

# **AP Challenge Trust**

## **Annual Report and Unaudited Financial Statements**

31 August 2024

Charity Registration Number  
1170872 (England and Wales)

## **Legal and administrative information**

<b>Trustees</b>	N Basden T Corbett S Evans S Griffith J Hepburn
-----------------	---

<b>Principal address</b>	Galena House 8-30 Galena Road London W6 0LT
--------------------------	--

<b>Charity registration number</b>	1170872 (England and Wales)
------------------------------------	-----------------------------

<b>Bankers</b>	Metro Bank One Southampton Row London WC1B 5HA
----------------	---

## Contents

### Reports

Trustees' report	4
------------------	---

### Financial Statements

Statement of financial activities	13
Balance sheet	10
Principal accounting policies	11
Notes to the financial statements	134

The Trustees of the Trust present their statutory report together with the accounts of AP Challenge Trust ('the Trust') for the year ended 31 August 2024.

The accounts have been prepared in accordance with the accounting policies set out on pages 10 to 12 of the attached accounts and comply with the Trust's Constitution, applicable laws, accounting standards (United Kingdom Generally Accepted Accounting Practice) and 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 United Kingdom and Republic of Ireland (FRS 102).

### **Objectives and activities**

The Trust was established as a Charitable Incorporated Organisation (CIO) on 21 December 2016. The Trust's objects are the advancement of education for the public benefit. The policies adopted in furtherance of these objects are to provide grants, other finance, services, advocacy/advice/information and to act as a resource body. There has been no change in these objectives during the year.

The Board of Trustees have paid due regard to guidance on public benefit issued by the Charity Commission in deciding what activities the Trust should undertake.

The Trust is a Charitable Trust with the continued purposes of spreading best practice within the Alternative Provision (AP) school network, building a strong AP community, and promoting the successes of strong AP schools for students who have been excluded or are at risk of exclusion from mainstream education. The year 2022-23 was a period where AP Challenge Trust was connected to members, listening to their various needs, especially after the pandemic, and during a time of high truancy among young people.

There have been a series of focus group meetings of AP heads with the DfE, that are hoped to inform education policy going forward. The earlier White Paper stating the intention that by 2030 all schools will have already joined, or be in the process of joining, a multi-academy trust (MAT), has been amended. Now single AP academies can stay independent, and therefore focus on the unique range of needs of their students, some of the most vulnerable in society.

The Green Paper in March 2022 reports that '82.7% of children and young people in alternative provision were identified with SEN. In state place-funded alternative provision in January 2021, 24.0% of pupils had an EHCP and 58.7% received SEN Support. The most common primary type of need was SEMH (78.3%).'<sup>1</sup>

Since 2023, SEN needs have increased further. The SEN Report for 2023/24 shows the percentage of all pupils with an EHC plan has increased to 4.8%, from 4.3% in 2023. The percentage of pupils with SEN (SEN support) but no EHC plan has increased to 13.6%, from 13.0% in 2023.

The AP community welcomes the attention on SEND needs, but it is concerned that increased pressure on APs to take more students without documented needs is placing pressure on our ability to deliver services to those with documented needs.

---

<sup>1</sup> HM Government *SEND Review: Right Support, Right Place, Right Time* March 2022-  
<https://www.gov.uk/government/consultations/send-review-right-support-right-place-right-time>

It seems now, more than ever, the value of an organisation that can bring the AP sector together to continue to allow their voice to be heard, to encourage the sharing of best practice, and to showcase the best outcomes for children needing the most careful input cannot be overestimated. The main issue is that APs are constantly short of resources, especially senior people, given the unpredictable high need of students.

### **Achievements and performance**

AP Challenge Trust is governed by five trustees who have between them a strong background in: education, finance, legal, and management consulting. They use their experience to help form the strategy for AP Challenge Trust as it supports the current member network of AP Free Schools. There have been online meetings of the AP Members since the pandemic, as it is easier for all to meet that way. Many of the Outstanding AP heads know each other, especially among the original Free School community.

### **Plans for the future**

The AP Challenge Trust continues to communicate with and support its member schools. The trust also seeks to amplify this support through ongoing talks with a larger membership organisation which can offer broader structures and networks, and a louder voice. It is difficult for the AP Members to access the benefits of the larger membership organisation as it requires time away from APs for the senior managers, as well as large annual fees.

### ***Financial Impact***

Ever since the Covid-19 pandemic, the donations from Westside Community Enterprises Limited (see note 1) have been greatly affected.

Our fundraising strategy has considered the impact of this reduced income on the Trust and has responded by seeking to have a mixture of donor and grant funding to spread the risk. The Trustees continue to monitor the finances and have kept a cap on expenditure by employing part-time personnel to handle accounts, and IT. There are no premises costs.

### **Financial review**

#### ***Results for the year***

A summary of the year's results can be found on page 8 of this report and accounts.

Income amounted to £ £0 (2023 – £0), of which £ 0 (2023 – £0) was received from donations. £0 (2023 – £0) was derived from other donations. This was due to the strategy to join a larger organisation.

Expenditure amounted to £18,140 (2023 – £5,120). This balance comprised £ 0 (2023 – £0) of staff costs and £540 (2023 – £1,520) of support costs.

**The accounts for 2024 show a net decrease in funds of £ £17,673 (2023 – net decrease of £4,872).**

The total net assets in the balance sheet of £ £31,471 (2023 – £49,144) are stated at market value and funds are unrestricted.

It is confirmed that the Trust's funds and anticipated income for the coming year is adequate to fulfil the planned charitable activities of the Trust.

**Financial review** (continued)

***Reserves policy***

The policy of the Trust is that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six months' expenditure. The board of Trustees considers that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the Trust's current activities while consideration is given to ways in which additional funds may be raised.

At 31 August 2024, the free reserves of the Trust amounted to £31,471 (2023 – £49,144), which the Trustees believe is sufficient in the above context.

**Governance, structure and management**

***Appointment of Trustees and key management personnel***

All Trustees have given their time freely and no Trustee remuneration was paid in the year. Trustees are appointed by the existing board, selected to meet the needs of the Trust.

A new Trustee or new Trustees may be appointed at any time (either by way of replacement or addition). Trustees serve for three years after which they may put themselves forward for re-appointment. The Trustee Board shall consist of at least two persons but (unless otherwise determined by the Trustees) there shall be no maximum number of Trustees that may be appointed.

A Trustee may be appointed or discharged by a resolution of a meeting of the Trustees, provided that a memorandum declaring such appointment or discharge shall be signed as a deed, either at the meeting by the person presiding or in some other manner directed by the meeting and affected by two persons present at the meeting.

The Trustees meet as often as it needs to be effective. At Trustees' meetings, the Trustees agree the board strategy and areas of activity, including considering grant making, investment, reserves and risk management policies and performance.

## **Governance, structure and management (continued)**

### ***Risk management***

The Trustees have considered the major risks to which the Trust is exposed and have reviewed those risks and established systems and procedures to manage those risks.

The major operational risk is the extent to which our grants successfully meet the Trust's objectives. The Trustees manage this risk by retaining Trustees and an advisor of sufficient expertise as well as gaining advice from other experts in the field so as to ensure that their activities continue to meet our charitable objectives.

### ***Statement of Trustees' responsibilities***

The Trustees are responsible for preparing the Trustees' report and accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Trust and of the incoming resources and application of resources of the Trust 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 Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102);
- ◆ make judgements and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom 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 Trust will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Trust and enable them to ensure that the accounts comply with the Charities Act 2011, applicable Charity (Accounts and Reports) Regulations and the provisions of the governing documents. They are also responsible for safeguarding the assets of the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Trustees on

and signed on their behalf by:

Trustee

**Statement of financial activities** Year to 31 August 2024

	Notes	<b>Total funds 2024 £</b>	<b>Total funds 2023 £</b>
<b>Income from:</b>			
Income -Donations	1	-	-
Interest Income		<b>467</b>	248
<b>Expenditure on:</b>			
Charitable activities	2	<b>(18,140)</b>	(5,120)
<b>Net (expenditure) income for the year and net movement in funds</b>		<b>(17,673)</b>	(4,872)
<b>Reconciliation of funds:</b>			
At 1 September 2023		<b>49,144</b>	54,016
At 31 August 2024		<b>31,471</b>	49,144

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure is derived from continuing operations during the above two financial periods.



**Balance sheet** 31 August 2024

	Notes	2024 £	2024 £	2023 £	2023 £
<b>Current assets:</b>					
Debtors	7			—	
Cash at bank and in hand		<b>31,471</b>		49,144	
				49,144	
<b>Creditors:</b> amounts falling due within one year					
	8	<b>0</b>		0	
<b>Net current assets and net assets</b>			<b>31,471</b>		49,144
<b>The funds of the Trust:</b>					
Unrestricted income funds			<b>31,471</b>		49,144

Approved by the board of Trustees and signed on their behalf by:

Trustee

Date:

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the accounts are laid out below.

Westside Education Trust is a Charitable Incorporated Organisation (CIO).

#### **Basis of preparation**

These accounts have been prepared for the year to 31 August 2023. Comparative information is provided in respect to the year to 31 August 2022.

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these accounts.

The accounts have been prepared in accordance with 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 United Kingdom and Republic of Ireland (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The Trust constitutes a public benefit entity as defined by FRS 102.

The accounts are presented in sterling and are rounded to the nearest pound.

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

Preparation of the accounts requires the Trustees to make significant judgements and estimates.

The items in the accounts where these judgements and estimates have been made include the allocation of support costs.

#### **Assessment of going concern**

The Trustees have assessed whether the use of the going concern assumption is appropriate in preparing these accounts. The Trustees have made this assessment in respect to a period of one year from the date of approval of these accounts.

#### **Assessment of going concern (continued)**

The Trustees are of the opinion that the Trust will have sufficient resources to meet its liabilities as they fall due.

#### **Income recognition**

Income is recognised in the period in which the Trust has entitlement to the income, the amount of income can be measured reliably and it is probable that the income will be received.

Donations are recognised when the Trust has confirmation of both the amount and the settlement date. In the event of donations pledged but not received, the amount is accrued for where the receipt is considered probable. In the event that the donation is subject to conditions that require a level of performance before the Trust is entitled to the funds, the income is deferred and not recognised until either the conditions are fully met, or the fulfilment of these conditions are wholly within the control of the Trust and it is probable that these conditions will be fulfilled in the reporting period.

#### **Expenditure recognition**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Trust to make a payment 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.

All expenditure is accounted for on an accruals basis. Expenditure comprises direct costs and support costs.

Expenditure on charitable activities comprises staff costs and support costs.

All expenditure is statement inclusive of irrecoverable VAT.

#### **Allocation of support and governance costs**

Support costs represent indirect charitable expenditure. In order to carry out the primary purposes of the Trust it is necessary to provide support in the form of administrative services.

Governance costs comprise the costs involving the public accountability of the Trust (including audit costs) and costs in respect of its compliance with regulation and good practice.

Support costs and governance costs are apportioned directly to the one charitable activity.

#### **Debtors**

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid.

#### **Cash at bank and in hand and short term deposits**

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition. Deposits for more than three months but less than one year have been disclosed as short term deposits.

#### **Creditors**

Creditors 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. Creditors are recognised at the amount the Trust anticipates it will pay to settle the debt.

#### **Fund structure**

The unrestricted income fund represents funds available for the general charitable purposes of the Trust at the discretion of the Trustees.

## **Principal accounting policies** 31 August 2024

### **Cash flow**

The accounts do not include a statement of cash flow because the Trust is exempt from the requirement to prepare such a statement under the Charities SORP (FRS 102).

**1 Income from: donations**

	<b>Total 2024 £</b>	<b>Total 2023 £</b>
Donations		
. Westside Community Enterprises Limited	-	-
. Other gifts and donations	-	-
	<b>-</b>	<b>-</b>

**2 Expenditure on: charitable activities**

	<b>Total 2024 £</b>	<b>Total 2023 £</b>
Staff costs (note 5)	-	-
Support costs (note 3)	-	-
Governance costs (note 4)	-	-
Westside School – Alumni Support	<b>14,000</b>	-
	<b>14,000</b>	<b>-</b>

**3 Support costs**

	<b>Total 2024 £</b>	<b>Total 2023 £</b>
Website costs	<b>101</b>	1,104
Travel and subsistence	-	-
Insurance	<b>439</b>	416
Bank charges	-	-
<b>Total</b>	<b>540</b>	<b>1,520</b>

**4 Governance costs**

	<b>Total 2024 £</b>	<b>Total 2023 £</b>
Independent examiner's remuneration – current year	-	-
Accountancy fees	<b>3,600</b>	3,600
Governors' meeting expenses	-	-
<b>Total</b>	<b>3,600</b>	<b>3,600</b>

**5 Staff costs and Trustees' remuneration**

	<b>2024 £</b>	<b>2023 £</b>
Gross salaries	-	-
Employers Pension Contributions	-	-
Social security costs	-	-
	-	-
Consultancy fees	-	-
	<b>-</b>	<b>-</b>

**6 Staff costs and Trustees' remuneration (continued)**

There was [no employee] employee during the year (2024 – one employee) who was involved in the co-ordination and direction of the work of the Trust. No employees received remuneration in excess of £60,000 during the year (2023 – none).

No Trustee received any remuneration in respect of their services during the period (2024 – none).

No Trustees were reimbursed for expenditure incurred in the performance of their duties during the period (2023 – none).

The key management personnel of the Trust in charge of directing and controlling the Trust comprise the Trustees. The total remuneration (including taxable benefits but excluding employer's pension contributions) of the key management personnel for the period was £ 0 (2023 – £nil).

**7 Taxation**

AP Challenge Trust is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

**8 Debtors: amounts falling due within one year**

	2024 £	2023 £
Other debtors	-	—

**9 Creditors: amounts falling due within one year**

	2024 £	2023 £
Accruals and deferred income	-	-
	-	-

**10 Related party transactions**

No Related party transactions