

REGISTERED COMPANY NUMBER: 08319098 (England and Wales)

Report of the Trustees and
Financial Statements
for the Year Ended 31 August 2024
for
Walkwood Academy Trust

Thorne Widgery Accountancy Ltd
Chartered Accountants
Statutory Auditors
2 Wyevale Business Park
Kings Acre
Hereford
Herefordshire
HR4 7BS

Walkwood Academy Trust

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for the Year Ended 31 August 2024

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Walkwood Academy Trust

Reference and Administrative Details
for the Year Ended 31 August 2024

MEMBERS: A Representative of (Worcester Diocese Academy Trust)
Councillor J Beecham
Fr G T Reading
Mr K D Muir (resigned 10.1.24)

TRUSTEES Rev C Leach (Principal) (resigned 31.12.23)
Mr K D Muir (Chair of Finance) (resigned 10.1.24)
Fr G T Reading Vice Chair (resigned 30.11.23)
Mrs S Battle-Welch
Mrs J Power (Chair of Trustees)
Mr C R Onens (resigned 14.12.23)
Mr S Khan (resigned 14.12.23)
Mr M Gee (Chair of finance) (appointed 11.12.23)
Mr B Allbut (Vice-Chair) (appointed 11.12.23)
Mr R Dalton (appointed 11.12.23) (resigned 22.2.24)

SENIOR MANAGEMENT TEAM
Mrs C Lowe, Headteacher (from 01.07.24)
Rev C Leach, Principal (until 31.12.23)
Mrs M Johnson, Assistant Headteacher
Mr S West, Assistant Headteacher
Mrs D Timmins, Assistant Headteacher
Mrs L Cull, Assistant Headteacher
Mr A Hewitt, Business Leader (until 29.02.24)
Mrs S Spence, Interim CFO (from Autumn 24)

COMPANY SECRETARY Mrs S Spence

REGISTERED OFFICE Walkwood Church of England Middle School
Feckenham Road
Headless Cross
Redditch
Worcestershire
B97 5AQ

REGISTERED COMPANY NUMBER 08319098 (England and Wales)

AUDITORS Thorne Widgey Accountancy Ltd
Chartered Accountants
Statutory Auditors
2 Wyevale Business Park
Kings Acre
Hereford
Herefordshire
HR4 7BS

SOLICITORS Browne Jacobson LLP
Mowbray House
Castle Meadow Road
Nottingham
NG2 1BJ

Walkwood Academy Trust

Reference and Administrative Details
for the Year Ended 31 August 2024

BANKERS

Lloyds Bank Plc
PO Box 1000
BX1 1LT

Walkwood Academy Trust

Report of the Trustees for the Year Ended 31 August 2024

The trustees who are also directors of the academy trust for the purposes of the Companies Act 2006, present their report with the financial statements of the academy trust for the year ended 31 August 2024. The trustees have adopted the provisions of 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) (effective 1 January 2019) and the Academies Accounts Direction issued by the Education and Skills Funding Agency.

The annual report serves the purpose of both a Trustees' report and a Directors' report under company law.

The Trust operates an academy for pupils aged 9 to 13 in Redditch (Years 5, 6, 7 and 8). It has a pupil capacity of 168 in each year group and had a roll of 664 in the school census on 1 October 2023.

OBJECTIVES AND ACTIVITIES

Objects and Aims

The principal object and activity of Walkwood Academy Trust is to advance for the public benefit education in the United Kingdom, in particular by establishing, maintaining, carrying on, managing and developing a school, offering a broad and inclusive curriculum for all pupils with Christian distinctiveness underpinning our work.

Our Vision:

In our inclusive community,
Each valued individual is taught self-belief
We are resilient and optimistic,
Caring for ourselves and our peers.
We are Children of God, with hope,
Awe and wonder in our hearts.

Our Bible verse:

Be kind to one another, tender-hearted, forgiving one another, as God in Christ forgave you. Ephesians 4:32

With the Christian vision at the heart of our work, our mission is to continue to provide a high quality, balanced education to pupils in an enquiring and supportive environment. Experienced and subject specialist teaching staff are dedicated to developing each individual pupil's wellbeing while inspiring them to achieve their goals and to excel in lessons.

We aim to inspire every child to achieve their very best, and make a valuable contribution to the Walkwood community. We want all children attending the school to become life-long learners who are curious about the world around them and are creative in their exploits while caring for others and themselves. We seek to enable our pupils to make informed choices, becoming increasingly independent and playing their part in the community. We offer pupils a spiritual dimension that is distinctively Christian and also honours other faiths and those people who profess no faith.

Our school:

- Values each individual as a unique creation in the image of God.
- Allows each person to grow personally, socially and spiritually as they explore their God-given potentials.
- Delivers a broad curriculum that allows knowledge, learning skills and fruitful living to be intertwined.

OBJECTIVES AND ACTIVITIES

Significant activities

The priorities over the last year can be summarised as:

To raise attainment outcomes in reading, SPAG, writing and maths at KS2 to ensure outcomes are at least in line with national expectation.

- Robust assessment and analysis enable accurately sequenced planning that meets the needs of all pupils.
- Consistent and effective adaptation to enable all pupils to fully access the curriculum.
- Meaningful and impactful feedback for pupils enhances progression.
- Regular and pertinent opportunities to review and build upon prior knowledge.
- High expectation for pupils in approach to their learning and the quality of work that is produced.
- Responsive and impactful use of intervention to swiftly close gaps in learning.
- Robust assessment on entry in year 5 and increased focus on progress of pupils and curriculum content in preparation for year 6.
- Enhanced transition opportunities from First school.

To raise attainment outcomes in reading, writing and maths at KS3 to ensure outcomes are at least in line with national expectation; Year 8 pupils are fully prepared for transition to secondary school.

- Robust assessment and analysis enable accurately sequenced planning that meets the needs of all pupils.
- Consistent and effective adaptation.
- Meaningful and impactful feedback for pupils enhances progression.
- Regular and pertinent opportunities to review and build upon prior knowledge.
- High expectation for pupils in approach to their learning and the quality of work that is produced.
- High quality transition opportunities.

Pupils can fully access an inspiring and appropriately challenging, broad and balanced curriculum that meets the needs of all learners.

- Sequenced curriculum that effectively builds on prior knowledge.
- Robust monitoring and assessment systems that accurately inform planning.
- High expectations for all learners and appropriate levels of challenge.
- Effective adaptation ensures all learners can consistently access the provision.
- High pupil engagement through active learning.

Strong behaviours for learning enable pupils to fully access the curriculum and make at least expected progress from their starting points.

- Behaviour is consistently good across the school.
- Engaging curriculum enables strong learning behaviours.
- Children demonstrate readiness and passion to learn.
- Children are able to apply self-regulation strategies.
- Minimal suspensions - below 1.5% suspension rate per term.

Public benefit

The Trustees confirm they have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the Charity commission's general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Academy's aims and objectives and in planning its future activities.

The Academy provides facilities for recreational and other leisure time occupation for the community at large in the interests of social welfare and with the interest of improving the life of the said community.

Report of the Trustees
for the Year Ended 31 August 2024

ACHIEVEMENT AND PERFORMANCE

Charitable activities

The school has continued to provide a curriculum that is broad and balanced, as well as being developed through the four years to show progression of knowledge and skills within each of the subjects that children study. The curriculum intent is rooted within our visions and values, taking careful consideration of the context of the pupils to enable all to flourish. The same principles are applied by each subject based on the curriculum being supplied.

The table below displays Key Stage Two SATs outcomes. Please note that during the COVID period there was no external SATs data.

Table 1: Key stage two pupils achieving expected standard compared to National Average.

Expected Standard		Maths %		Reading %		SPaG %		Writing %		Combined %	
2022	Walkwood	59		67		67		74		47	
	National	71	-12	74	-7	72	-5	69	+5	59	-12
2023	Walkwood	52		65		54		71		44	
	National	73	-21	73	-8	72	-18	71	0	59	-15
2024	Walkwood	64		66		60		60		46	
	National	73	-9	74	-8	72	-12	72	-12	61	-15

Table 2: Key stage two pupils achieving expected standard compared to National Average.

	Greater Depth	Maths %	Reading %	SPaG %	Writing %	Combined %
2022	Walkwood	14%	17%	19%	21%	6%
2023	Walkwood	11%	18%	16%	21%	7%
2024	Walkwood	11%	21%	15%	12%	5%

Key financial performance indicators

The main financial performance indicator is the level of reserves held at the Balance Sheet date, in particular, the management of spending against General Annual Grant (GAG). In the period under review, the GAG fund was in deficit by £193,104 (2023: £155,865 deficit).

As funding is based on pupil numbers, this is also a key performance indicator. Pupils on roll per the October census are as follows:

Year	No
2024	663
2023	664
2022	652

Another key financial performance indicator is staffing costs as a percentage of ESFA GAG and other ESFA/DfE grant income. For the 2023-2024 academic year this was 101.6% (2023: 89.6%). Staff costs will be reviewed and the increase in costs are being supported by other income.

The Academy uses several benchmarks or performance indicators to evaluate its financial performance and drive budgetary control and monitoring. The key financial performance indicators of the Academy are the level of cash held and the progress against the recovery plan agreed with the ESFA.

FINANCIAL REVIEW

Financial position

During the Year Ended 31 August 2024, the Academy received total income of £4,542,712 (2023: £3,926,832) and incurred total expenditure of £4,669,230 (2023: £4,491,864). The excess of expenditure over income for the year was £126,518 (2023: £596,790). The reserves position of the Academy as at 31 August 2024 can be seen on the balance sheet.

The Academy operates integrated curriculum and financial planning so that the staffing and curriculum costs can be met within the school's budget.

At 31 August 2024 the net book value of fixed assets was £6,036,686 (2023: £6,184,106) and movements in tangible fixed assets are shown in the notes to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

The land, buildings and other assets were transferred to the Academy upon conversion. Land and buildings were professionally valued in March 2013 at £6.668m. Other assets have been included in the financial statements at a best estimate, taking into account purchase price and remaining useful lives.

Principal funding sources

Most of the Academy income is obtained from the DfE via the ESFA in the form of recurrent grants, the use of which is restricted to its particular purposes. The grants received from the DfE during the year and the associated expenditure are shown as restricted funds in the statement of financial activities.

The Academy also receives grants from Fixed Assets from the DfE which 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 useful life of the assets concerned, as defined in the Academy's accounting policies.

Investment policy and objectives

Any excess monies are put on short-term deposits to obtain the best returns possible.

Reserves policy

The governors review the reserve levels of the Academy annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Academy's current level of unrestricted reserves (total funds less the amount held in fixed assets and restricted funds) is £100,367 (2023: £98,884), all of which is free reserves. The level of general restricted reserves excluding pension and fixed assets is £193,104 in deficit (2023: £155,865 deficit).

The reserves are held to ensure that there is sufficient monies available to pay at least one month's salaries. The use of Good Estate Management for Schools and an updated Risk Register will allow planned expenditure on specific matters.

FINANCIAL REVIEW

Going concern

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

The school's reputation within the community remains strong and the commitment of current parents and carers to recommend the school is positive. This interest in the school and its commitment to both pastoral care and the broad curriculum offer ensures numbers on role of good and there is currently no indication to suggest that pupil numbers shall decrease in Year 5. The school has been affected by inflationary pressures, and there are on-going additional costs associated with expenditure, and school leaders are aware of the need to continue to maintain the premises to provide a safe, comfortable and pleasant place for children and staff to work.

The Trust has negative reserves and the CEO, Interim CFO and Trustees have been working closely with a School Resources Management Advisor, the ESFA and the DFE. Given the financial position that faced the Academy it was issued with a Financial Notice to Improve (FNTI) on 22nd March 2024 which sets out the conditions against which the Trust must provide evidence for. Following receipt of the FNTI the Academy are currently developing a financial recovery plan. The most significant steps are to develop a highly sensitive integrated curriculum planning model that models a series of key variables including contact ratio, pupil to teacher ratio and average class size.

Funds in deficit

General annual grant fund are in deficit at the year end by £193,104 (2023: 155,865 deficit). The trust has been issued with a financial notice to improve in March 2024 and is working to resolve the deficit. For more detail please refer to Going Concern.

FUTURE PLANS

The academy will continue to strive to provide high quality education and effectively develop the levels of performance of its pupils at all levels. Walkwood Academy Trust will continue to effectively manage spend at all levels.

The Academy will continue to work with partner schools to improve the educational opportunities for students in the wider community and will continue to develop the school buildings to provide an engaging and stimulating learning environment.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Charity constitution

The academy was incorporated on 5 December 2012 and opened as an academy on 1 January 2013 and 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 Trustees of Walkwood Academy Trust are also the directors of the charitable company for the purposes of company law. The charitable company operates as Walkwood Academy Trust trading as Walkwood Church of England Middle School.

Details of the Trustees who served throughout the year, and to the date the accounts are approved, are included in the reference and Administrative Details.

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/she is a member, or within one year after he/she ceases 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.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Trustees' Indemnities

Trustees benefit from indemnity insurance purchased at the Academy's expense to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy, provided that any such insurance shall not extend to any claim arising from any act or omission in which the Trustees knew to be a breach of trust or a breach of duty or which was committed by the trustees in reckless disregard to whether it was a breach of trust or breach of duty or not and provided also that any insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Trustees in their capacity as Directors of the Academy. The limit of this indemnity is £10,000,000 for any one loss and any one membership year.

Method of recruitment and appointment or election of Trustees

On 1 January 2013 the Trustees appointed all those Trustees that served the predecessor school to be Trustees of the newly formed Academy. These Trustees were appointed for a term of office that would end when their original term at the predecessor school would have ended, thus ensuring a staggered re-election or replacement process.

The Academy's Board of Trustees comprises the Principal, a minimum of 4 Parent Trustees, up to 3 staff Trustees (providing that the total number of Trustees, including the Principal, who are employees of the Academy Trust, does not exceed one third of the Total number of Trustees). And up to 8 other Trustees.

The academy trust shall have the following Trustees as set out in its Articles of Association and funding agreement;

- Up to 4 Trustees who are appointed by members.
- Up to 4 Parent Trustees who are elected by parents of registered pupils at the Academy.
- Up to 3 staff Trustees appointed by Staff at the Academy.
- Up to 3 foundation Trustees who are appointed by the Trustee Board.
- The Principal who is treated for all purposes as being an ex officio Governor.

Trustees are appointed for a one to four year period, except that this time limit does not apply to the Principal. Subject to remaining eligible to be a particular type of Trustee, any Trustee can be re-appointed or re-elected.

When appointing new Trustees, the board will give consideration to the skills and experience mix of existing Trustees in order to ensure that the Board has the necessary skills to contribute fully to the Academy's development.

The DfE's strong preference is that no-one other than a senior executive leader (if Members so appoint) can serve as trustees has been enacted.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational structure

The board of Trustees normally meet every half term. They establish an overall framework for the governance of the Academy and determine membership, terms of reference and procedures of committees and other groups. It receives reports including policies for ratification. The Trustees may from time to time establish working groups to perform specific tasks over a limited timescale.

The following decisions are reserved to the Board of Trustees: to consider any proposals for changes to the status or constitution of the Academy and its committee structure, to appoint or remove the Chair and/or Vice Chair, to appoint the principal and clerk to the Trustees, to approve the Annual Development Plan and budget.

The Trustees are responsible for setting general policy, adopting an annual plan and budget, approving the statutory accounts, monitoring the Academy by the use of budgets and other data, and making major decisions about the direction of the Academy, capital expenditure and staff appointments.

The Trustees and Board of Trustees have devolved responsibility for day to day management of the Academy to the Principal and Senior Leadership Team. The Senior Leadership Team comprises the Principal and four Assistant Principals. The Senior Leadership Team implement the policies laid down by the Trustees and report back to them on performance.

The Academy has a leadership structure which consists of the Trustees, The Senior Leadership Team and Business Leader. The aim of the leadership structure is to devolve responsibility and encourage involvement in decision making at all levels.

The Senior Leadership Team and the CFO are responsible for the authorisation of spending within agreed budgets. Some spending control is devolved to Budget Holders which must be authorised in line with the Academy's Finance Policy. The Headteacher is responsible for the appointment of staff.

The Headteacher is the Accounting Officer.

Induction and training of new Trustees

The training and induction provided for new Trustees will depend upon their existing experience but will always include a tour of the Academy and a chance to meet staff and pupils. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees. As there are normally only two or three new Trustees a year, induction tends to be done informally and is tailored specifically to the individual. Advantage is taken of specific courses offered by the Diocese of Worcester and other bodies.

Key management remuneration

The Trustees consider the Board of Trustees and the Senior Leadership Team comprise the key management personnel of the Academy in charge of directing and controlling, running and operating the Trust on a day to day basis. All Trustees give their time freely and no Trustee received remuneration in the year.

Details of the Trustees' expenses and related party transactions are disclosed in the notes to the accounts.

The pay of key management personnel is reviewed annually and normally increased in accordance with average earnings. The national pay policy is used to set remuneration levels.

Related parties

There are no related parties which either control or significantly influence the decisions and operations of Walkwood Academy Trust. There are no sponsors associated with the Academy.

The Academy has ongoing collaborative links with other schools in the areas who operate three-tier provision.

Walkwood Academy Trust

Report of the Trustees
for the Year Ended 31 August 2024

STRUCTURE, GOVERNANCE AND MANAGEMENT

Financial and Risk Management Objectives and Policies

The Academy has taken on the deficit in the Local Government Pension Scheme in respect of its non teaching staff transferred on conversion. The deficit is incorporated within the statement of Financial Activity with details in the pensions notes in the financial statements.

Key financial policies adopted or reviewed during the year include the Finance Policy which lays out the framework for financial management, including financial responsibilities of the Board, Principal, Managers, Budget holders and other staff, as well as delegated authority for spending.

PRINCIPAL RISKS AND UNCERTAINTIES

The Board of Trustees has reviewed the major 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 principal risks and uncertainties facing the Academy are as follows:

Financial - the Academy has considerable reliance on continued Government funding through the ESFA. In the last year 94.8% (2023: 94.3%) of the Academy's incoming resources were ultimately Government funded and whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms. Walkwood Academy Trust is located in the poorly funded county of Worcestershire and the school continues to work hard to reduce spend.

Failures in governance and/or management - the risk in this area arises from potential failure to effectively manage the Academy's finances, internal controls, compliance with regulations and legislation, statutory returns etc. The Trustees continue to review and ensure that appropriate messages are in place to mitigate these risks.

Reputations - The ongoing success of the Academy is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk, Trustees ensure that student success and achievement are closely monitored and reviewed.

Safeguarding and Child Protection - the Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health and safety and discipline.

Staffing - the success of the Academy is reliant upon the quality of its staff and so the Trustees monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning.

Fraud and management of funds - The Academy has appointed a responsible officer / internal audit to carry out checks on financial systems and records as required by the Academy Financial Handbook. All finance staff receive training to keep them up to date with financial practice requirements and develop their skills in this area.

The trustees responsibilities for risks relating to the school's estate are managed by adherence to the DfE's Good Estates Management for Schools (GEMS). The main areas covered are:

- o A cycle of condition surveys for premises
- o Allocation of budget for preventative maintenance
- o CIF bid requirements assessed and prepared by a third party
- o Compliance inspections scheduled in line with current regulations
- o Relevant staff trained in all areas for regulated inspections and reporting

A risk register is maintained and reviewed and updated on a regular basis.

The Academy has agreed a Risk Management Strategy, a Risk Register and a Risk Management Plan. These have been discussed by trustees and include the financial risks to the academy. The register and plan are regularly reviewed in light of any new information and formally reviewed annually.

The Trustees regularly assess the major risks to which the academy is exposed, in particular those relating to its finances, teaching, facilities and other operational areas. The Trustees have implemented a number of systems to assess and minimise those risks, including a recovery plan and internal controls described elsewhere.

The Trustees examine the financial health formally six times a year, this being once each half term. They review performance against budgets and overall expenditure by means of regular update reports at all Board and Finance Committee meetings.

Walkwood Academy Trust

Report of the Trustees
for the Year Ended 31 August 2024

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS


So far as the trustees are aware, there is no relevant information (as defined by Section 418 of the Companies Act 2006) of which the academy trust's auditors are unaware, and each trustee has taken all the steps that they ought to have taken as a trustee in order to make them aware of any audit information and to establish that the academy trust's auditors are aware of that information.

So far as the trustees are aware, there is no relevant information (as defined by Section 418 of the Companies Act 2006) of which the charitable company's auditors are unaware, and each trustee has taken all the steps that they ought to have taken as a trustee in order to make them aware of any audit information and to establish that the charitable company's auditors are aware of that information.

AUDITORS

The auditors, Thorne Widgey Accountancy Ltd, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on *19th December 2024* and signed on its behalf by:


.....
Mrs J Power - Trustee

Walkwood Academy Trust

Governance Statement

for the Year Ended 31 August 2024

SCOPE OF RESPONSIBILITY

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

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

The board of trustees has delegated the day-to-day responsibility to the Principal, 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 Walkwood Academy Trust 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.

The Trustees consider that the Board and its Committees combined, meet adequately and regularly over the course of the year in order to discharge their responsibilities and have robust and effective management arrangements.

GOVERNANCE

The information on governance included here supplements that described in the Report of the Governors and in the Statement of Governors Responsibilities. The board of governors has formally met 7 times during the year. Attendance during the year at meetings of the board of governors was as follows:

Governor		Meetings Attended	Out of a possible
Mrs S Battle-Welch		6	7
Mr S Khan (resigned 14.12.23)		3	3
Rev C Leach (resigned 31.12.23)		0	3
Mr K Muir (resigned 10.04.24)		3	3
Mr C Onens (left 13.12.23)		3	3
Mrs J Power	Chair	6	7
Father G Reading (resigned 30.11.23)	Vice-Chair	1	2
Mr B Allbutt (appointed 11.12.23)	Vice-Chair	5	5
Mr M Gee (appointed 11.12.23)		5	5
Mr R Dalton (appointed 11.12.23) (resigned 22.02.24)		1	2
Mrs C Lowe	Headteacher	5	5

Walkwood Academy Trust

Governance Statement for the Year Ended 31 August 2024

REVIEW OF VALUE FOR MONEY

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

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

- Improved financial governance and budget management.
- Value for money purchasing.
- Reviewing controls and managing risk.
- Considering allocation/targeting/use of resources.
- Not allocating time/resources to areas where few improvements can be achieved.
- Making benchmarking comparisons with similar Academies using data provided by the ESFA and the Government.
- Challenging proposals and examining their effectiveness and efficiency.
- Deploying more staff effectively.
- Reviewing the quality of curriculum provision and the quality of teaching.
- Reviewing the quality of children's learning to enable children to achieve nationally expected progress.
- Outlining procedures for accepting best value quotes, noting that this is not necessarily the cheapest quote.
- Continue to carry out preventative maintenance to the academy's facilities and maintaining the upkeep of the school buildings to reduce the longer term costs to the Academy.

The Accounting Officer ensures that all funds allocated for capital purposes are prioritised by condition, suitability and compliance with current regulations, as a minimum. This is tracked via the use of asset management plans, which also provided a cyclical maintenance programme fully costed for budget planning purposes. Value for money is assured through maximising economies of scale for all project and maintenance programmes.

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Walkwood Academy Trust 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 RISK AND CONTROL FRAMEWORK

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

- Comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of the Trustees.
- Regular reviews by the Staffing, Premises and Commerce 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.
- Delegation of authority and segregation of duties.
- Identification and management of risks.

The board of trustees has decided:

- to use Anne Salsano as internal auditor, who is employed by The Spire Church of England Learning Trust.

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

- testing of procurement
- testing of credit card
- testing of payroll
- testing of fixed assets
- testing of inventory
- testing of cash and banking

On a quarterly basis, the auditor reports to the board of trustees, on the operation of the systems of control and on the discharge of the board of trustee's financial responsibilities and annually prepares an annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

The Internal Auditor has delivered their schedule of work as planned and control points identified have been actioned and addressed

REVIEW OF EFFECTIVENESS

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

- The work of the internal auditor
- The work of external auditors
- The financial Management and governance self-assessment process
- The work of the executive managers within the Academy who have responsibility for the development and maintenance of the internal control framework.

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

Walkwood Academy Trust

Governance Statement
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 members of the board of Trustees on *19th December 2024* and signed on its behalf by:

..... *J Power*
Mrs J Power - Trustee

..... *C Lowe*
Mrs C Lowe - Accounting Officer

Walkwood Academy Trust

Statement on Regularity, Propriety and Compliance
for the Year Ended 31 August 2024

As accounting officer of Walkwood Academy Trust 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 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 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 the following instances of material irregularity, impropriety or funding non-compliance discovered to date have been notified to the board of trustees and ESFA. If any instances are identified after the date of this statement, these will be notified to the board of trustees and ESFA.

During the first six months of the period there have been failings of the Academy Trust Handbook 2023, some of which have improved by the year end and into the start of the new financial year, including:

- failure of basic control principles,
- failure of financial planning,
- failure to accurately monitor their budget,
- poor cash management and
- failure to adhere to procurement basics

Also, a "Notice to Improve" was issued to the Academy Trust on 29 February 2024 by the Department for Education, which is currently being closely monitored.

.....
Mrs C Lowe - Accounting Officer

Date:19.12.24.....

Walkwood Academy Trust

Statement of Trustees' Responsibilities
for the Year Ended 31 August 2024

The trustees (who act as governors of Walkwood Academy Trust and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with the Academies Accounts Direction issued 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 financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, 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 estimates that are reasonable and prudent;
- prepare the financial statements 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 to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The 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 grants received from the 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 financial statements may differ from legislation in other jurisdictions.

In preparing these financial statements, the trustees are required to state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.

Approved by order of the board of trustees on *19th December 2024* and signed on its behalf by:

.....
J Power
Mrs J Power - Trustee

Report of the Independent Auditors to the Members of
Walkwood Academy Trust

Opinion

We have audited the financial statements of Walkwood Academy Trust (the 'academy trust') for the year ended 31 August 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Accounts Direction 2023 to 2024 issued by the Education and Skills Funding Agency (ESFA).

In our opinion the financial statements:

- give a true and fair view of the state of the academy trust'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 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 Auditors' responsibilities for the audit of the financial statements 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 financial statements 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.

Material uncertainty relating to going concern

We draw attention to the statement of financial activities which shows that note during the year ended 31 August 2024 the Academy has net expenditure of £126,518 (2023: net expenditure of £596,790) before actuarial gains/losses. We also draw attention to note 18 in the financial statements, which indicates that the Academy has negative restricted funds totalling £193,104 (2023: £155,865) (excluding pension and fixed assets) and £100,367 (2023: £98,884) positive unrestricted funds, giving a net deficit of £92,737 (2023: £56,981 deficit) at the year end. There are also net current liabilities of £83,311 (2023: £56,978) at the year end. The budget for 2024 -25 is currently being reviewed by the Academy to aim to improve the position as soon as possible.

Please refer to note 1 accounting policies - going concern together with note 18 in the notes to the financial statements to highlight how the Academy is addressing the deficit. If these actions were to prove to be unsuccessful, this may indicate that a material uncertainty exists and may cast doubt on the Academy's ability to continue as a going concern for the next twelve months.

Our opinion is not modified in respect of this matter.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Report of the Independent Auditors to the Members of
Walkwood Academy Trust

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 Report of the Trustees.

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the 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 academy trust or to cease operations, or have no realistic alternative but to do so.

Report of the Independent Auditors to the Members of
Walkwood Academy Trust

Our responsibilities for the audit of the financial statements

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

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained an understanding of the legal and regulatory framework applicable to both the Academy itself and the sector in which it operates. We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our sector experience and through discussion with the trustees and other management. The most significant were identified as the Department for Education, the Education and Schools Funding Agency, the Academies Financial Handbook 2023, the Academies Accounts Direction 2024, Companies Act legislation and Charities Act and FRS102 SORP legislation.

We considered the extent of compliance with those laws and regulations as part of our procedures on the related financial statements. Our audit procedures included:

- Making enquiries of management as to where they consider there to be a susceptibility to fraud and whether they have any knowledge or suspicion of fraud;
- Obtaining an understanding of the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations;
- Assessing the design effectiveness of the controls in place to prevent and detect fraud;
- Assessing the risk of management override including identifying and testing journal entries;
- Challenging the assumptions and judgements made by management in its significant accounting estimates.

Whilst our audit did not identify any significant matters relating to the detection of irregularities including fraud, and despite the audit being planned and conducted in accordance with ISAs (UK), there remains an unavoidable risk that material misstatements in the financial statements may not be detected owing to inherent limitations of the audit, and that by their very nature, any such instances of fraud or irregularity would likely involve collusion, forgery, intentional misrepresentations, or the override of internal controls.

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

Report of the Independent Auditors to the Members of
Walkwood Academy Trust

Use of our report

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



Mrs Lisa Weaver (Senior Statutory Auditor)
for and on behalf of Thorne Widgey Accountancy Ltd
Chartered Accountants
Statutory Auditors
2 Wyevale Business Park
Kings Acre
Hereford
Herefordshire
HR4 7BS

Date: 23rd December 2024

Independent Reporting Accountant's Assurance Report on Regularity to Walkwood Academy Trust and the Education and Skills Funding Agency

In accordance with the terms of our engagement 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 Walkwood Academy Trust during the period 1 September 2023 to 31 August 2024 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Walkwood Academy Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Walkwood Academy Trust's funding agreement with the Secretary of State for Education 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 Academies Accounts Direction 2023 to 2024 issued by the 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 work undertaken to draw our conclusions includes:

- detailed testing of a sample of items of income and expenditure to ensure appropriately applied for the purposes intended
- specific testing, on a sample basis, of system controls relevant to the above
- a general review of correspondence with the appropriate authorities regarding Academy governance matters during the year
- a general review and discussion of the Academy's internal procedures for establishing and maintaining systems of control and documentation regarding these matters

This work was integrated with our audit on the financial statements to the extent evidence from the conduct of that audit supports the regularity conclusion.

Independent Reporting Accountant's Assurance Report on Regularity to
Walkwood Academy Trust and the Education and Skills Funding Agency

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.

However, during the first six months of the period there have been failings of the Academy Trust Handbook 2023, some of which have improved by the year end and into the start of the new financial year, including:

- failure of basic control principles,
- failure of financial planning,
- failure to accurately monitor their budget,
- poor cash management and
- failure to adhere to procurement basics

Also, a "Notice to Improve" was issued to the Academy Trust on 29 February 2024 by the Department for Education, which is currently being closely monitored.

Thorne Widgery

Thorne Widgery Accountancy Ltd
Chartered Accountants
Reporting Accountant
2 Wyevale Business Park
Kings Acre
Hereford
Herefordshire
HR4 7BS

Date: *23rd December 2024*

Walkwood Academy Trust

Statement of Financial Activities
for the Year Ended 31 August 2024

					31.8.24	31.8.23
	Notes	General Fund £	Restricted Fixed Asset Fund £	Restricted General Fund £	Total funds £	Total funds £
INCOME AND ENDOWMENTS FROM						
Donations and capital grants	2	18,543	479,719	79,388	577,650	130,664
Charitable activities						
Funding for the academy's educational operations	3	-	-	3,827,551	3,827,551	3,666,540
Other trading activities	4	137,366	-	-	137,366	129,533
Investment income	5	145	-	-	145	95
Total		156,054	479,719	3,906,939	4,542,712	3,926,832
EXPENDITURE ON						
Charitable activities						
Academy's educational operations	7	154,572	622,860	3,891,798	4,669,230	4,523,622
Total		154,572	622,860	3,891,798	4,669,230	4,523,622
NET INCOME/(EXPENDITURE)		1,482	(143,141)	15,141	(126,518)	(596,790)
Transfers between funds	18	-	3,379	(3,379)	-	-
Other recognised gains/(losses)						
Actuarial gains/(losses) on defined benefit schemes		-	-	(49,000)	(49,000)	589,000
Net movement in funds		1,482	(139,762)	(37,238)	(175,518)	(7,790)
RECONCILIATION OF FUNDS						
Total funds brought forward		98,884	6,184,109	(155,865)	6,127,128	6,134,918
TOTAL FUNDS CARRIED FORWARD		100,366	6,044,347	(193,103)	5,951,610	6,127,128

The notes form part of these financial statements

Walkwood Academy Trust (Registered number: 08319098)

Balance Sheet
31 August 2024

	Notes	31.8.24 £	31.8.23 £
FIXED ASSETS			
Tangible assets	12	6,036,686	6,184,106
CURRENT ASSETS			
Debtors	13	111,625	154,468
Cash at bank and in hand		256,828	229,144
		<u>368,453</u>	<u>383,612</u>
CREDITORS			
Amounts falling due within one year	14	(451,764)	(440,590)
		<u>(83,311)</u>	<u>(56,978)</u>
NET CURRENT ASSETS			
		<u>5,953,375</u>	<u>6,127,128</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
CREDITORS			
Amounts falling due after more than one year	15	(1,765)	-
		<u>5,951,610</u>	<u>6,127,128</u>
NET ASSETS			
FUNDS			
Restricted funds:			
DfE capital grants		420,512	436,015
General Annual Grant		(193,104)	(155,865)
Fixed Assets on Conversion		5,425,152	5,541,274
Fixed Assets funded by GAG		84,820	90,110
Academies Capital Maintenance Fund		113,863	116,710
		<u>5,851,243</u>	<u>6,028,244</u>
Unrestricted funds:			
General fund		100,367	98,884
		<u>5,951,610</u>	<u>6,127,128</u>
TOTAL FUNDS			

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 19 December 2024 and were signed on its behalf by:


.....
Mrs J Power - Trustee

The notes form part of these financial statements

Walkwood Academy Trust

Cash Flow Statement

for the Year Ended 31 August 2024

	Notes	31.8.24 £	31.8.23 £
Cash flows from operating activities			
Cash generated from operations	1	(448,803)	(256,535)
Net cash used in operating activities		<u>(448,803)</u>	<u>(256,535)</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(3,379)	(28,948)
Capital grants from DfE/EFA		479,721	39,303
Interest received		145	95
Net cash provided by investing activities		<u>476,487</u>	<u>10,450</u>
Change in cash and cash equivalents in the reporting period		<u>27,684</u>	<u>(246,085)</u>
Cash and cash equivalents at the beginning of the reporting period		<u>229,144</u>	<u>475,229</u>
Cash and cash equivalents at the end of the reporting period		<u><u>256,828</u></u>	<u><u>229,144</u></u>

The notes form part of these financial statements

Walkwood Academy Trust

Notes to the Cash Flow Statement
for the Year Ended 31 August 2024

1. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES		
	31.8.24	31.8.23
	£	£
Net expenditure for the reporting period (as per the Statement of Financial Activities)	(126,518)	(596,790)
Adjustments for:		
Depreciation charges	150,799	150,130
Capital grants from DfE/ESFA	(479,721)	(39,303)
Interest received	(145)	(95)
Decrease/(increase) in debtors	42,843	(4,216)
Increase in creditors	12,939	220,739
Difference between pension charge and cash contributions	(49,000)	13,000
Net cash used in operations	<u>(448,803)</u>	<u>(256,535)</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.9.23	Cash flow	At 31.8.24
	£	£	£
Net cash			
Cash at bank and in hand	229,144	27,684	256,828
	<u>229,144</u>	<u>27,684</u>	<u>256,828</u>
Debt			
Debts falling due within 1 year	(5,295)	(146,470)	(151,765)
Debts falling due after 1 year	-	(1,765)	(1,765)
	<u>(5,295)</u>	<u>(148,235)</u>	<u>(153,530)</u>
Total	<u>223,849</u>	<u>(120,551)</u>	<u>103,298</u>

The notes form part of these financial statements

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Academies Accounts Direction 2023 to 2024 issued by the ESFA, the Charities Act 2011 and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

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

Going concern

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements.

The Academy's current level of unrestricted reserves (total funds less the amount held in fixed assets and restricted funds) is £100,367 (2023: £98,884), all of which is free reserves. The level of general restricted reserves is £193,104 in deficit (2023: £155,865 deficit).

The Trustees have prepared forecasts that indicate that income in the coming year is anticipated to equal expenditure for the next 3 years.

The Trustees are currently reviewing the financial position of the Academy to work towards a surplus on free reserves in the medium to long term, and the Trustees believe that the Academy will be able to continue as a going concern.

The Trustee's assessment that is appropriate to use the going concern assumption is based on the following:

- a) the Academy has adequate cash to fund its working capital requirements during this period, with additional support from the Education and Skills Funding Agency;
- b) there is no significant unbudgeted expenditure or capital expenditure, unless supported by additional funding, during this period; and
- c) income is received in line with the forecast

On this basis the Trustees have concluded that the Academy has adequate resources to continue in operational existence for the foreseeable future and thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

Income

All income is recognised in the Statement of Financial Activities once the academy trust has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Interest Receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Academy; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

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.

1. ACCOUNTING POLICIES - continued

Grants

General Annual Grant is recognised in full in the Statement of Financial Activities in the year for which it is receivable and any abatement in respect of the 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.

Donations

Donations are recognised on a receivable basis (where there are no performance related conditions), where it is probable that the income will be received and the amount can be measured reliably.

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 financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

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.

Charitable activities

Costs of charitable activities are 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.

All resources expended are inclusive of irrecoverable VAT.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated useful life.

Assets costing £2,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation any provision for impairment.

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

Notes to the Financial Statements - continued
for the Year Ended 31 August 2024

1. ACCOUNTING POLICIES - continued

Tangible fixed assets

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

Depreciation is provided on the following bases:

Long-term leasehold	- Leasehold land is depreciated over 125 years on a straight line basis. - Leasehold buildings are depreciated over 50 years on a straight line basis. - Roofing is depreciated over 20 years on a straight line basis.
Furniture and equipment	- 25% straight line basis
Computer equipment	- 33% straight line 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.

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.

Provisions

Provisions are recognised when the academy trust has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

Leased Assets

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

Investments

Any surplus funds will be invested to ensure maximum deposit.

Financial instruments

The Academy only holds basic financial instruments as defined in FRS 102. This financial assets and financial liabilities of the Academy and their measurement bases are as follows:

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in the notes to the accounts. Prepayments are not financial instruments.

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

1. ACCOUNTING POLICIES - continued

Financial instruments

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes to the accounts. 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.

Cash at bank in hand

Cash at bank and in hand includes cash and cash on deposit that has a notice period of less than 30 days.

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 part 11, chapter 3 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.

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 the funders where the asset acquired or created is held for a specific purpose.

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

Pension costs and other post-retirement 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.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy 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 on the basis of quadrennial valuations using a prospective unit credit method. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the academy 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/(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.

Notes to the Financial Statements - continued
for the Year Ended 31 August 2024

1. ACCOUNTING POLICIES - continued

Pension costs and other post-retirement benefits

The assumptions used by the actuaries in the year end LGPS pension valuation do not take account of the current inflation rates. Although this would adjust the valuation, the Trustees feel this is an arbitrary exercise which would add unnecessary additional cost in these already financially challenging times. A full triennial valuation was performed in 2022, the results of which came into effect from 1 April 2023.

Critical accounting estimates and areas of judgement

Estimates and judgement 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 (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 19, will impact the carrying out 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.

2. DONATIONS AND CAPITAL GRANTS

	Unrestricted funds £	Restricted funds £	31.8.24 Total funds £	31.8.23 Total funds £
Other grants and payments	99	4,622	4,721	2,319
Capital grants	-	479,721	479,721	39,303
School trips etc	18,444	74,764	93,208	89,042
	<u>18,543</u>	<u>559,107</u>	<u>577,650</u>	<u>130,664</u>

Donations and capital grants of £39,824 included in the comparatives related to restricted funds, and £90,840 related to unrestricted funds.

Grants received, included in the above, are as follows:

	31.8.24 £	31.8.23 £
Capital Grants	<u>479,721</u>	<u>39,303</u>

Notes to the Financial Statements - continued
for the Year Ended 31 August 2024

3. FUNDING FOR THE ACADEMY TRUST'S EDUCATIONAL OPERATIONS

	Unrestricted funds £	Restricted funds £	31.8.24 Total funds £	31.8.23 Total funds £
DfE/ESFA grants				
General Annual Grant(GAG)	-	3,279,522	3,279,522	3,139,485
Other DfE Grants	-	4,207	4,207	61,846
Sports Premium	-	19,360	19,360	19,330
Pupil Premium	-	149,455	149,455	156,902
Teachers Pay Grant	-	57,400	57,400	-
Teachers Pension Grant	-	29,670	29,670	-
Other Dfe/ESFA - Supplementary	-	111,030	111,030	91,063
		<u>3,650,644</u>	<u>3,650,644</u>	<u>3,468,626</u>
Other Government grant				
Other government grants	-	151,114	151,114	168,565
		<u>151,114</u>	<u>151,114</u>	<u>168,565</u>
COVID-19 Additional funding (DfE/ESFA)				
Covid catch up	-	25,793	25,793	29,349
		<u>25,793</u>	<u>25,793</u>	<u>29,349</u>
		<u>3,827,551</u>	<u>3,827,551</u>	<u>3,666,540</u>

The academy trust has been eligible to claim additional funding in year from government support schemes in response to the coronavirus outbreak. The funding received is shown above under exceptional government funding.

- The academy received £25k of funding for recovery premium and costs incurred in respect of this funding totalled £25k.

Income in the comparatives related to restricted funds.

4. OTHER TRADING ACTIVITIES

	Unrestricted funds £	Restricted funds £	31.8.24 Total funds £	31.8.23 Total funds £
Room and building hire	72	-	72	2,376
Catering income	136,128	-	136,128	125,592
Other income	1,166	-	1,166	1,565
	<u>137,366</u>	<u>-</u>	<u>137,366</u>	<u>129,533</u>

Income in the comparatives related to unrestricted funds.

Notes to the Financial Statements - continued
for the Year Ended 31 August 2024

5. INVESTMENT INCOME

	Unrestricted funds £	Restricted funds £	31.8.24 Total funds £	31.8.23 Total funds £
Deposit account interest	145	-	145	95

Income in the comparatives related to unrestricted funds.

6. EXPENDITURE

	Staff costs £	Non-pay expenditure Premises £	Other costs £	31.8.24 Total £	31.8.23 Total £
Charitable activities					
Academy's educational operations					
Direct costs	2,754,285	116,122	229,616	3,100,023	2,630,970
Allocated support costs	578,752	665,349	325,106	1,569,207	1,892,652
	<u>3,333,037</u>	<u>781,471</u>	<u>554,722</u>	<u>4,669,230</u>	<u>4,523,622</u>

	31.8.22 £	31.8.21 £
Operating Leases	25,607	30,981
Auditors' Remuneration	10,815	10,500
Other non-audit services	9,325	2,025
Depreciations - leased assets	116,122	116,122
Depreciations - owned assets	35,119	37,023

7. CHARITABLE ACTIVITIES - ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds £	Restricted funds £	31.8.24 Total funds £	31.8.23 Total funds £
Direct costs	18,445	3,081,578	3,100,023	2,630,970
Support costs	136,127	1,433,080	1,569,207	1,892,652
	<u>154,572</u>	<u>4,514,658</u>	<u>4,669,230</u>	<u>4,523,622</u>

	31.8.24 Total £	31.8.23 Total £
Analysis of support costs		
Support staff costs	578,752	1,060,655
Technology costs	87,457	137,389
Premises costs	665,349	418,655
Other support costs	223,657	262,802
Governance costs	13,992	13,151
Total support costs	<u>1,569,207</u>	<u>1,892,652</u>

Notes to the Financial Statements - continued
for the Year Ended 31 August 2024

8. STAFF COSTS

	31.8.24	31.8.23
	£	£
Wages and salaries	2,442,678	2,324,025
Social security costs	216,287	206,299
Operating costs of defined benefit pension schemes	579,686	555,834
	<u>3,238,651</u>	<u>3,086,158</u>
Supply teacher costs	94,386	116,846
	<u>3,333,037</u>	<u>3,203,004</u>

The average number of persons (including senior management team) employed by the academy trust during the year was as follows:

	31.8.24	31.8.23
Teachers	40	34
Administration and support	44	45
Management	4	6
	<u>88</u>	<u>85</u>

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

	31.8.24	31.8.23
£60,001 - £70,000	4	-
£80,001 - £90,000	-	1
	<u>4</u>	<u>1</u>

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 £461,466 (2023: £499,662).

9. RELATED PARTY TRANSACTIONS - TRUSTEES' REMUNERATION AND EXPENSES

The Headteacher and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Headteacher and staff under their contracts of employment, and not in respect of their services as Trustees. Other Trustees did not receive any payments, other than expenses, from the Academy Trust in respect of their role of Trustees.

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

			2024	2023
C Leach	Principal (until) 31.12.23	Remuneration	£25,000 - £30,000	£80,000 - £85,000
		Employer's pension contribution	£15,000 - 20,000	£15,000 - £20,000
C Lowe	Principal (from) 01.07.24	Remuneration	£10,000 - £15,000	£Nil
		Employer's pension contribution	£0 - £5000	£Nil

Notes to the Financial Statements - continued
for the Year Ended 31 August 2024

9. RELATED PARTY TRANSACTIONS - TRUSTEES' REMUNERATION AND EXPENSES - continued

During the year, no other Trustees received any remuneration or other benefits (2023 - £Nil).

10. 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 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.

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	General Fund £	Restricted Fixed Asset Fund £	Restricted General Fund £	Total funds £
INCOME AND ENDOWMENTS FROM				
Donations and capital grants	90,840	39,302	522	130,664
Charitable activities				
Funding for the academy's educational operations	-	-	3,666,540	3,666,540
Other trading activities	129,533	-	-	129,533
Investment income	95	-	-	95
Total	220,468	39,302	3,667,062	3,926,832
EXPENDITURE ON				
Charitable activities				
Academy's educational operations	230,861	188,635	4,104,126	4,523,622
Total	230,861	188,635	4,104,126	4,523,622
NET INCOME/(EXPENDITURE)	(10,393)	(149,333)	(437,064)	(596,790)
Transfers between funds	-	28,150	(28,150)	-
Other recognised gains/(losses)				
Actuarial gains on defined benefit schemes	-	-	589,000	589,000
Net movement in funds	(10,393)	(121,183)	123,786	(7,790)
RECONCILIATION OF FUNDS				
Total funds brought forward	109,278	6,305,292	(279,652)	6,134,918
TOTAL FUNDS CARRIED FORWARD	98,885	6,184,109	(155,866)	6,127,128

Notes to the Financial Statements - continued
for the Year Ended 31 August 2024

12. TANGIBLE FIXED ASSETS

	Long leasehold £	Improvements to property £	Fixtures and fittings £
COST			
At 1 September 2023	6,702,493	795,347	82,541
Additions	-	-	797
At 31 August 2024	6,702,493	795,347	83,338
DEPRECIATION			
At 1 September 2023	1,161,219	177,677	82,543
Charge for year	116,122	28,048	58
At 31 August 2024	1,277,341	205,725	82,601
NET BOOK VALUE			
At 31 August 2024	5,425,152	589,622	737
At 31 August 2023	5,541,274	617,670	(2)
	Motor vehicles £	Computer equipment £	Totals £
COST			
At 1 September 2023	28,150	65,768	7,674,299
Additions	-	2,582	3,379
At 31 August 2024	28,150	68,350	7,677,678
DEPRECIATION			
At 1 September 2023	3,027	65,727	1,490,193
Charge for year	6,281	290	150,799
At 31 August 2024	9,308	66,017	1,640,992
NET BOOK VALUE			
At 31 August 2024	18,842	2,333	6,036,686
At 31 August 2023	25,123	41	6,184,106

The academy were issued with a revised DFE land and buildings valuation in 2022, however the Governor's of the academy consider the original cost to be the most appropriate value at this time as the assets are still in good condition and used for the same purpose.

Land and buildings are included at an appropriate valuation upon conversion to academy status. The governing board has reviewed the valuation during the year and do not consider any impairment adjustment is necessary as the asset remains to meet its purpose of intended use and is in a good state of repair. For more details on impairment reviews please refer to the accounting policies.

Notes to the Financial Statements - continued
for the Year Ended 31 August 2024

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	31.8.24	31.8.23
	£	£
Trade debtors	95	95
VAT	10,644	57,607
Prepayments and accrued income	100,886	96,766
	<u>111,625</u>	<u>154,468</u>
14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	31.8.24	31.8.23
	£	£
Other loans (see note 16)	151,765	5,295
Trade creditors	47,947	237,115
Social security and other taxes	113,605	108,532
Other creditors	-	446
Accruals and deferred income	138,447	89,202
	<u>451,764</u>	<u>440,590</u>
	31.8.24	31.8.23
	£	£
Deferred Income at 1 September	-	9,958
Resources deferred in the year	72,688	-
Amounts released from previous years	-	(9,958)
	<u>72,688</u>	<u>-</u>

At the year end the Academy Trust was holding monies for future school trips.

15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	31.8.24	31.8.23
	£	£
Other loans (see note 16)	1,765	-
	<u>1,765</u>	<u>-</u>

16. LOANS

An analysis of the maturity of loans is given below:

	31.8.24	31.8.23
	£	£
Amounts falling due within one year on demand:		
Other loans	151,765	5,295
	<u>151,765</u>	<u>5,295</u>
Amounts falling between one and two years:		
Other loans - 1-2 years	1,765	-
	<u>1,765</u>	<u>-</u>

Included within loans is a Salix Loan. The loan is repayable in six-monthly instalments over 7 years with an applicable annual interest rate of 0%.

Also included within loans is a DFE loan of £150,000. The repayment terms for this loan are yet to be agreed.

The full value of the loans outstanding at the balance sheet date is £153,530.

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	General Fund	Restricted Fixed Asset Fund	Restricted General Fund	Total funds
	£	£	£	£
Fixed assets	-	6,036,686	-	6,036,686
Current assets	100,367	7,661	260,425	368,453
Current liabilities	-	-	(451,764)	(451,764)
Long term liabilities	-	-	(1,765)	(1,765)
	<u>100,367</u>	<u>6,044,347</u>	<u>(193,104)</u>	<u>5,951,610</u>

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

	General Fund	Restricted Fixed Asset Fund	Restricted General Fund	Total funds
	£	£	£	£
Fixed assets	-	6,184,106	-	6,184,106
Current assets	98,884	2	284,726	383,612
Current liabilities	-	1	(440,591)	(440,590)
	<u>98,884</u>	<u>6,184,109</u>	<u>(155,865)</u>	<u>6,127,128</u>

18. MOVEMENT IN FUNDS

	At 1.9.23	Net movement in funds	Transfers between funds	At 31.8.24
	£	£	£	£
Restricted general funds				
DfE capital grants	436,015	(15,503)	-	420,512
General Annual Grant	(155,865)	(33,860)	(3,379)	(193,104)
Fixed Assets on Conversion	5,541,274	(116,122)	-	5,425,152
Fixed Assets funded by GAG	90,110	(8,669)	3,379	84,820
Academies Capital Maintenance Fund	116,710	(2,847)	-	113,863
	<u>6,028,244</u>	<u>(177,001)</u>	<u>-</u>	<u>5,851,243</u>
Unrestricted fund				
General fund	98,884	1,483	-	100,367
	<u>6,127,128</u>	<u>(175,518)</u>	<u>-</u>	<u>5,951,610</u>

Notes to the Financial Statements - continued
for the Year Ended 31 August 2024

18. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Restricted general funds				
DfE capital grants	479,720	(495,223)	-	(15,503)
General Annual Grant	3,279,524	(3,313,384)	-	(33,860)
Other Restricted	230,500	(230,500)	-	-
Other DfE Grants	4,207	(4,207)	-	-
Restricted Pension Reserve	-	49,000	(49,000)	-
Fixed Assets on Conversion	-	(116,122)	-	(116,122)
Fixed Assets funded by GAG	(1)	(8,668)	-	(8,669)
Academies Capital Maintenance Fund	-	(2,847)	-	(2,847)
Other Dfe/ESFA - Sports Premium	19,360	(19,360)	-	-
Other Dfe/ESFA - Teachers Pay	57,400	(57,400)	-	-
Other Dfe/ESFA - Teachers Pension Grant	29,670	(29,670)	-	-
Other Dfe/ESFA - Covid Catch Up Premium	25,793	(25,793)	-	-
Other Dfe/ESFA - Pupil Premium	149,455	(149,455)	-	-
Other Dfe/ESFA - Supplementary	111,030	(111,030)	-	-
	<u>4,386,658</u>	<u>(4,514,659)</u>	<u>(49,000)</u>	<u>(177,001)</u>
Unrestricted fund				
General fund	156,054	(154,571)	-	1,483
	<u>4,542,712</u>	<u>(4,669,230)</u>	<u>(49,000)</u>	<u>(175,518)</u>

Comparatives for movement in funds

	At 1.9.22 £	Net movement in funds £	Transfers between funds £	At 31.8.23 £
Restricted general funds				
DfE capital grants	460,617	(24,602)	-	436,015
General Annual Grant	296,348	(424,063)	(28,150)	(155,865)
Restricted Pension Reserve	(576,000)	576,000	-	-
Fixed Assets on Conversion	5,657,396	(116,122)	-	5,541,274
Fixed Assets funded by GAG	67,722	(5,762)	28,150	90,110
Academies Capital Maintenance Fund	119,557	(2,847)	-	116,710
	<u>6,025,640</u>	<u>2,604</u>	<u>-</u>	<u>6,028,244</u>
Unrestricted fund				
General fund	109,278	(10,394)	-	98,884
	<u>6,134,918</u>	<u>(7,790)</u>	<u>-</u>	<u>6,127,128</u>

Notes to the Financial Statements - continued
for the Year Ended 31 August 2024

18. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Restricted general funds				
DfE capital grants	39,302	(63,904)	-	(24,602)
General Annual Grant	3,139,488	(3,563,551)	-	(424,063)
Other Restricted	169,084	(169,084)	-	-
Other DfE Grants	61,846	(61,846)	-	-
Restricted Pension Reserve	-	(13,000)	589,000	576,000
Fixed Assets on Conversion	-	(116,122)	-	(116,122)
Fixed Assets funded by GAG	-	(5,762)	-	(5,762)
Academies Capital Maintenance Fund	-	(2,847)	-	(2,847)
Other Dfe/ESFA - Sports Premium	19,330	(19,330)	-	-
Other Dfe/ESFA - Covid Catch Up Premium	29,349	(29,349)	-	-
Other Dfe/ESFA - Pupil Premium	156,902	(156,902)	-	-
Other Dfe/ESFA - Supplementary	91,063	(91,063)	-	-
	<u>3,706,364</u>	<u>(4,292,760)</u>	<u>589,000</u>	<u>2,604</u>
Unrestricted fund				
General fund	220,468	(230,862)	-	(10,394)
	<u>3,926,832</u>	<u>(4,523,622)</u>	<u>589,000</u>	<u>(7,790)</u>

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

- General Annual Grant (GAG): Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August
- Other DfE/ESFA Grants: are utilised for the purposes intended by the donor.
- Other Restricted General Funds: include payments made towards Academy trips.
- The Pension Fund: is the surplus/(deficit) in the Local Government Pension Scheme.
- Restricted Fixed Asset Funds: include the fixed assets transferred on conversion to Academy, capital grants, additions and depreciation.
- Unrestricted Funds: are all those income and expenses for general use in the Academy.

Transfers between funds relate to re-allocation of expenditure on fixed assets.

Funds in deficit

The Trustees are working with the Education and Skills Funding Agency, an SRMA and a local Multi Academy Trust to review the future financial position of the Academy,

Staffing and other costs are being reviewed to ensure budgets are accurate and cashflow is appropriately managed, with an aim to improve the financial position as soon as possible.

ESFA are also providing short term financial support to the Academy.

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 Worcestershire 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 of the LGPS to the period ended 31 March 2022.

Contributions amounting to £64,958 were payable to the schemes at 31 August 2024 (2023 - £58,649) and are included within creditors.

Teachers' pension scheme

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

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

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 and subsequent consultation 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 TPS in the period amounted to £402,358 (2023 - £359,154).

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

19. PENSION AND SIMILAR OBLIGATIONS - continued

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2024 was £205,674 (2023: £199,164), of which employer's contributions totalled £159,256 (2023: £153,340) employees' contributions totalled £46,428 (2023: £45,824). The agreed contribution rates for future years are 20.20% for employers and between 5.5% and 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 an academy trust 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 was re-affirmed on 21 July 2022..

The pension valuation as at 31 August 2024 showed a surplus of £245,000. Having considered guidance available and acknowledging that the trust would not be entitled to a refund of this amount, the surplus has not been recognised. Therefore the closing valuation has been recognised as nil.

The rates payable over a three year period will be the Future Service Rate of 13.5% of payroll plus phased lump sum deficit contributions starting at £54,000 for the year to 31 March 2021, increasing by approximately 4% per annum.

The current estimated recovery period is 19 years.

A full triennial valuation was performed in 2022, the results of which came into effect from 1 April 2023.

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

	Defined benefit pension plans	
	31.8.24	31.8.23
	£	£
Current service cost	130,000	252,000
Net interest from net defined benefit asset/liability	(10,000)	19,000
Past service cost	-	-
	<u>120,000</u>	<u>271,000</u>
Actual return on plan assets	<u>345,000</u>	<u>(26,000)</u>

Notes to the Financial Statements - continued
for the Year Ended 31 August 2024

19. PENSION AND SIMILAR OBLIGATIONS - continued

Changes in the present value of the defined benefit obligation are as follows:

	Defined benefit pension plans	
	31.8.24	31.8.23
	£	£
Opening defined benefit obligation	2,574,000	3,023,000
Current service cost	130,000	252,000
Contributions by scheme participants	46,000	46,000
Interest cost	134,000	128,000
Experience (gain)/loss	(7,000)	(115,000)
Actuarial losses/(gains)	254,000	(599,000)
Benefits paid	(45,000)	(82,000)
Actuarial (gains)/losses from changes in demographic assumptions	3,000	(79,000)
	<u>3,089,000</u>	<u>2,574,000</u>

Changes in the fair value of scheme assets are as follows:

	Defined benefit pension plans	
	31.8.24	31.8.23
	£	£
Opening fair value of scheme assets	2,574,000	2,447,000
Contributions by employer	169,000	192,000
Contributions by scheme participants	46,000	46,000
Expected return	144,000	109,000
Actuarial gains/(losses)	201,000	(135,000)
Benefits paid	(45,000)	(82,000)
Assets admin expenses	-	(3,000)
	<u>3,089,000</u>	<u>2,574,000</u>

The amounts recognised in other recognised gains and losses are as follows:

	Defined benefit pension plans	
	31.8.24	31.8.23
	£	£
Actuarial (gains)/losses from changes in demographic assumptions	(3,000)	79,000
Actuarial gains/(losses)	<u>49,000</u>	<u>589,000</u>
	<u>46,000</u>	<u>668,000</u>

Notes to the Financial Statements - continued
for the Year Ended 31 August 2024

19. PENSION AND SIMILAR OBLIGATIONS - continued

The major categories of scheme assets as amounts of total scheme assets are as follows:

	Defined benefit pension plans	
	31.8.24	31.8.23
	£	£
Equities	2,070,000	1,885,000
Bonds - Other	247,000	59,000
Property	-	211,000
Cash/Liquidity	31,000	23,000
Other	-	396,000
Property	741,000	-
	<u>3,089,000</u>	<u>2,574,000</u>

Principal actuarial assumptions at the Balance Sheet date (expressed as weighted averages):

	31.8.24	31.8.23
Inflation assumption (CPI)	2.65%	2.80%
Increase in salaries	4.15%	4.30%
Increase in pensions	2.65%	2.90%
Discount rate	5.00%	5.40%

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

Retiring today		
Males	21.2	21.5
Females	23.6	23.8
Retiring in 20 years		
Males	22.5	22.8
Females	25.4	25.6

Sensitivity analysis

	31.8.24	31.8.23
	£	£
Discount rate +0.1%	57,000	(410,000)
Discount rate -0.1%	(57,000)	42,000
Mortality assumption - 1 year increase	114,000	49,000
Mortality assumption - 1 year decrease	(114,000)	(48,000)
CPI rate +0.1%	54,000	42,000
CPI rate -0.1%	(54,000)	(41,000)

Notes to the Financial Statements - continued
for the Year Ended 31 August 2024

20. CONTINGENT LIABILITIES

There are no significant contingent liabilities that the Governors are aware of.

21. LONG-TERM COMMITMENTS, INCLUDING OPERATING LEASES

Minimum lease payments under non-cancellable operating leases fall due as follows:

	31.8.24	31.8.23
	£	£
Within one year	45,968	45,968
Between one and five years	-	42,611
	<u>45,968</u>	<u>88,579</u>

22. RELATED PARTY DISCLOSURES

Owing to the nature of the academy trust 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 trustees have an interest. The following related party transactions took place in the previous financial period.

- Spire Church of England Multi-Academy Trust - and academy in which B Allbut (Trustees) is also a trustee;
- During the year expenditure of £102,597 (2023: £Nil) was paid to Spire Church of England Multi-academy Trust.
 - This expenditure related to the recharge of services (all in the normal course of business).
 - At the year end £Nil (2023: £Nil) was owed to Spire Church of England Multi-Academy Trust.

All transactions involving such organisations are conducted in accordance with the requirements of the Academy Trust Handbook, including notifying ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the academy trust's financial regulations and normal procurement procedures relating to connected and related party transactions.