

**The Reach Free School Trust**  
**(A Company Limited by Guarantee)**  
**Annual Report and Financial Statements**  
**Year ended 31 August 2021**

Company Registration Number  
07960515(England and Wales)

**Feltons**  
**Chartered Accountants**

**Birmingham**  
**B1 3JR**

**The Reach Free School Trust**  
**(A Company Limited by Guarantee)**

**Report and Financial Statements**  
**Year ended 31 August 2021**

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**The Reach Free School Trust**  
**(A Company Limited by Guarantee)**

**Reference and Administrative Details**

Members and Trustees

<i>Helen Reeves</i>	Member Trustee (appointed 24/10/19)
<i>Nicola Redhead</i>	Head Teacher and Accounting Officer
<i>Sarah McAneny</i>	Community Trustee (appointed 24/10/19)
<i>Malcolm Weaver</i>	Community Trustee
<i>Nicola Raggett</i>	Trustee and Chair (appointed 10/12/20)
<i>Alison Miller</i>	Staff Trustee (appointed 01/09/19)
<i>Timothy Boyes</i>	Member Trustee
<i>David Adams</i>	Member Trustee (resigned 10/12/20)

Company secretary	Insert name
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Senior Management Team

• Head Teacher	Nicola Redhead
• Deputy Head Teacher	Lauren Taylor
• Pastoral Director	Shelley Haddon
• Business Manager	Lorna Bennett

Company name	The Reach Free School Trust
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Principal and registered office	9 High Street Kings Heath Birmingham B14 7BB
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Company registration number	07960515
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Independent auditor	Feltons 8 Sovereign Court 8 Graham Street Birmingham B1 3JR
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Bankers	Lloyds Bank PLC 32 Alcester Road South Kings Heath Birmingham B14 7PU
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Solicitors	Brown Jacobson Victoria Square House Victoria Square Birmingham B2 4BU
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**The Reach Free School Trust)**  
**(A Company Limited by Guarantee)**

**Trustees' report for the year ended 31 August 2021**

The trustees present their annual report together with the financial statements and auditor's report of the charitable company for the period 1 September 2020 to 31 August 2021. The annual report serves the purposes of both a trustees' report and a directors' report under company law.

The academy trust operates an academy for pupils aged 14 to 16 serving a catchment area in South Birmingham It has a pupil capacity of 64 and had a roll of 28 in the school census on October 2021.

**Structure, Governance and Management**

**Constitution**

The Reach Free School 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 Reach Free School Trust. The trustees of Reach Free School Trust are also the directors of the charitable company for the purposes of company law. The charitable company operates as The Reach Free School Trust.

Details of the trustees who served during the year and to the date these accounts are approved 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**

In accordance with normal commercial practice the Reach Free School Trust has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £10,000 on any one claim.

**Method of recruitment and appointment or election of Trustees**

Trustees may be appointed by the Governing Body provided that the person who is appointed, in the opinion of the Governing Body is;

- A person who, in the opinion of the Governing Body is committed to the government and success of the school.

# **The Reach Free School Trust (A Company Limited by Guarantee)**

## **Trustees' report for the year ended 31 August 2021 (continued)**

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

Trustees attend induction training in accordance with their needs.

The Head Teacher is the leader for professional development in school, and she ensures that trustees are provided with opportunities to receive training in accordance with their role, and the school's training plan.

### **Organisational structure**

The Governing Body meet six times a year and has established committees and appointed trustees to serve on the committees annually. The committees for the period of the report were:

- Finance and Pay
- HR
- Buildings, Health & Safety

The written terms of reference of the committees include the monitoring of the preparation and management of the academy's budget and implementation of the academy's financial management policies, including risk assessment.

The Governing Body also appoints a responsible officer and this role has been fully implemented in accordance with the academy trust's financial procedures.

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

The Governing Body reviews the Pay Policy on an annual basis

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

The related parties are Kings Norton Girls School, Queensbridge School, Birmingham Educational Partnership. Details of the relationship and transactions are disclosed in in note 22 of the financial statements.

### **Objectives and activities**

#### **Objects and aims**

The strategic goal of Reach Free School Trust is to provide a broad and balanced curriculum to all pupils in accordance with the funding agreement between the academy trust and the Department for Education.

#### **Objectives, strategies and activities**

Reach is an Alternative Provision school offering access to learning for young people at risk of being out of education or those who have already fallen outside of mainstream settings.

Reach offers a relevant, bespoke and personalised learning experience for students to ensure they have the necessary qualifications and skills to prepare them for life after school.

Reach offers a curriculum rich in quality with traditional subjects alongside work related learning opportunities and challenge activities which help to develop the personal and social skills of students. Reach also provides a wellbeing support package customised to the individual needs and circumstances of students.

Reach school is committed to challenging the students in ways that increase resilience. By supporting families and providing a bridge into appropriate educational or vocational progression the school strives to maximise the life chances of all students.

# **The Reach Free School Trust (A Company Limited by Guarantee)**

## **Trustees' report for the year ended 31 August 2021 (continued)**

### **Public benefit**

In setting our objectives and planning our activities, the Governing Body has given careful consideration to the general guidance on public benefit published by the Charity Commission on their website at [www.gov.uk/running-charity/managing-charity](http://www.gov.uk/running-charity/managing-charity) in exercising their powers or duties.

The Reach Free School Trust is an equal opportunity employer, and strives to give full and fair consideration to all applicants for employment, training and promotions, irrespective of disability, gender, race, colour or sexual orientation.

### **Strategic Report**

#### **Achievements and Performance**

Since its opening in September 2013 the school has continued to make progress to ensure students receive the highest quality education. Improvements to the curriculum and teaching and learning standards have improved outcomes for students and contributed to the school gaining a "Good" Ofsted judgement in May 2017.

In 2020-2021 the number of students gaining a GCSE grade in Maths and English was 15

100% of students gained at least 1 GCSE, 94.74% gained 5 or more GCSE's, 78.95% of students gained 5 or more GCSE's including Maths and English and the school leavers classed at N.E.E.T (Not in Education, Employment or Training ) was 3%

#### **Key Performance Indicators**

- Direct costs as a percentage of total costs were .....% (2020 : 55.1%)
- Support costs as a percentage of total costs were .....% (2020 : 50.5%)
- Total payroll costs as a percentage of recurring income were .....% (2020 : 78.2%)

### **Going concern**

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

### **Financial Review**

The financial results of The Reach Free School Trust are detailed in the following pages. It is considered that the finances are sound and well established. The principal financial management policies adopted are laid down by the Finance Handbook for Academies published by the ESFA and requirements as laid down by the Academy's Financial Handbook.

The principal funding source is grant income from the ESFA. All expenditure of this grant income is planned to fulfil the objectives and strategies of the Academy.

During the year ended 31 August 2021 total resources expended were £..... and the surplus of income over expenditure was £..... which included depreciation of £36,648

## **The Reach Free School Trust (A Company Limited by Guarantee)**

### **Trustees' report for the year ended 31 August 2021 (continued)**

#### **Reserves Policy**

The trustees continually monitor the reserves of the charitable company. This process encompasses the nature of income and expenditure streams and the need to match commitments with income and nature of reserves.

It is the Governing Body's general policy to continue to build reserves which can be used for future educational purposes.

The academy had total funds at 31 August 2021 of £..... which included £..... restricted funds not available for general purposes of the academy trust, £..... of free reserves defined as unrestricted funds available for general purposes and £..... which can only be realised by the disposal of tangible fixed assets.

The balance on restricted general funds (excluding pension reserve) plus the balance on unrestricted funds was a surplus/deficit of £.....

In addition, the deficit on the restricted pension fund of £..... arises from an actuarial deficit on the local government pension scheme which will be dealt with as advised by the actuary.

The trustees regularly review the level of reserves and aim to maintain them at a minimum of 3 months of expenditure. Budgeted expenditure for 2021/22 is £..... and hence the minimum target is £..... Unrestricted reserves at 31 August 2021 therefore represent 3 months.

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

The trustees have considered the major risks and uncertainties facing the charitable company which include changes in legislation and regulations and cash flow management and have put in place procedures to deal with these matters.

Attention has also been focussed on non-financial risks arising from fire, health and safety. These risks are managed by ensuring accreditation is up to date, having robust policies in place, and regular awareness training for staff working in these operational areas.

#### **Fundraising**

The academy trust does not use any external fundraisers. All fundraising undertaken during the period was monitored by the Trustees.

#### **Plans for Future Periods**

The school priorities for the coming year are outlined in the School development Plan. These include:

- To improve the quality of education through a structured and rigorous curriculum with skilled teachers, so that high levels of progress and success are seen.
- To ensure the school has a positive impact on students in terms of behaviour, rewards, attendance and safeguarding, enabling students to achieve their best possible outcomes.
- To consistently promote extensive personal development of students at REACH
- To ensure that leadership and management have a clear and well communicated vision for the school that results in improved outcomes for all students.

**The Reach Free School Trust  
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**Trustees' report for the year ended 31 August 2021 (continued)**

**Funds Held as Custodian Trustee on Behalf of Others**

The Reach free School Trust during this period acted as custodian of funds for the South Network (Inclusion Funds). This is a consortium of secondary schools located in South Birmingham. At 31 August 2021 the balance of funds held is nil

**Auditor**

Insofar as the Trustees are aware :

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

The trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on ..... and signed on the board's behalf by:

..... Name - Chair of Trustees



# **The Reach Free School Trust (A Company Limited by Guarantee)**

## **Governance statement for the year ended 31 August 2021**

### **Scope of Responsibility**

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

As trustees, we have reviewed and taken account of the guidance in DfE's Governance Handbook and competency framework for governance.

The Governing Body has delegated the day-to-day responsibility to the Head Teacher, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between the Reach Free School Trust and the Secretary of State for Education. They are also responsible for reporting to the Governing Body any material weaknesses or breakdowns in internal control.

### **Governance**

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The **board of trustees** has formally met 6 times during the year. Attendance during the year at meetings of the board of trustees was as follows :

<b>Trustee</b>	<b>Meetings attended</b>	<b>Out of a possible</b>
<b>Nicola Raggett</b> (Chairman)	<b>5</b>	<b>5</b>
<b>Nicola Redhead</b> (Head Teacher & Accounting Officer)	<b>5</b>	<b>5</b>
<b>Sarah McAneny</b>		<b>5</b>
<b>Helen Reeves</b>		<b>5</b>
<b>Timothy Boyes</b>		<b>5</b>
<b>Malcolm Weaver</b> (Vice Chair)		<b>5</b>
<b>Alison Miller</b> (Staff Trustee)		<b>5</b>
<b>Lisa Darwood</b>		<b>5</b>

*(Include appointment and resignation dates alongside names and indicate whether chairman, responsible officer, principal and accounting officer or staff trustee.)*

There has been no new trustees appointees during the financial year.

The Governing Body of the Reach Free School Trust have found this year a particular challenge due to COVID restrictions with all meetings being held via Zoom.

The Governing Body have received presentations from various members of staff to ensure that they understand data presented with full explanations given. The Governing Body have then scrutinised any areas of uncertainty.

Effective oversight has been achieved with members of the Governing Body, making regular visits, participating in informal Zoom meetings, and through telephone communication.

A review of governance was undertaken during the year which found that all areas of expertise required were sufficiently covered throughout the Board of Trustees.

The trust intends to conduct its next self-evaluation/external review in February 2022

**The Reach Free School Trust  
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**Governance statement for the year ended 31 August 2021 (continued)**

The **Finance committee** is a sub-committee of the main board of trustees. Its purpose is to ensure all financial transactions and procedures are adhered to and robust, with particular emphasis being taken to ensure the Academies Financial Handbook, and schools financial policy is followed.

<b>Trustee</b>	<b>Meetings attended</b>	<b>Out of a possible</b>
Nicola Raggett (Chairman)	2	2
Lisa Darwood	2	2
Sarah McAneny	1	2
Nicola Redhead (Accounting Officer, Head Teacher)	2	2

**Review of value for money**

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

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

- Collaboration

The Reach free School Trust collaborates with all schools within the South Network to provide alternative provision for students at risk of exclusion. As part of the South network the school also collaborates with other schools to provide continuous professional development (CPD) for both teaching and support staff.

- Financial Governance and Oversight

The school operates with a comprehensive set of financial controls and policies to ensure effective financial controls and governance. Regular reports are provided to governors, with the Governing Body meeting regularly to monitor financial matters.

The full Governing Body approves the budget each year whilst being mindful of the need to balance expenditure against income to ensure the school remains a good concern. Expenditure is regularly reviewed to ensure the best value for money is being obtained in the procurement of goods and services. The financial controls are subject to an annual audit prior to the production of the annual company accounts.

**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 the academy trust's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in The Reach Free School Trust for the period from 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements.

**The Reach Free School Trust  
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**Governance statement for the year ended 31 August 2021 (continued)**

**Capacity to handle risk**

The board of trustees has reviewed the key risks to which the 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 trust's significant risks that has been in place for the period from 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

**The Risk and Control Framework**

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees;
- regular reviews by the finance committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- identification and management of risks.
- delegation of authority and segregation of duties

The board of trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However the trustees have decided to designate the Finance Committee with responsibility for financial matters, along with monthly scrutiny of financial reports.

- buy-in an external audit service from Feltons

Their role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems. In particular the checks carried out in the current period included:

- testing of payroll systems
- testing of purchase systems
- testing of control accounts / bank reconciliations

On a termly basis, the Head Teacher reports to the Governing Body, through the finance committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities and annually prepares an annual summary report to the Governing Body outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

**Review of Effectiveness**

As accounting officer, Nicola Redhead (Head Teacher) has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

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

**The Reach Free School Trust  
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**Governance statement for the year ended 31 August 2021 (continued)**

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

Approved by order of the members of the board of trustees on .....and signed on its behalf by:

.....

Name  
Chair of Trustees

.....

Name  
Accounting Officer