much lower than other local schools. Despite positive predictions, French outcomes and progress was low and both subjects had negative SPIs. The progress of disadvantaged students remains a priority and is linked in part to concerns around attendance and the cost of living. For this reason, Y11 outcomes remain our key priority in 2023/24. | There are two key staging posts in Y11 with mock exam series in December and again in Feb/March. The Early Entry data (each student took one qualification in Y10) was positive and the percentage of students entered for the E-Bacc will double from 32% to 60%. We will be aiming for outcomes in 2023 in the range: <ul style="list-style-type: none"> • Attainment 8: 5.0 - 5.2 • Progress 8: Positive (0.00 - 0.20) • % Achieving 9-5 in English and Maths: 55%+ The performance of key group (PP, SEN and High Prior Attainers) are a key focus for improvement too |
| 2. Continue to develop the culture and ethos of the school, focusing on routines and behaviour | This has been a key focus of our work over the last 5 years, and we continue to strengthen our work in this area. Ofsted recognised this as a strength in 2021. In common with many schools, the impact of the pandemic on students' attendance, mental health and behaviour was significant and many of our key indicators on behaviour (removals from lessons; suspensions from example) worsened, albeit from a relatively strong position. We had two PEXs in 2022/23 (low in comparison to other schools but still a sign of recent challenges. We will continue to work on our ethos through assemblies, the personal development lesson, drop-down days, work with external agencies, our enrichment period, and through continued training of staff and SLT presence around school. The increased capacity for our Culture & Standards lead (not having their own year group) will support our work in this area | All our key pastoral data (rewards, removals, suspensions, participation in extra-curricular activities etc) will be tracked and we expect to see weekly, half-termly and annual improvements in all metrics over time. Our aim is to improve on all of these compared to 2022/23 |
| 3. Improve student attendance so that it returns to pre-pandemic levels | Student attendance was improving prior to the pandemic with absence around the national average (4.5%) and Persistent Absence lower than the NA. Both figures have worsened significantly since the pandemic (though still on or above national) & our priority this year is to improve attendance. Absence was lower in 2022/23 than it was in 2021/22 (9.03% compared to 10.3%) and PA remains lower than national 25.6% compared to 28.4% so many of our strategies are working, but there is still some way to go. A significant focus will be on Disadvantaged Pupils (attainment gaps have worsened in part due to poor attendance). | Our aim is to continue to track above the national average (including for key groups) and to return in time to pre-pandemic levels. Year 10 and 11 (the two-year groups with the lowest attendance) will be our key priority. |

Contextual Data Students on Roll

| Year Group | PAN | Number on Roll Sept '23 | Number on Roll Dec '23 | Number on Roll Mar '24 | Number on Roll July '24 |
|--------------|-------------|-------------------------|------------------------|------------------------|-------------------------|
| 7 | 225 | 226 | 225 | 226 | 223 |
| 8 | 225 | 228 | 230 | 229 | 230 |
| 9 | 225 | 224 | 226 | 224 | 223 |
| 10 | 225 | 208 | 203 | 205 | 209 |
| 11 | 223 | 243 | 244 | 242 | 242 |
| Total | 1123 | 1129 | 1128 | 1126 | 1127 |
| 12 | N/A | 76 | 78 | 79 | 79 |
| 13 | N/A | 76 | 74 | 72 | 72 |
| Total | N/A | 1281 | 1280 | 1277 | 1278 |

- The school roll is on or around PAN except for Y10 (20 below) and Y11 (17 above). There have been no significant changes to PAN this year and the roll is stable.
- The outgoing Year 11 (242) will be replaced by 225 joining Year 7 in September 2024 and this will lead to a (lagged) reduction in GAG funding.
- The long-term trend for student numbers remains positive, with the LA requesting an expansion of the school to 1600. This will take time to achieve and PAN is scheduled to remain at 225 for 2024 and 2025.
- The number of first choice applications for September 2024 is our best yet (190)

THE EXCEL ACADEMY PARTNERSHIP

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

The academy's main objectives continue to be encompassed in its mission statement which is:

Excellence, compassion and respect for all

"Our school promotes academic excellence and embraces the shared values of honesty, integrity, respect and compassion. We want our students to be ambitious, kind, resilient and hardworking, and have a genuine passion for learning. We want them to change the world with the knowledge, skills and confidence they have learned here; to champion fairness, build friendships for life, and have pride in our school. Above all, we want our students to be happy."

Attendance

| | 2018/ 2019 Pre- Pandemic | 2021- 2022 | 2022- 2023 | 2023- 2024 Year to July 2024 |
|---------------------------|-----------------------------------|---------------|---------------|---------------------------------------|
| Absence | 5.6% | 10.1% | 9.1% | 9.0% |
| National Average | 5.5% | 10.3% | 9.3% | 8.9% |
| Difference | -0.1% | +0.2% | +0.2% | -0.1% |
| North-East Average | 5.5% | 11.2%* | 10.4% | 10.1% |
| Difference | -0.1% | +1.1% | +1.3% | +1.1% |
| Persistent Absence | 13.6% | ? | 25.6% | 24.4% |

Since the pandemic, there has been a significant increase in absence across the country. Absence rates in this school increased from 5.6% in 2019 (pre-pandemic) to 10.1% in 2021/22 and 9.1% in 2022/23. In the year (2023-24) to date, absence levels are 9% (July 2024). We are now similar to national average and well above averages for the North-East. Persistent absence (the percentage of students with absence rates higher than 10%) has doubled since before the pandemic but has improved is tracking below national average (28% in 2022-23).

Permanent Exclusions

Two children were permanently excluded from school during the last academic year (January 2023 & July 2023). These were the first permanent exclusions here since 2020 but reflect a worsening local and national picture for behaviour. We have recently revised our behaviour systems and rewards and sanctions processes to meet this challenge. Two further students (both in Year 10) were permanently excluded in the Autumn term (2023-24). There have been no further Permanent Exclusions since then.

Leadership Structure and capacity

This year saw the retirement of the CEO/Head teacher as well as the embedding of the newly structured Senior Leadership Team.

A new Head teacher has been appointed from 1st September 2024, and interim arrangements have been put in place between September and December with the appointment of an interim CEO and COO who will form an executive team to lead on the trust development.

Public benefit

The academy's aims and achievements are set out within this report and have been undertaken to further its charitable purposes for the public benefit. The trustees have complied with the duty under Section 4 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission for England and Wales and the trustees have considered this guidance in deciding what activities the academy should undertake

THE EXCEL ACADEMY PARTNERSHIP

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

Strategic report

Achievements and performance

A Level outcomes for 2023/24 were lower than in previous years with the average A Level grade being C- compared to B-. This reflected a weaker cohort which achieved poorly in their GCSEs in 2021 having been affected by the pandemic. At GCSE level, the headline attainment figures improved from 2023 and are returning to pre-pandemic levels. The percentage of students achieving 5+ in English and Maths increased from 43% (in 2023) to 48% and the Attainment 8 indicator was slightly up. Students now follow a more academic curriculum with 69% of students taking the EBacc suite of qualifications (up from 34% pre-pandemic and 63% last year). Vocational outcomes were very strong at both Level 2 and 3. The uneven impact of Covid across departments, schools and regions, still makes reliable comparisons impossible but the starkest figures show the impact of poor attendance on outcomes. 60% of students with attendance higher than 90% achieved a 5+ in English and Maths. For those with attendance across the year of less than 90% (persistent absentees) the figure was 15%

The school continues to be graded Good by Ofsted having been inspected at the end of the 2020/21 academic year. We expect the next inspection to take place in 2024/2025

Key performance indicators

To ensure our ongoing success and improvement, key performance indicators include regular reporting through senior leadership teams and the governing board and Trust Board through a well-structured meetings schedule.

The bespoke monthly finance outturn package developed by the academy includes all income and expenditure to date, and forecasts income and expenditure to year end including all accruals and prepayments. This allows regular reporting on the current and projected financial health of the academy, and the ability to analyse variances against budget headings.

The management accounts presented to all Trustees each month include all requirements of the Academy Trust Handbook including a range of KPI's. Our accounts are circulated monthly to all Trustees and discussed at all Audit and Trust Board meetings and include:

- a breakdown of income from all income streams including by %
- a breakdown of expenditure including by %
- a variance report
- cash flow
- balance sheet
- reserves
- a breakdown of employee costs from all areas of staffing related expenditure, by %
- a monthly benchmarking report on any areas trustees wish to review given variances or concerns against budget. This has included this year detailed reporting on energy costs and absence/supply costs for example but can be adapted to suit

This has supported the academy when benchmarking against other establishments. To enrich benchmarking activities, work has also been undertaken by the Academy Business Director in benchmarking key budget areas. The report provided by Azets was also circulated to Trustees for information and discussion. The report was distributed to all Trustees and discussed in detail with both the audit committee and full Trust Board.

Framwellgate School Durham is now full though numbers are reducing in the sixth form due to significant competition in the area. Forecasting is therefore prudent in order to plan for worst case scenarios whilst hoping for improvement.

Trustees regularly review our student numbers, and the impact on future funding, forecasted over several years. This has allowed Trustees to make informed decisions which have financial implications, understanding the longer term impact of decisions made today.

Senior leaders and Trustees review teacher salaries each year against performance and progress against expectations and make recommendations for progressions via the Personnel Committee.

Support staff salaries have been reviewed and undergo a job evaluation prior to appointment to vacancies, and if there are significant changes to role mid year, to ensure consistency in grade and levels of responsibility.

THE EXCEL ACADEMY PARTNERSHIP

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

Rigorous attendance monitoring is done monthly, with the application of the attendance management policy at all times. This allows the academy to improve attendance of staff whilst supporting individuals, supported by the sickness insurance policy in place at the academy. The policy was enhanced for 2023-24 in order to recognise higher levels of absence of support staff. This was a good decision to make as absences remained high across both teaching and support staff.

Rigorous quality assurance of data and student progress, attainment and attendance is undertaken on a regular basis by senior leaders, and members of the governing board, and is reported upwards to the Trust Board.

All internal audits throughout 2023-24 show outstanding results with minimal issues identified. Additional internal audit "deep dives" were commissioned by the Trust Board linked to their risk management action plan. Specifically these were around the administration and support for trips and visits given the close link to the safeguarding of children, and the significant funds "handled" through such activities. The resulting report showed us as an area of strength, and benchmarking by the internal auditor also showed that this is an advanced area of support for staff not seen in other schools in the area, where teaching staff undertake the majority of the work themselves.

The Academy operates an embedded integrated curriculum financial planning model and uses this when planning future budgets and curriculum structures. This is done between the Head teacher (Accounting Officer/CEO) and Business Director (Chief Financial Officer) and discussed in detail with the Audit Committee and Trust Board.

The Trust Board uses the School Resource Management Toolkit to address curriculum and financial KPI information against national benchmarks. The toolkit in 2023-24 continues to demonstrate a very lean curriculum and financial model. This toolkit will be assessed at least on an annual basis by the Trust Board.

Going concern

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

THE EXCEL ACADEMY PARTNERSHIP

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

Financial review

Most of the academy's income is obtained from the Department of education (DfE) via the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE/ESFA during the year ended 31 August 2024 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The academy also receives grants for fixed assets from the DfE/ESFA. In accordance with The Charities Statement of Recommended practice, 'Accounting and Reporting by Charities' (SORP 2019), such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

In addition the school generates funding from the use of its own resources such as the use of the Sjovoll Centre, lettings, and working in partnership with other Education providers in the delivery of some training programmes and supporting students on teacher training courses. Furthermore, the Academy Business Director delivers training to support Local Authority Governor Training Programmes, to Local Authorities across the region and throughout the year, and this generates funding for the academy. The lettings income has returned to pre-pandemic levels for both the Sjovoll Centre, Sports Centre and playing fields and is likely to continue to grow though could be impacted by the new build programme when this starts.

The Academy was awarded a new build during the summer term of 2022 and CIF projects were therefore pulled subject to further discussion with the DfE which would only be needed at times of significant concern about the buildings. It is the Trust Board's responsibility to carefully measure the risk of the grounds and buildings and ensure areas of concern are highlighted and included in a Capital investment plan. Given the new build announcement, it is important to not waste public funding on a building and grounds which will be demolished in the coming 3 years (most likely). However this needs to be balanced with the need to consider the responsibilities of the Trust around good estates safety and management ensuring funds are allocated to areas of need to prevent and respond to areas of concern. The Trust is responsible for ongoing compliance with statutory duties to ensure the health and safety of everyone on site and in the buildings. Funds are allocated accordingly understanding where needs are greatest. As the new building programme has been slow progress across the year, the risk of building failure has increased and is reflected in the risk management plan.

It is now expected that the new build will be handed over in the region of late 2026 to early 2027. This is disappointing.

During the year ended 31 August 2024, total expenditure of £9,788,448 (excluding depreciation and the LGPS adjustments) was less than recurrent grant funding from the DfE/ESFA together with other incoming resources. The excess of income over expenditure for the year (before transfers and actuarial gains) was £411,205.

All of the expenditure shown in the Statement of Financial Activities is in furtherance of the academies objectives. At 31 August 2024 the net book value of fixed assets was £6,442,625 and movements in tangible fixed assets are shown in note 12 to the Financial Statements. The assets were used exclusively for providing education and the associated support services to the students of the academy.

The provisions of FRS102 have been applied in full, resulting in a deficit of £146,000 being recognised on the balance sheet.

The academy held fund balances at 31 August 2024 of £2,323,696 comprising £1,712,905 of restricted funds and £680,791 of unrestricted funds.

THE EXCEL ACADEMY PARTNERSHIP

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

Reserves policy

The academy holds restricted and unrestricted funds (the attached financial statements detail these funds). Unrestricted funds are held:

- to support the maintenance and repair of an aging building to the point of new build
- to support the academy's risk management action plan
- to support disaster recovery plan
- to cover urgent purchases / emergencies
- to provide funds which can be designated to specific areas to support priorities in the school
- to cover ongoing costs in relation to the running of the academy including infrastructure and IT upgrades
- to support emerging priorities across the course of an academic year
- to support families who are in need of financial support
- to support students to access activities in enrichment week and on offer throughout the school year
- to increase capacity within the Academy to support other schools in an operational MAT
- to cover late announcements over no more than a one year period for such areas as unfunded pay awards.

In the short term, this is considered sufficient to cover:

- a) unplanned activities
- b) emergency repairs/maintenance
- c) longer term financial planning
- d) a salary safety net
- e) student number fluctuation
- f) a release of staffing capacity to respond to emerging MAT expansion priorities

The academy's current level of free reserves are in surplus by £xxxxxxx and are deemed to meet the ideal level of reserves required for the ongoing needs of the academy.

The academy set a balanced budget in 2023-24 with a small expected surplus for contingencies. During the year, despite challenges (mainly external) which applied pressure to the budget, the target has been achieved. The trustees continue to consider additional activities related to the academy's objectives to which excess reserves may be achieved by:

- a) seeking to make savings from non-salary areas wherever possible
- b) seeking to achieve additional income through use of school staff to deliver training across the region and to support students in their teacher training years.
- c) ensuring that budget planning and curriculum design processes are integrated
- d) maximising lettings opportunities using all available space
- e) striving to secure value for money in all purchases
- f) reviewing contracts regularly to demand value for money
- g) reviewing benchmarking analysis with Trustees to identify any areas of surprise which require additional investigation
- h) identifying areas for additional scrutiny linking the risk management plan with the internal audit programme

The level of reserves is reviewed by the trustees regularly throughout the year. The minimum level of reserves for the ongoing needs of the academy is reviewed by the trustees on an annual basis. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the levels of uninsurable risk. In 2023-24 the trustees considered it prudent to hold unrestricted reserves in the general fund in the form of free reserves (total funds less the amount held in fixed assets and restricted funds) of a minimum of 5% of the total budget allocation. Trustees resolved to continue to strive for a minimum 5% of the total budget allocation as a reasonable reserve policy, being mindful that the funding received is to support the education of our students as our core aim.

Trustees have agreed to ringfence up to £600k of reserves in order to support the new build project. This still leaves reserves at a level above the minimum policy amount.

THE EXCEL ACADEMY PARTNERSHIP

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

Investment policy

If free funds were available, the academy may invest surplus funds through money market accounts. Interest rates would be reviewed prior to each investment. This policy maximises investment return whilst minimising risks to the principal sum. The Academy has not invested funds within the last financial year, though the Trust Board has asked the Audit Committee to look in detail at potential opportunities in 2024-25. Opportunities in 2023-24 were limited, however there is the potential to invest through opportunities available through the Local Authority. This will be further explored.

Principal risks and uncertainties

An ongoing risk remains around the uncertainties around potentially unfunded national pay awards. A late announcement in July 2023 informed us of a teachers pay award of 5.5%, with partial funding towards this. This is expected to provide headroom to schools above what should have been budgeted (usually around 3.5%) and it is hoped should cover the support staff pay award still under negotiation. Until all figures are known, this remains a risk.

It is likely that the support staff pay award will not be announced until the Autumn term which provides significant uncertainties when trying to set accurate budgets. Given the usual lateness of announcement the academy assumes certain levels when budgeting in order to minimise this risk.

In addition the academy is a member of the Local Government Pension Scheme (LGPS), which results in the recognition of a significant deficit on the academy balance sheet.

During 2023-24 energy costs remained high, though have reduced from the previous 2 years. This remains a very significant cost to the Academy primarily due to the age and nature of the buildings.

The Academy was hit with a significant cyber attack in September 2023, resulting in a data breach. Since then significant work has been undertaken, supported through experts from the North East Business Resilience Centre, a police lead organisation, to ensure the network is secure. The Trust have commissioned an annual vulnerability assessment which will help to mitigate future risk, and has secured Cyber Essentials which is a requirement of the RPA cyber policy. All Trustees and key stakeholders have undertaken the appropriate training. The CFO has undertaken significant outreach work with the NEBRC to support schools locally and nationally through speaking at relevant conferences and events to share "lessons learned". This has included:

- BETT conference 2024 (and again scheduled for 2025)
- Safeguarding First termly briefings for Head teachers and Safeguarding Leads
- North Yorkshire network manager conference
- Acronis 5 x Webinars around cyber security in schools
- Finalist in the global Outstanding Security Performance Awards (OSPA)
- Stockton and Hartlepool Borough Councils Governance Training

Future events are also scheduled in order to continue supporting colleagues across the education sector, and delivering high quality expertise back to the Academy through access to networks of cyber professionals and systems.

The trustees have assessed the major risks, to which the academy is exposed, in particular those relating specifically to infrastructure, teaching, provision of facilities and other operational areas of the academy, and its finances. The trustees have implemented a number of systems to assess risks that the school faces, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and school visits) and in relation to the control of finance. Where significant financial risks remain the academy has ensured they have adequate risk protection arrangements, procured through the DfE RPA scheme. The academy has an effective system of internal financial controls and this is explained in more detail in the Governance Statement.

Now that the academy has a full student roll it is financially secure and will remain so over the foreseeable future should government funding rise at 5% over the coming two years as a minimum. The caveat to this is the sustainability of the sixth form provision given the drop in students numbers and the resulting lagged impact on school funds.

THE EXCEL ACADEMY PARTNERSHIP

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

The academy has fully implemented the requirements of the Safer Recruitment procedures and all key staff have received training in this area. In addition all staff have received training on all key Safeguarding and Child Protection areas including Prevent Strategy, CSE's, safer working practices, Keeping Children Safe in Education as well as GDPR. The Academy supplements external training provision with its own bite size online training undertaken by all necessary staff.

Fundraising

The students at Framwellgate School Durham are proactive in organising and undertaking fundraising activities to support local Charities and good causes. These range from non-uniform days, to undertaking bake sales. The fundraising is done at a local level, without the engagement of external consultants or fundraising professionals and is very much led by our students who achieved great success, raising funds to support local causes. The scope of any such fundraising activities is restricted to within school and to students' close families and friends who are very generous. As a result, the Academy has received no complaints in relation to fundraising, and instead only positive comments.

This year funds have been raised by our students for:

- Breast Cancer Now £193
- Wear Red Now £382
- Cancer Research £80
- International Womans Day £80
- Business beats Cancer (Enterprise Fundraiser) £1966

We also raised :

- Fram Food for Families @ £1594
- Fram Hardship Fund @ £90

As well as monetary donations our very generous families and community have donated clothing and uniforms as well as food parcels which many families have benefitted from.

There are no specific benefactors that we have a regular commitment to.

Plans for future periods

A big opportunity for excitement at the Academy is the involvement in the new build project which will see a carbon net zero, state of the art, brand new school on our site within the next 3 years. We hope we will also be able to secure a 4G sports pitch to be used for our students and the local and wider community. Although this has been slow progress due to external factors, this remains an exciting project which should accelerate during this financial year, with work hopefully commencing on the land in the coming months.

The Trust expansion will likely be realised early in the new calendar year with a primary and secondary school joining the Trust. Much work has been done over recent months to prepare governance structures and create and executive team to undertake the necessary work.

The Finance and Payroll Manager, and Finance Officer, are undertaking accountancy qualifications to further enhance their skills, and will qualify early 2025. Systems are being developed and improved upon with a departmental aim of providing a centre of excellence for financial management which would benefit schools joining the Trust in the future.

THE EXCEL ACADEMY PARTNERSHIP

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024


Auditor

Insofar as the trustees are aware:

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

A resolution proposing that Azets Audit Services be reappointed as auditor of the charitable company will be put to the members.

The trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 13 December 2024 and signed on its behalf by:



S E Hall

Chair of Trustees

THE EXCEL ACADEMY PARTNERSHIP

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2024

Scope of responsibility

As trustees we acknowledge we have overall responsibility for ensuring that The Excel Academy Partnership 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. All academy trusts have both members and trustees, whose roles are described in DfE's Governance Handbook. The members have a similar role to the shareholders of a company limited by shares. The trustees are the academy trust's company directors but the Accounts Direction refers to them as trustees in recognition of the charitable status of academy trusts. However, in some academy trusts those on the board of the academy trust are known instead as 'directors':

Business Director, as Chief Financial Officer, for ensuring financial controls conform to the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between The Excel Academy Partnership and the Secretary of State for education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the trustees' Report and in the Statement of trustees' Responsibilities. The board of trustees has formally met five times during the year. Attendance during the year at meetings of the board of trustees was as follows:

| Trustees | Meetings attended | Out of possible |
|--|-------------------|-----------------|
| A F Darnell | 5 | 7 |
| R Warneford | 2 | 7 |
| A J Hopgood (Vice Chair) | 7 | 7 |
| Dr A Quidwai | 4 | 7 |
| A M Byers (Accounting Officer) (Resigned 31 August 2024) | 7 | 7 |
| S E Hall (Chair of Trustees) | 7 | 7 |
| D A J Rogers | 0 | 7 |
| V E Walton | 5 | 7 |

There is distinct separation of roles throughout layers of governance at all levels (Members, Trustees and Local Governors). Additional members were appointed during 2022-23 ensuring that there is significant separation from Trustees. Further work has been undertaken for 2024-25 considering the expansion of the Trust.

Skills audits have been undertaken by our Local Governors and Trustees in order to identify gaps in knowledge. Governors have attended training courses throughout the year to strengthen knowledge in key areas (safeguarding, curriculum, finance etc.). Training is provided via membership with the NGA and supported by the governor training programme available via Durham County Council and Stockton Council through the Governance Professional support. The results of this work categorically reflect that every member of the Governing Board and Trust Board is fully committed to supporting each other, the Head teacher, CFO and senior leadership team in driving school improvement, expanding the Trust, managing risk, and improving outcomes for students.

Conflicts of interest

Conflicts of interest are managed through maintaining an up-to-date and complete register of business and pecuniary interests of all Trustees, Members, Governors and Senior Executives. These interests are updated on a meeting by meeting basis and are recorded on a register which is visible on the Academy Website. Internal and External audits monitor all areas of expenditure and assess any potential conflicts. At all times the Academy avoids any related party transactions as this register is also kept locally and referred to as and when needed. The Academy has no ownership or control of any subsidiaries, joint ventures or associates.

Although the Academy enters into no related party transactions, key personnel are fully aware of the requirements of the ATH and how to request and report on these, including the £2,500 limit over which goods/services must be provided at cost.

THE EXCEL ACADEMY PARTNERSHIP

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

Audit Committee

The Audit Committee is a sub-committee of the main board of trustees. Its purpose is to operate as a sub committee of the Trust Board, to deal with finance, audit and assurance matters. The committee has an experienced and knowledgeable Chair, who is proactive in supporting the Academy and key personnel in matters including financial management, risk management and internal assurance.

There were 3 meetings scheduled for the year.

| Trustees | Meetings attended | Out of possible |
|--------------------------|-------------------|-----------------|
| R Warneford | 2 | 3 |
| A J Hopgood (Vice Chair) | 3 | 3 |
| D A J Rogers | 2 | 3 |
| V E Walton | 2 | 3 |

Review of value for money

As Accounting Officer the Head teacher has responsibility for ensuring that the academy trust delivers good value in 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 taxpayers resources received.

The Accounting Officer considers how the trust's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data where available. The Accounting Officer for the academy trust has delivered improved value for money during the year as detailed below:

The school has endeavoured to develop an efficient curriculum over the last five years. Curriculum analysis is undertaken on an annual basis to ensure that staffing ratios, contact time and class sizes are managed effectively. Heading in to 2024-25, the Pupil Teacher Ratio is 26.5:1 in KS3, 23.3:1 in KS4 and 17.1:1 in KS5. The average contact time is 0.747 against a national recommendation of 0.78. Both of these measures demonstrate a highly efficient curriculum model.

During 2023-24 the school was provided with a pupil premium allocation of circa £306k. This funding was utilised to target a number of interventions to support pupils who had triggered the grant funding, including a particular focus on attendance and narrowing the attainment gap. This remains a key priority moving forward in the school improvement plan. Work has been done to better track access to all activities, including extra curricular activities, by students eligible for PP funding.

Funds are allocated year on year to ensure the building and site remain safe. The Academy is proficient in securing value for money and maximises Local Authority and Consortia arrangements where these prove efficient and cost effective. Funds allocated are funds needed to ensure the site is maintained, and all compliance related checks are budgeted for and undertaken such as Health and Safety audits; electrical inspections; annual fire panel and alarms checks; monthly legionella checks; gas tightness testing; servicing of kitchen equipment; annual sports equipment inspections and DT equipment testing.

We also have one lift, placed in the Sports Centre, which is checked twice per year. General buildings and site maintenance is undertaken proactively by the site team lead by the site manager and using external contractors where necessary. PAT testing is undertaken on a rolling basis by the trained DT technician. Asbestos monitoring is undertaken through Durham County Council on the Trust's behalf as a minimum of once a year. Any building work undertaken throughout the year incorporates asbestos checks where relevant. All external contractors are made to read and sign the asbestos register prior to commencing any works. The Sjovoll Centre is managed in exactly the same way with all checks and measures planned and funded through the budget.

Funds are now also allocated for an annual cyber vulnerability assessment, based on lessons learned.

A contract review is undertaken each year and this year we have withdrawn from one contract (school meals advice and support) due to the experience of the catering manager.

THE EXCEL ACADEMY PARTNERSHIP

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

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 effectively, efficiently and economically. The system of internal control has been in place in Excel Academy Partnership for the period 1 September 2023 to 31 August 2024 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The board of trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 1 September 2023 to 31 August 2024 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees. The Academy Business Director and Trustees have developed a system of risk management which has been deemed as best practice by the internal auditor, and drives the internal audit programme to provide Trustees with the assurance it needs across all key business and finance related areas.

The risk and control framework

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

- Comprehensive budgeting and monitoring systems with an annual budget and regular financial reports
- A three year budget forecast taking account of projected student numbers
- Regular reviews by the audit committee of reports which indicate financial performance
- Monthly management accounts including KPI's which are circulated to all Trustees on a monthly basis
- Additional relevant monthly reports of interest to Trustees including detailed benchmarking analysis
- Clearly defined purchasing (asset purchase or capital investment) guidelines
- Delegation of authority and segregation of duties
- Identification and management of risks (current and emerging)
- Scoping and implementation of new requirements in key and emerging areas including lessons learned
- Regular reference by the Trust Board/Audit Committee to the Academy Trust Handbook
- Integrated curriculum and financial planning, and scrutiny of key performance indicators.

The board of trustees has considered the need for a specific internal control function and has decided:

- To appoint JGT auditors, to undertake an internal audit process for the Trust
- The audit committee will work with the CFO and internal auditor to agree the focus of each internal audit visit.
- To commission, where deemed relevant, deep dives linked closely to the risk management action plan to provide Trustees with assurance in all key areas

THE EXCEL ACADEMY PARTNERSHIP

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

The internal audit role includes giving advice on financial matters and performing a range of checks on the academy trusts financial systems. In particular the checks carried out in the current period included:

- testing of budgetary control
- testing of payroll systems
- testing of purchase systems
- testing of control account/ bank reconciliations
- testing of income control
- testing of ParentPay system
- testing of trip control accounts
- testing of the effectiveness of governance structures
- testing of trips and visit administration / financial processes / safeguarding of children

The internal auditor was also asked to undertake an independent review of:

- month end procedures
- trips and visit administration / financial processes / safeguarding of children
- Catering income management

All checks are done and outcomes measured against the requirements of the Academy Trust Handbook and any other statutory guides. On a termly basis the internal auditor provides a report to the board of trustees, through the audit committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities. A summary report has also been produced in liaison with the Audit Committee and Trust Board in line with the requirement of the Academy Trust Handbook. This summary report will be uploaded to the ESFA.

During the year the Academy Trust Internal Audit process has been fully delivered in line with the ESFA's requirements, as dictated by the regulations in the Academies Financial Handbook.

The Internal Auditor has delivered the schedule of work as planned and no material control issues have arisen as a result of their work. No significant issues were identified in any of the audits undertaken.

Review of effectiveness

As Accounting Officer the Head teacher has responsibility for reviewing the effectiveness of the system of internal control. As the Accounting Officer in the period has retired, the acting COO is the Accounting Officer for the Trust. During the year in question the review has been informed by:

- The work of the external auditor
- The work of the senior leaders responsible for financial management and control
- The work of trustees, through the audit committee, in holding senior leaders to account and supporting financial management in the academy
- The School resource management self assessment process
- The work of the internal auditor
- The work of the Finance team within the academy trust who have responsibility for the management of the financial systems and processes

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the audit committee and ensures continuous improvement of the system in place.

THE EXCEL ACADEMY PARTNERSHIP

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

Conclusion

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

Approved by order of the board of trustees on 13 December 2024 and signed on its behalf by:



W Pattison
Accounting Officer



S E Hall
Chair of Trustees

THE EXCEL ACADEMY PARTNERSHIP

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE FOR THE YEAR ENDED 31 AUGUST 2024

As accounting officer of The Excel Academy Partnership since 1 September 2024, I have considered my responsibility to notify the academy trust board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding, including for estates safety and management, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2023, including responsibilities for estates safety and management.

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

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



W Pattison
Accounting Officer

13 December 2024

THE EXCEL ACADEMY PARTNERSHIP

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2024

The trustees (who are also the directors of The Excel Academy Partnership for the purposes of company law) are responsible for preparing the trustees' 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 trustees to prepare accounts for each financial year. Under company law, the trustees 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 trustees 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 trustees 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 trustees 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 trustees 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 board of trustees on 13 December 2024 and signed on its behalf by:



S E Hall
Chair of Trustees

THE EXCEL ACADEMY PARTNERSHIP

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE EXCEL ACADEMY PARTNERSHIP

FOR THE YEAR ENDED 31 AUGUST 2024

Opinion

We have audited the accounts of The Excel Academy Partnership 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.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report other than the accounts and our auditor's report thereon. The trustees 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.

THE EXCEL ACADEMY PARTNERSHIP

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE EXCEL ACADEMY PARTNERSHIP (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

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

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 trustees' 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:

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 trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees 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 trustees 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 trustees are responsible for assessing the academy trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the 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.

THE EXCEL ACADEMY PARTNERSHIP

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE EXCEL ACADEMY PARTNERSHIP (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

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

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- 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 entity through enquiry and inspection;
- Reviewing minutes of meetings of those charged with governance
- Reviewing internal audit reports
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- 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 business 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.



Graham Fitzgerald BA FCA DChA (Senior Statutory Auditor)
for and on behalf of Azets Audit Services

Statutory Auditor

13/12/2024

.....
Wynyard Park House
Wynyard Avenue
Wynyard
United Kingdom
TS22 5TB

THE EXCEL ACADEMY PARTNERSHIP

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE EXCEL ACADEMY PARTNERSHIP AND THE EDUCATION AND SKILLS FUNDING AGENCY

FOR THE YEAR ENDED 31 AUGUST 2024

In accordance with the terms of our engagement letter dated 23 August 2024 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2023 to 2024, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Excel Academy Partnership 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 The Excel Academy Partnership and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the The Excel Academy Partnership and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than The Excel Academy Partnership and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of The Excel Academy Partnership's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of The Excel Academy Partnership's funding agreement with the Secretary of State for Education dated 30 November 2011 and the Academy Trust Handbook, extant from 1 September 2023, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance, and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2023 to 2024. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the 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.

THE EXCEL ACADEMY PARTNERSHIP

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE EXCEL ACADEMY PARTNERSHIP AND THE EDUCATION AND SKILLS FUNDING AGENCY (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

The work undertaken to draw to our conclusion includes:

- completion of self assessment questionnaire by Accounting Officer
- discussions with the Accounting Officer and finance team
- review of Internal Assurance reports
- review of trustee and committee meeting minutes
- review of finance and other relevant policies
- review of purchases, expenses and expense claims on a sample basis including the application of controls and tendering processes where applicable
- review of gifts and hospitality transactions including the application of controls
- review of credit and debit card transactions including the application of controls
- review of payroll transactions on a sample bases including the application of controls
- review of potential special payments to staff
- review of leases and consideration of areas where borrowing may have been incurred
- consideration of transactions with related and connected parties
- review of register of business interests for completeness and compliance with regulations
- enquiries into transactions that may require disclosure under ESFA delegated authority rules
- consideration of value for money and appropriateness of transactions

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.

Azets Audit Services

Reporting Accountant

Azets Audit Services

Dated:13/12/2024.....

THE EXCEL ACADEMY PARTNERSHIP

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2024

| | Notes | Unrestricted funds £ | Restricted funds: General £ | Fixed asset £ | Total 2024 £ | Total 2023 £ |
|--|----------|-------------------------|-----------------------------------|------------------|--------------------|--------------------|
| Income and endowments from: | | | | | | |
| Donations and capital grants | 3 | - | - | 27,077 | 27,077 | 150,188 |
| Charitable activities: | | | | | | |
| - Funding for educational operations | 5 | 382,732 | 9,236,397 | - | 9,619,129 | 8,932,957 |
| Other trading activities | 4 | 553,111 | - | - | 553,111 | 377,653 |
| Investments | 6 | 336 | - | - | 336 | 272 |
| Total | | 936,179 | 9,236,397 | 27,077 | 10,199,653 | 9,461,070 |
| Expenditure on: | | | | | | |
| Raising funds | 7 | 122,052 | 5,881 | - | 127,933 | 340,691 |
| Charitable activities: | | | | | | |
| - Educational operations | 8 | 757,852 | 8,867,663 | 735,642 | 10,361,157 | 9,262,693 |
| Total | 7 | 879,904 | 8,873,544 | 735,642 | 10,489,090 | 9,603,384 |
| Net income/(expenditure) | | 56,275 | 362,853 | (708,565) | (289,437) | (142,314) |
| Transfers between funds | 17 | - | (77,801) | 77,801 | - | - |
| Other recognised gains/(losses) | | | | | | |
| Actuarial gains on defined benefit pension schemes | 19 | - | 176,000 | - | 176,000 | 564,000 |
| Net movement in funds | | 56,275 | 461,052 | (630,764) | (113,437) | 421,686 |
| Reconciliation of funds | | | | | | |
| Total funds brought forward | | 624,516 | 1,105,853 | 6,962,301 | 8,692,670 | 8,270,984 |
| Total funds carried forward | | 680,791 | 1,566,905 | 6,331,537 | 8,579,233 | 8,692,670 |

THE EXCEL ACADEMY PARTNERSHIP

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

FOR THE YEAR ENDED 31 AUGUST 2024

| Comparative year information Year ended 31 August 2023 | Notes | Unrestricted | Restricted funds: | | Total |
|---|-------|----------------|-------------------|------------------|------------------|
| | | funds | General | Fixed asset | 2023 |
| | | £ | £ | £ | £ |
| Income and endowments from: | | | | | |
| Donations and capital grants | 3 | - | - | 150,188 | 150,188 |
| Charitable activities: | | | | | |
| - Funding for educational operations | 5 | 359,485 | 8,573,472 | - | 8,932,957 |
| Other trading activities | 4 | 377,653 | - | - | 377,653 |
| Investments | 6 | 272 | - | - | 272 |
| Total | | <u>737,410</u> | <u>8,573,472</u> | <u>150,188</u> | <u>9,461,070</u> |
| Expenditure on: | | | | | |
| Raising funds | 7 | 332,704 | 7,987 | - | 340,691 |
| Charitable activities: | | | | | |
| - Educational operations | 8 | 345,679 | 8,176,217 | 740,797 | 9,262,693 |
| Total | 7 | <u>678,383</u> | <u>8,184,204</u> | <u>740,797</u> | <u>9,603,384</u> |
| Net income/(expenditure) | | 59,027 | 389,268 | (590,609) | (142,314) |
| Transfers between funds | 17 | - | (96,485) | 96,485 | - |
| Other recognised gains/(losses) | | | | | |
| Actuarial gains on defined benefit pension schemes | 19 | - | 564,000 | - | 564,000 |
| Net movement in funds | | 59,027 | 856,783 | (494,124) | 421,686 |
| Reconciliation of funds | | | | | |
| Total funds brought forward | | 565,489 | 249,070 | 7,456,425 | 8,270,984 |
| Total funds carried forward | | <u>624,516</u> | <u>1,105,853</u> | <u>6,962,301</u> | <u>8,692,670</u> |

THE EXCEL ACADEMY PARTNERSHIP

BALANCE SHEET

AS AT 31 AUGUST 2024

| | Notes | 2024 | | 2023 | |
|---|-------|-----------|-----------|-----------|-----------|
| | | £ | £ | £ | £ |
| Fixed assets | | | | | |
| Tangible assets | 12 | | 6,442,625 | | 7,090,383 |
| Current assets | | | | | |
| Debtors | 13 | 231,669 | | 259,507 | |
| Cash at bank and in hand | | 2,695,137 | | 2,469,128 | |
| | | 2,926,806 | | 2,728,635 | |
| Current liabilities | | | | | |
| Creditors: amounts falling due within one year | 14 | (549,119) | | (657,815) | |
| Net current assets | | | 2,377,687 | | 2,070,820 |
| Total assets less current liabilities | | | 8,820,312 | | 9,161,203 |
| Creditors: amounts falling due after more than one year | 15 | | (95,079) | | (111,533) |
| Net assets excluding pension liability | | | 8,725,233 | | 9,049,670 |
| Defined benefit pension scheme liability | 19 | | (146,000) | | (357,000) |
| Total net assets | | | 8,579,233 | | 8,692,670 |
| Funds of the academy trust: | | | | | |
| Restricted funds | 17 | | | | |
| - Fixed asset funds | | | 6,331,537 | | 6,962,301 |
| - Restricted income funds | | | 1,712,905 | | 1,462,853 |
| - Pension reserve | | | (146,000) | | (357,000) |
| Total restricted funds | | | 7,898,442 | | 8,068,154 |
| Unrestricted income funds | 17 | | 680,791 | | 624,516 |
| Total funds | | | 8,579,233 | | 8,692,670 |

The accounts on pages 27 to 50 were approved by the trustees and authorised for issue on 13 December 2024 and are signed on their behalf by:

S E Hall

Chair of Trustees

Company registration number 07837770 (England and Wales)

THE EXCEL ACADEMY PARTNERSHIP

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2024

| | Notes | 2024 £ | £ | 2023 £ | £ |
|--|-------|-----------|-----------|-----------|-----------|
| Cash flows from operating activities | | | | | |
| Net cash provided by operating activities | 20 | | 305,972 | | 608,857 |
| Cash flows from investing activities | | | | | |
| Dividends, interest and rents from investments | | 336 | | 272 | |
| Capital grants from DfE Group | | 27,077 | | 150,188 | |
| Purchase of tangible fixed assets | | (87,884) | | (195,155) | |
| Net cash used in investing activities | | | (60,471) | | (44,695) |
| Cash flows from financing activities | | | | | |
| Repayment of other loan | | (16,994) | | (51,518) | |
| Finance costs | | (2,498) | | (2,848) | |
| Net cash used in financing activities | | | (19,492) | | (54,366) |
| Net increase in cash and cash equivalents in the reporting period | | | 226,009 | | 509,796 |
| Cash and cash equivalents at beginning of the year | | | 2,469,128 | | 1,959,332 |
| Cash and cash equivalents at end of the year | | | 2,695,137 | | 2,469,128 |

THE EXCEL ACADEMY PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2024

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.

The Excel Academy Partnership meets the definition of a public benefit entity under FRS 102.

1.2 Going concern

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

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.

THE EXCEL ACADEMY PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

1 Accounting policies

(Continued)

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.

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

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the balance sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding 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. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

THE EXCEL ACADEMY PARTNERSHIP

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 other than freehold land, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

| | |
|----------------------------------|----------------|
| Leasehold improvements | over 22 years |
| Leasehold land | over 125 years |
| Long leasehold property | over 22 years |
| Computer equipment | over 3 years |
| Fixtures, fittings and equipment | over 7 years |
| Motor vehicles | over 7 years |

The trust's land and buildings are occupied on a 125 year lease from the local authority. In the view of the trustees, the risks and rewards of occupying the site have been substantially transferred to the trust and therefore the land and buildings have been recognised as a donation on conversion and capitalised within the restricted fixed assets fund. The valuation was provided by the ESFA on a depreciated replacement cost basis.

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

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 or 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 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.

THE EXCEL ACADEMY PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

1 Accounting policies

(Continued)

1.9 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.

1.10 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.

1.11 Fund accounting

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by 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 Education and Skills Funding Agency/Department for Education.

1.12 Agency arrangements

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

THE EXCEL ACADEMY PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

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.

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.

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 19, 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.

Critical areas of judgement

Depreciation - Depreciation is calculated so as to write off the cost of an asset, less its residual value, over the economic life of that asset. An estimate of the useful life of assets is detailed in the depreciation accounting policy. The value of depreciation charge during the year was £736k.

Land and buildings - Land and buildings are held under a 125 year lease from Durham County Council. These assets are included on the balance sheet of the academy due to the significant risks and rewards of ownership belonging to the academy, the lease term being the major part of the economic life of the assets and the assets being of such a specialised nature that only the academy could use them without major modification.

3 Donations and capital grants

| | Unrestricted funds £ | Restricted funds £ | Total 2024 £ | Total 2023 £ |
|----------------|----------------------------|--------------------------|--------------------|--------------------|
| Capital grants | - | 27,077 | 27,077 | 150,188 |

4 Other trading activities

| | Unrestricted funds £ | Restricted funds £ | Total 2024 £ | Total 2023 £ |
|------------------------|----------------------------|--------------------------|--------------------|--------------------|
| Lettings | 101,465 | - | 101,465 | 86,782 |
| Catering income | 5,441 | - | 5,441 | 6,891 |
| Parental contributions | 384,837 | - | 384,837 | 215,172 |
| Other income | 61,368 | - | 61,368 | 68,808 |
| | 553,111 | - | 553,111 | 377,653 |

THE EXCEL ACADEMY PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

5 Funding for the academy trust's educational operations

| Educational operations | Unrestricted funds £ | Restricted funds £ | Total 2024 £ | Total 2023 £ |
|---|----------------------------|--------------------------|--------------------|--------------------|
| DfE/ESFA grants | | | | |
| General annual grant (GAG) | - | 6,971,772 | 6,971,772 | 6,515,158 |
| Other DfE/ESFA grants: | | | | |
| - Pupil premium | - | 299,270 | 299,270 | 301,770 |
| - ESFA 16 - 19 funding | - | 919,126 | 919,126 | 879,127 |
| - Rates income | - | 33,878 | 33,878 | 30,060 |
| - Teachers pension | - | 108,146 | 108,146 | 37,374 |
| - Teachers pay | - | 125,891 | 125,891 | 862 |
| - Mainstream schools additional grant | - | 248,330 | 248,330 | 103,921 |
| - Supplementary grant | - | 75,279 | 75,279 | 206,575 |
| - Others | - | 34,341 | 34,341 | 17,821 |
| | - | 8,816,033 | 8,816,033 | 8,092,668 |
| Other government grants | | | | |
| Local authority grants | - | 420,364 | 420,364 | 399,246 |
| COVID-19 additional funding | | | | |
| DfE/ESFA | | | | |
| Other DfE/ESFA COVID-19 funding | - | - | - | 77,970 |
| Non-DfE/ESFA | | | | |
| Other COVID-19 funding | - | - | - | 3,588 |
| | - | - | - | 81,558 |
| Other incoming resources | 30,340 | - | 30,340 | 13,806 |
| Total funding for educational operations | 30,340 | 9,236,397 | 9,266,737 | 8,587,278 |
| Catering income | 352,392 | - | 352,392 | 345,679 |
| Total funding | 382,732 | 9,236,397 | 9,619,129 | 8,932,957 |

6 Investment income

| | Unrestricted funds £ | Restricted funds £ | Total 2024 £ | Total 2023 £ |
|---------------------|----------------------------|--------------------------|--------------------|--------------------|
| Short term deposits | 336 | - | 336 | 272 |

THE EXCEL ACADEMY PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

7 Expenditure

| | Staff costs | Non-pay expenditure | | Total | Total |
|----------------------------------|------------------|---------------------|------------------|-------------------|------------------|
| | £ | Premises | Other | 2024 | 2023 |
| | £ | £ | £ | £ | £ |
| Expenditure on raising funds | | | | | |
| - Direct costs | 57,469 | - | 70,464 | 127,933 | 340,691 |
| Academy's educational operations | | | | | |
| - Direct costs | 6,244,278 | - | 786,655 | 7,030,933 | 5,986,458 |
| - Allocated support costs | 1,365,038 | 1,314,842 | 650,344 | 3,330,224 | 3,276,235 |
| | <u>7,666,785</u> | <u>1,314,842</u> | <u>1,507,463</u> | <u>10,489,090</u> | <u>9,603,384</u> |

Net income/(expenditure) for the year includes:

| | 2024 | 2023 |
|---|----------------|----------------|
| | £ | £ |
| Operating lease rentals | 19,356 | 17,773 |
| Depreciation of tangible fixed assets | 735,642 | 740,797 |
| Fees payable to auditor for: | | |
| - Audit | 13,250 | 11,250 |
| - Other services | 4,350 | 4,000 |
| Bank and loan interest | 2,498 | 2,848 |
| Net interest on defined benefit pension liability | 10,000 | 29,000 |
| | <u>785,096</u> | <u>804,668</u> |

8 Charitable activities

| | Unrestricted funds | Restricted funds | Total | Total |
|------------------------|--------------------|------------------|-------------------|------------------|
| | £ | £ | 2024 | 2023 |
| | £ | £ | £ | £ |
| Direct costs | | | | |
| Educational operations | 369,582 | 6,661,351 | 7,030,933 | 5,986,458 |
| Support costs | | | | |
| Educational operations | 388,270 | 2,941,954 | 3,330,224 | 3,276,235 |
| | <u>757,852</u> | <u>9,603,305</u> | <u>10,361,157</u> | <u>9,262,693</u> |

| | 2024 | 2023 |
|----------------------------------|------------------|------------------|
| | £ | £ |
| Analysis of support costs | | |
| Support staff costs | 1,371,151 | 1,376,173 |
| Depreciation | 735,642 | 740,797 |
| Technology costs | 117,194 | 83,203 |
| Premises costs | 579,200 | 550,956 |
| Legal costs | 8,036 | 5,537 |
| Other support costs | 493,073 | 499,466 |
| Governance costs | 25,928 | 20,103 |
| | <u>3,330,224</u> | <u>3,276,235</u> |

THE EXCEL ACADEMY PARTNERSHIP

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

9 Staff

Staff costs and employee benefits

Staff costs during the year were:

| | 2024 £ | 2023 £ |
|---|------------------|------------------|
| Wages and salaries | 5,524,634 | 5,201,789 |
| Social security costs | 561,846 | 510,749 |
| Pension costs | 1,216,300 | 1,155,779 |
| | <u>7,302,780</u> | <u>6,868,317</u> |
| Staff costs - employees | 7,302,780 | 6,868,317 |
| Agency staff costs | 355,320 | 163,830 |
| Staff restructuring costs | 8,685 | - |
| | <u>7,666,785</u> | <u>7,032,147</u> |
| Staff development and other staff costs | 65,314 | 51,443 |
| | <u>7,732,099</u> | <u>7,083,590</u> |

Staff restructuring costs comprise:

| | | |
|--------------------|-------|---|
| Severance payments | 8,685 | - |
|--------------------|-------|---|

Severance payments

The academy trust paid 1 severance payments in the year, disclosed in the following bands:

| | |
|--------------|---|
| £0 - £25,000 | 1 |
|--------------|---|

Staff numbers

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

| | 2024 Number | 2023 Number |
|----------------------------|----------------|----------------|
| Teachers | 76 | 77 |
| Administration and support | 116 | 120 |
| Management | 9 | 9 |
| | <u>201</u> | <u>206</u> |

THE EXCEL ACADEMY PARTNERSHIP

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 Number | 2023 Number |
|---------------------|----------------|----------------|
| £60,001 - £70,000 | 3 | 2 |
| £70,001 - £80,000 | 2 | 2 |
| £80,001 - £90,000 | 1 | - |
| £110,001 - £120,000 | - | 1 |
| £120,001 - £130,000 | 1 | - |
| | ==== | ==== |

Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £893,049 (2023: £820,862).

10 Trustees' remuneration and expenses

In the prior year, One or more of the trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment, and not in respect of their services as trustees.

The value of trustees' remuneration and other benefits in the prior year was as follows:

Mr A Byers (Headteacher)

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

Employer's pension contributions £25,001 - £30,000 (2023: £25,001 - £30,000)

11 Trustees' and officers' insurance

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

THE EXCEL ACADEMY PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

12 Tangible fixed assets

| | Leasehold improvements | Long leasehold property | Computer equipment | Fixtures, fittings and equipment | Motor vehicles | Total |
|-----------------------|------------------------|-------------------------|--------------------|----------------------------------|----------------|------------|
| | £ | £ | £ | £ | £ | £ |
| Cost | | | | | | |
| At 1 September 2023 | 3,323,418 | 7,791,439 | 987,972 | 1,693,486 | 8,650 | 13,804,965 |
| Additions | - | - | 70,378 | 17,506 | - | 87,884 |
| At 31 August 2024 | 3,323,418 | 7,791,439 | 1,058,350 | 1,710,992 | 8,650 | 13,892,849 |
| Depreciation | | | | | | |
| At 1 September 2023 | 1,060,667 | 3,795,248 | 819,499 | 1,033,915 | 5,253 | 6,714,582 |
| Charge for the year | 154,616 | 327,540 | 82,138 | 170,112 | 1,236 | 735,642 |
| At 31 August 2024 | 1,215,283 | 4,122,788 | 901,637 | 1,204,027 | 6,489 | 7,450,224 |
| Net book value | | | | | | |
| At 31 August 2024 | 2,108,135 | 3,668,651 | 156,713 | 506,965 | 2,161 | 6,442,625 |
| At 31 August 2023 | 2,262,751 | 3,996,191 | 168,473 | 659,571 | 3,397 | 7,090,383 |

13 Debtors

| | 2024 | 2023 |
|--------------------------------|---------|---------|
| | £ | £ |
| Trade debtors | 14,203 | 11,622 |
| VAT recoverable | 39,173 | 39,476 |
| Prepayments and accrued income | 178,293 | 208,409 |
| | 231,669 | 259,507 |

14 Creditors: amounts falling due within one year

| | 2024 | 2023 |
|------------------------------------|---------|---------|
| | £ | £ |
| Other loans | 16,009 | 16,549 |
| Trade creditors | 31,241 | 131,703 |
| Other taxation and social security | 286,970 | 245,400 |
| Other creditors | 88,776 | 119,431 |
| Accruals and deferred income | 126,123 | 144,732 |
| | 549,119 | 657,815 |

THE EXCEL ACADEMY PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

15 Creditors: amounts falling due after more than one year

| | 2024 | 2023 |
|---|----------------|----------------|
| | £ | £ |
| Other loans | 95,079 | 111,533 |
| | <u>95,079</u> | <u>111,533</u> |
| | 2024 | 2023 |
| | £ | £ |
| Analysis of loans | | |
| Wholly repayable within five years | 111,088 | 128,082 |
| Less: included in current liabilities | (16,009) | (16,549) |
| | <u>95,079</u> | <u>111,533</u> |
| Amounts included above | 95,079 | 111,533 |
| | <u>95,079</u> | <u>111,533</u> |
| Loan maturity | | |
| Debt due in one year or less | 16,009 | 16,549 |
| Due in more than one year but not more than two years | 16,173 | 16,455 |
| Due in more than two years but not more than five years | 51,362 | 58,726 |
| Due in more than five years | 27,544 | 36,352 |
| | <u>111,088</u> | <u>128,082</u> |
| | <u>111,088</u> | <u>128,082</u> |

The trust also has two ESFA loans. One with a balance of £41,370 (2023: £49,155). This is at an interest rate of 1.85% and repayable by August 2028. Another with a balance of £69,718 (2023: £77,593). This is at an interest rate of 1.95% and repayable by August 2032.

16 Deferred income

| | 2024 | 2023 |
|-------------------------------------|---------------|---------------|
| | £ | £ |
| Deferred income is included within: | | |
| Creditors due within one year | 69,922 | 68,391 |
| | <u>69,922</u> | <u>68,391</u> |
| Deferred income at 1 September 2023 | 68,391 | 20,476 |
| Released from previous years | (68,391) | (20,476) |
| Resources deferred in the year | 69,922 | 68,391 |
| | <u>69,922</u> | <u>68,391</u> |
| Deferred income at 31 August 2024 | 69,922 | 68,391 |
| | <u>69,922</u> | <u>68,391</u> |

Deferred income includes rates relief and income for trips received in advance of the next financial year.

THE EXCEL ACADEMY PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

17 Funds

| | Balance at 1 September 2023 £ | Income £ | Expenditure £ | Gains, losses and transfers £ | Balance at 31 August 2024 £ |
|-------------------------------------|--|-------------------|---------------------|--|--------------------------------------|
| Restricted general funds | | | | | |
| General Annual Grant (GAG) | 1,366,849 | 6,971,772 | (6,617,915) | (77,801) | 1,642,905 |
| Pupil premium | - | 299,270 | (299,270) | - | - |
| Other DfE/ESFA grants | - | 34,341 | (34,341) | - | - |
| Other government grants | 96,004 | 420,364 | (446,368) | - | 70,000 |
| Teachers pension grant | - | 108,146 | (108,146) | - | - |
| Teachers pay grant | - | 125,891 | (125,891) | - | - |
| Rates | - | 33,878 | (33,878) | - | - |
| Mainstream schools additional grant | - | 248,330 | (248,330) | - | - |
| Supplementary grant | - | 75,279 | (75,279) | - | - |
| ESFA 16-19 funding | - | 919,126 | (919,126) | - | - |
| Pension reserve | (357,000) | - | 35,000 | 176,000 | (146,000) |
| | <u>1,105,853</u> | <u>9,236,397</u> | <u>(8,873,544)</u> | <u>98,199</u> | <u>1,566,905</u> |
| Restricted fixed asset funds | | | | | |
| Inherited on conversion | 3,892,543 | - | (321,443) | - | 3,571,100 |
| DfE group capital grants | 2,836,597 | 27,077 | (380,678) | - | 2,482,996 |
| Capital expenditure from GAG | 178,007 | - | (23,889) | 77,801 | 231,919 |
| Connect the classroom | 50,504 | - | (4,982) | - | 45,522 |
| Donated assets | 4,650 | - | (4,650) | - | - |
| | <u>6,962,301</u> | <u>27,077</u> | <u>(735,642)</u> | <u>77,801</u> | <u>6,331,537</u> |
| Total restricted funds | <u>8,068,154</u> | <u>9,263,474</u> | <u>(9,609,186)</u> | <u>176,000</u> | <u>7,898,442</u> |
| Unrestricted funds | | | | | |
| General funds | 612,485 | 934,966 | (878,384) | - | 669,067 |
| School fund | 12,031 | 1,213 | (1,520) | - | 11,724 |
| | <u>624,516</u> | <u>936,179</u> | <u>(879,904)</u> | <u>-</u> | <u>680,791</u> |
| Total funds | <u>8,692,670</u> | <u>10,199,653</u> | <u>(10,489,090)</u> | <u>176,000</u> | <u>8,579,233</u> |

THE EXCEL ACADEMY PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

17 Funds

(Continued)

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

General Annual Grant must be used for the normal running costs of the academy. Under the funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2024.

Other DfE/ESFA grants include national tuition and other grants received from DfE/ESFA.

Other grants include income funding for pupils with special educational needs and other grants received from the local authority.

The pension reserve reflects the LGPS transactions. The costs and income associated with the defined benefit pension scheme have been recorded in the restricted fund. Staff costs are paid from this fund, including contributions to the LGPS, and the pension liability has therefore been aligned with these funds.

DfE/ESFA capital grants consist of devolved capital grant, all which has been spent during the year. A transfer has also been made to reflect the loan repayments from GAG.

Inherited fixed asset fund reflects the fixed assets acquired from Durham County Council on conversion. Depreciation on these assets is charged against this fund.

Unrestricted funds are available to be spent on any purpose, at the discretion of the trustees, within the objectives of the academy trust.

The academy's restricted general and unrestricted funds were £2,323,696 as at 31 August 2024.

THE EXCEL ACADEMY PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

17 Funds

(Continued)

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

| | Balance at 1 September 2022 £ | Income £ | Expenditure £ | Gains, losses and transfers £ | Balance at 31 August 2023 £ |
|--|--|------------------|--------------------|--|--------------------------------------|
| Restricted general funds | | | | | |
| General Annual Grant (GAG) | 886,429 | 6,515,158 | (5,938,253) | (96,485) | 1,366,849 |
| Pupil premium | - | 301,770 | (301,770) | - | - |
| Other DfE/ESFA COVID-19 funding | - | 77,970 | (77,970) | - | - |
| Other Coronavirus funding | - | 3,588 | (3,588) | - | - |
| Other DfE/ESFA grants | 23,772 | 17,821 | (41,593) | - | - |
| Other government grants | 45,328 | 399,246 | (348,570) | - | 96,004 |
| ESFA Supplementary grant | 85,455 | 206,575 | (292,030) | - | - |
| Teachers pension grant | - | 37,374 | (37,374) | - | - |
| Teachers pay grant | - | 862 | (862) | - | - |
| Rates | - | 30,060 | (30,060) | - | - |
| Mainstream schools additional grant | - | 103,921 | (103,921) | - | - |
| ESFA 16-19 funding | - | 879,127 | (879,127) | - | - |
| Other restricted funds | 37,086 | - | (37,086) | - | - |
| Pension reserve | (829,000) | - | (92,000) | 564,000 | (357,000) |
| | <u>249,070</u> | <u>8,573,472</u> | <u>(8,184,204)</u> | <u>467,515</u> | <u>1,105,853</u> |
| Restricted fixed asset funds | | | | | |
| Inherited on conversion | 4,215,342 | - | (322,799) | - | 3,892,543 |
| DfE group capital grants | 2,909,088 | 150,188 | (222,679) | - | 2,836,597 |
| Capital expenditure from GAG | 223,891 | - | (142,369) | 96,485 | 178,007 |
| Connect the classroom | 97,254 | - | (46,750) | - | 50,504 |
| Donated assets | 10,850 | - | (6,200) | - | 4,650 |
| | <u>7,456,425</u> | <u>150,188</u> | <u>(740,797)</u> | <u>96,485</u> | <u>6,962,301</u> |
| Total restricted funds | <u>7,705,495</u> | <u>8,723,660</u> | <u>(8,925,001)</u> | <u>564,000</u> | <u>8,068,154</u> |
| Unrestricted funds | | | | | |
| General funds | 554,357 | 732,470 | (674,342) | - | 612,485 |
| School fund | 11,132 | 4,940 | (4,041) | - | 12,031 |
| | <u>565,489</u> | <u>737,410</u> | <u>(678,383)</u> | <u>-</u> | <u>624,516</u> |
| Total funds | <u>8,270,984</u> | <u>9,461,070</u> | <u>(9,603,384)</u> | <u>564,000</u> | <u>8,692,670</u> |

THE EXCEL ACADEMY PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

18 Analysis of net assets between funds

| | Unrestricted Funds £ | Restricted funds: General Fixed asset £ £ | | Total Funds £ |
|--|----------------------------|---|------------------|---------------------|
| Fund balances at 31 August 2024 are represented by: | | | | |
| Tangible fixed assets | - | - | 6,442,625 | 6,442,625 |
| Current assets | 680,791 | 2,246,015 | - | 2,926,806 |
| Current liabilities | - | (533,110) | (16,009) | (549,119) |
| Non-current liabilities | - | - | (95,079) | (95,079) |
| Pension scheme liability | - | (146,000) | - | (146,000) |
| Total net assets | 680,791 | 1,566,905 | 6,331,537 | 8,579,233 |

| | Unrestricted Funds £ | Restricted funds: General Fixed asset £ £ | | Total Funds £ |
|--|----------------------------|---|------------------|---------------------|
| Fund balances at 31 August 2023 are represented by: | | | | |
| Tangible fixed assets | - | - | 7,090,383 | 7,090,383 |
| Current assets | 624,516 | 2,104,119 | - | 2,728,635 |
| Current liabilities | - | (641,266) | (16,549) | (657,815) |
| Non-current liabilities | - | - | (111,533) | (111,533) |
| Pension scheme liability | - | (357,000) | - | (357,000) |
| Total net assets | 624,516 | 1,105,853 | 6,962,301 | 8,692,670 |

19 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 Durham 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 £120,621 (2023: £122,512) were payable to the schemes at 31 August 2024 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.

THE EXCEL ACADEMY PARTNERSHIP

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

19 Pension and similar obligations

(Continued)

Valuation of the Teachers' Pension Scheme

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

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

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

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

The employer's pension costs paid to the TPS in the period amounted to £837,008 (2023: £757,265).

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 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 18.2% for employers and 5.5 -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 £ | 2023 £ |
|--------------------------|----------------|----------------|
| Employer's contributions | 297,000 | 290,000 |
| Employees' contributions | 99,000 | 92,000 |
| Total contributions | <u>396,000</u> | <u>382,000</u> |

THE EXCEL ACADEMY PARTNERSHIP

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

19 Pension and similar obligations (Continued)

| Principal actuarial assumptions | 2024 % | 2023 % |
|--|-----------|-----------|
| Rate of increase in salaries | 3.5 | 3.6 |
| Rate of increase for pensions in payment/inflation | 2.5 | 2.6 |
| Discount rate for scheme liabilities | 4.9 | 5.0 |
| Inflation assumption (CPI) | 2.5 | 2.6 |

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

| | 2024 Years | 2023 Years |
|----------------------|---------------|---------------|
| Retiring today | | |
| - Males | 21.5 | 21.7 |
| - Females | 23.8 | 23.9 |
| Retiring in 20 years | | |
| - Males | 22.4 | 22.9 |
| - Females | 24.6 | 25.0 |

Sensitivity analysis

Scheme liabilities would have been affected by changes in assumptions as follows:

| | 2024 £ | 2023 £ |
|-------------------------------|-----------|-----------|
| Discount rate + 0.1% | 4,690,000 | 4,207,000 |
| Discount rate - 0.1% | 4,896,000 | 4,392,000 |
| Mortality assumption + 1 year | 4,666,000 | 4,185,000 |
| Mortality assumption - 1 year | 4,916,000 | 4,409,000 |
| CPI rate + 0.1% | 4,805,000 | 4,379,000 |
| CPI rate - 0.1% | 4,777,000 | 4,220,000 |

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

| | 2024 Fair value £ | 2023 Fair value £ |
|------------------------------|-------------------------|-------------------------|
| Equities | 2,560,000 | 2,005,460 |
| Government bonds | 469,000 | 417,640 |
| Corporate bonds | 446,000 | 370,360 |
| Cash | 88,000 | 78,800 |
| Property | 297,000 | 295,500 |
| Other assets | 785,000 | 772,240 |
| Total market value of assets | 4,645,000 | 3,940,000 |

The actual return on scheme assets was £363,000 (2023: £(287,000)).

THE EXCEL ACADEMY PARTNERSHIP

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

| 19 Pension and similar obligations | (Continued) | |
|---|------------------|------------------|
| Amount recognised in the statement of financial activities | 2024 £ | 2023 £ |
| Current service cost | 252,000 | 353,000 |
| Interest income | (206,000) | (164,000) |
| Interest cost | 216,000 | 193,000 |
| | <u>262,000</u> | <u>382,000</u> |
| Total amount recognised | <u>262,000</u> | <u>382,000</u> |
| | | |
| Changes in the present value of defined benefit obligations | 2024 £ | 2023 £ |
| At 1 September 2023 | 4,297,000 | 4,622,000 |
| Current service cost | 252,000 | 353,000 |
| Interest cost | 216,000 | 193,000 |
| Employee contributions | 99,000 | 92,000 |
| Actuarial gain | (19,000) | (1,015,000) |
| Benefits paid | (54,000) | 52,000 |
| | <u>4,791,000</u> | <u>4,297,000</u> |
| At 31 August 2024 | <u>4,791,000</u> | <u>4,297,000</u> |
| | | |
| Changes in the fair value of the academy trust's share of scheme assets | 2024 £ | 2023 £ |
| At 1 September 2023 | 3,940,000 | 3,793,000 |
| Interest income | 206,000 | 164,000 |
| Actuarial (gain)/loss | 157,000 | (451,000) |
| Employer contributions | 297,000 | 290,000 |
| Employee contributions | 99,000 | 92,000 |
| Benefits paid | (54,000) | 52,000 |
| | <u>4,645,000</u> | <u>3,940,000</u> |
| At 31 August 2024 | <u>4,645,000</u> | <u>3,940,000</u> |

THE EXCEL ACADEMY PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

| 20 Reconciliation of net expenditure to net cash flow from operating activities | Notes | 2024 £ | 2023 £ |
|---|-------|----------------|----------------|
| Net expenditure for the reporting period (as per the statement of financial activities) | | (289,437) | (142,314) |
| Adjusted for: | | | |
| Capital grants from DfE and other capital income | | (27,077) | (150,188) |
| Investment income receivable | 6 | (336) | (272) |
| Finance costs payable | | 2,498 | 2,848 |
| Defined benefit pension costs less contributions payable | 19 | (45,000) | 63,000 |
| Defined benefit pension scheme finance cost | 19 | 10,000 | 29,000 |
| Depreciation of tangible fixed assets | | 735,642 | 740,797 |
| Decrease/(increase) in debtors | | 27,838 | (46,187) |
| (Decrease)/increase in creditors | | (108,156) | 112,173 |
| Net cash provided by operating activities | | 305,972 | 608,857 |

| 21 Analysis of changes in net funds | 1 September 2023 £ | Cash flows £ | 31 August 2024 £ |
|--|--------------------------|-----------------|------------------------|
| Cash | 2,469,128 | 226,009 | 2,695,137 |
| Loans falling due within one year | (16,549) | 540 | (16,009) |
| Loans falling due after more than one year | (111,533) | 16,454 | (95,079) |
| | <u>2,341,046</u> | <u>243,003</u> | <u>2,584,049</u> |

22 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 £ | 2023 £ |
|-----------------------------------|-----------|---------------|
| Amounts due within one year | - | 17,389 |
| Amounts due in two and five years | - | 1,468 |
| | <u>-</u> | <u>18,857</u> |

THE EXCEL ACADEMY PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

23 Related party transactions

Owing to the nature of the academy trust's operations and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the academy trust has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the academy trust's financial regulations and normal procurement procedures. The following related party transaction took place in the period of account.

No related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 10.

24 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.

25 Agency arrangements

The academy trust distributes 16-19 and vulnerable bursary funds to students as an agent for ESFA. In the accounting period ending 31 August 2024 the trust brought forward £18,637 (2023: £2,150) from previous years, received £22,355 and disbursed £19,378 from the fund. An amount of £21,614 (2023: £18,637) is included in other creditors relating to undistributed funds that is repayable to ESFA.