

REGISTERED COMPANY NUMBER: 08936256 (England and Wales)

Report of the Trustees and  
Financial Statements  
for the Year Ended 31 August 2024  
for  
Fairfield High School

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

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for the Year Ended 31 August 2024

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Fairfield High School

Reference and Administrative Details  
for the Year Ended 31 August 2024

<b>MEMBERS:</b>	Miss F M McHale Mr S Vaughan Winter (resigned 16.10.23) Mrs J V Archer
<b>TRUSTEES</b>	Mrs J V Archer (Chair of Trustees) (resigned 16.10.23) Mr B Eacock (resigned 19.3.24) Mr A J Fryers Miss F M McHale (Chair of Trustees) Mr J A Pringle Mr P Jennings (appointed 1.9.23) Mrs S M Churchward (appointed 11.12.23) Mr A J Griffiths (appointed 11.12.23)  The Trustees are also the Governors of the Academy.
<b>SENIOR LEADERSHIP TEAM</b>	Mr P Jennings      Head Teacher & Accounting Officer (appointed 01.09.2023) Mrs J Conway      Deputy Head Teacher Mr D Kelly      Deputy Head Teacher Mr O Lloyd      Assistant Head Teacher Ms E Worsfold      Assistant Head Teacher Mr S Waterhouse      Assistant Head Teacher Mrs N Emmett      Director of Finance & Administration Mrs R Green      SENDCO
<b>COMPANY NAME</b>	Fairfield High School
<b>REGISTERED OFFICE</b>	Peterchurch Hereford Herefordshire HR2 0SG
<b>REGISTERED COMPANY NUMBER</b>	08936256 (England and Wales)
<b>SENIOR STATUTORY AUDITOR</b>	Mr K M Tong FCCA, ACA
<b>AUDITORS</b>	Thorne Widgey Accountancy Ltd Chartered Accountants Statutory Auditors 2 Wyevale Business Park Kings Acre Hereford Herefordshire HR4 7BS
<b>SOLICITORS</b>	Lanyon Bowdler Broadway House 32 - 35 Broad Street Hereford HR4 9AR

**BANKERS**

Lloyds Bank PLC  
8 High Town  
Hereford  
HR4 7BS

Santander  
Bridle Road  
Bootle  
Merseyside  
L30 4BG

## Fairfield High School

### Report of the Trustees for the Year Ended 31 August 2024

The trustees 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 academy operates an academy for students aged 11 to 16 serving a catchment area in West Herefordshire. It had a previous student capacity of 450 which was increased to 600 in 2020 as part of an agreement with the DfE to bid for increased buildings capacity and had a roll of 613 in the school census October 2024.

#### **OBJECTIVES AND ACTIVITIES**

##### **Objectives and aims**

The academy trust's objective is specifically restricted to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum.

##### **Our aim:**

A relentless focus on teaching, learning and wellbeing to develop confident, successful learners who have a wide knowledge base, skills and strategies to support themselves in both their school and personal lives.

##### **We will:**

- Promote high aspirations for all and empower students and staff to reach their goals
- Ensure challenge and support for learning, including via blended or remote learning
- Develop and consolidate our Creative and Critical Thinking skills to sustain emotional, social and academic growth
- Prioritise and support all aspects of staff and student wellbeing in a safe, happy and caring environment which values everyone equally and encourages respect, tolerance and diversity.

## OBJECTIVES AND ACTIVITIES

### Objectives, strategies and activities

Fairfield High School is a rural mixed 11-16 comprehensive school serving the Golden Valley and beyond. 60% of the students currently attending the school come from out of catchment, with 90% + students travelling in by bus or car.

Fairfield prides itself on meeting the needs of individual students and has a commitment to excellence - each child achieving their personal best. The school was judged to be Outstanding by Ofsted in 2006, in 2009, 2013, and November 2024 when it was judged outstanding in every category.

2024 headline data (DfE unvalidated) shows progress 8 data of +0.51 for all students and a comparable figure for SEND students. Disadvantaged students had P8 data of +0.48, above national average.

The school's unique atmosphere stems from a deeply rooted philosophy of inclusion and a sense of belonging, to the school, the community and the countryside. This is clearly illustrated by our rare breed sheep, goats, pigs, alpacas and reptiles, rabbits and guinea pigs. All contribute directly to the curriculum and indirectly to promoting care, empathy and responsibility towards our community and our surroundings.

### Students:

At Fairfield there are currently 613 students on roll, far exceeding the capacity of the buildings. The PAN was increased from 450 to 600 to allow us to make an expansion CIF bid but bears little resemblance to the realities of the site and facilities. We have between 11 and 126 students in each year group. We currently have 23% of students on the SEND register (134 students) and 3.8% EHCP students (18 students). 11 students are Looked After and 7 have Special Guardianship Orders. The vast majority of students are White British and only 12 (3%) are EAL students. At Fairfield there is a below national average number of students eligible for FSM, with 11.6% (65 students), although Herefordshire's low average weekly wage due to the rural nature of the county means that many students live in families with income only just above the threshold. The south Golden Valley where Fairfield is shows it at 98th most deprived area (from 116) within Herefordshire. (2019 data).

### Staffing:

Fairfield has 40 teaching staff; 31 are full time and 9 are part time (equivalent to 5.9 full time teachers). The SENDCO works part time on a 0.8 contract which includes support for Peterchurch Primary School. We have 13 full and part time learning assistants and 1 cover supervisor; 3 subject based technicians and 3 Learning Managers, together with an Attendance Officer. The site and office staff include a full time site manager, a part time assistant caretaker, 6 cleaning staff and 8 office based staff who are a mixture of full and part time workers. Fairfield also employs an independent Careers advisor one day per week and an external counsellor two days per week. In addition we welcome the school nurse and WEST mental health practitioner for one day a week each, together with appropriate external visitors for RSE work, drama and theatre productions, from FE colleges etc.

### Curriculum and opportunities:

We provide academic excellence through a broad and balanced curriculum. The core curriculum is made up of English, Mathematics, Science, PE and Ethics. In KS4, all students in Year 10 are entered for English Literature GCSE. In KS3 and KS4 all students study Ethics, which integrates RE, RSE, Careers, Health education and Citizenship. In addition to the core subjects, KS4 students choose from a range of 14 subjects in four option blocks designed to engage students with different levels of academic ability and hold their interest; there are no fixed 'pathways'. EBacc subjects, Foundation subjects and Triple Science sit alongside vocational qualifications in Sport, Construction, iMedia, Performing Arts and Animal Care.

## OBJECTIVES AND ACTIVITIES

KS3 follow a broad and inclusive curriculum comprising the full suite of national curriculum subjects together with Drama for all KS3 students. In addition, Year 7 have a weekly enrichment lesson that includes Life Skills (First Aid, Team Building, Drama, Cookery, Finance matters) and Animal Care is taught fortnightly in Year 8. We recognise the critical importance of literacy and particularly reading in being able to access the whole curriculum; those students in KS3 with a reading age below 9 years or particular Literacy difficulties are offered intervention classes to create specific learning time within the timetable. Every child at Fairfield is expected to have a reading book, and reading, and being read to are scheduled into the curriculum, as is regular 'Spellzone' work for all year groups which supports the teaching of SPAG.

## **OBJECTIVES AND ACTIVITIES**

We follow a 2-week timetable, devised to allow curriculum breadth and flexibility. There are 30 periods per week and each lesson is 55 minutes in length. Students have a 10-minute period of tutor time at the start of each day and one hour of tutor time once a week, which includes RSHE and Careers activities and assembly time. The curriculum and timetable are reviewed annually to ensure that they meet the needs of students and the learning profiles of each individual cohort and focused accordingly to deliver a curriculum which best meets the needs of each year group and our aspirations for them. This means that we retain the breadth for every student (including SEND) but can make choices about exam syllabi which will engage more effectively (eg swapping Drama for Performing Arts) or which enable students to incrementally progress (eg BTEC subjects). The impact on take-up for Animal Care in Year 10 has been significant - we currently have 55 Year 10 and 53 Year 11 students on the course. Students build on their experiences and love of learning in KS3 to support their choices in KS4. Ethics has been constructed with over-arching themes which integrate RE with RSE and Careers across the school delivered at age-appropriate levels with relevant content.

The school is fully committed to the importance of Careers education and is working towards meeting all of the Gatsby benchmarks, in addition to the Careers Development Institute framework, which fits perfectly into our ethos of personal growth and preparation for life beyond Fairfield. Careers education is increasingly embedded throughout the curriculum for all year groups.

Students enjoy a wide range of extra-curricular activities; there are currently 37 clubs and activities running across the two week time table. Our commitment to our beautiful environment led to a very successful rivers Day during summer 2024 and the development of our Forest Classroom area for both practical and wellbeing activities for students and staff.

Each year we donate to the Hereford Food Bank for Christmas Jumper Day; School Council choose the charities students support on non-uniform days, often with a local connection. The Macmillan coffee morning is an annual event as are Comic Relief and Children in Need.

Our comprehensive safeguarding provision and strong team of Learning Managers together with our insistence that 'no child is left behind' means that we offer a variety of pastoral interventions using both external support (eg counsellor, school nurse) and internal expertise, with individual and small group work led by student need - anxiety, bereavement, friendships, body image, exam stress and so on. We have a strong working relationship with the MASH and we are unafraid to intervene ourselves and seek direct support if we have concerns about a child or family.

### **Public benefit**

Fairfield has been judged Outstanding by Ofsted in all categories in successive inspections in 2006, 2009, 2013 and 2023. Its aims are to offer a broad and balanced curriculum to enable every young person to achieve academically, physically and socially - "empowering everyone to achieve their personal best". The School Development Plan is focused on the main Ofsted areas: Quality of Education; Personal Development, Behaviour and Attitudes; Leadership & Management. Each area has a number of focused school improvement priorities, which are delivered at a whole-school level and then in more detail at a Faculty / subject level. The SDP and Faculty Development Plans inform staff performance management priorities and targets, ensuring that all members of staff, at every level, are part of the school's drive for continuous improvement.

The school has had a rising roll for the past 10 years and is over subscribed every year. The school has met and exceeded the current PAN of 600 and has limited capacity to admit many more students without significant building work to increase capacity.

## **STRATEGIC REPORT**

### **Achievement and performance**

#### **Charitable activities**

Fairfield has been judged as 'outstanding' by Ofsted for the last 18 years and has consistently exceeded expectations in term of examination results and securing student destinations.

The school has had a rising roll for the past 14 years and is well above the 600 Planned Admission Number (PAN). The school has added two additional classrooms and a mobile changing facility which goes some way to meeting need, however the field is still undeveloped, there is insufficient space for students to eat and the sportshall is no longer fit for purpose.

## STRATEGIC REPORT

### Achievement and performance

#### Fundraising activities

The school has a small but active PTA which raises limited funds for transport to events etc. Other income largely arises from the school support work undertaken by the SENCO; a SLA with a small primary school and finance support to a small secondary school and a few internal audits delivered by the Director of Finance and Administration.

#### Key financial performance indicators

These are covered throughout this report.

#### Financial review

##### Financial position

The trustees have been mindful of the requirements of the Academies Handbook 2024 and the Academies Accounts Direction when preparing this report and financial statements.

The major element of funding for the academic year is based upon the student numbers recorded in the October census in the previous calendar year. As the school has an increasing student population, it has been necessary to increase the teaching staff numbers (and thus revenue expenditure) in advance of receiving funding appropriate to current student numbers.

The majority of the Academy's income is obtained from the DfE in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the period ended 31 August 2024 and the associated expenditure are shown as restricted funds in the statement of financial activities.

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

During the period ended 31 August 2024, total GAG expenditure of £3,305,095 (2023: £2,933,481), was covered by recurrent grant funding from the DfE. The total net incoming resources before transfers and revaluations for the period was £301,445 deficit (2023: £64,612).

At 31 August 2024, the net book value of fixed assets was £4,356,561 (2023: £4,250,612) 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 students of the Academy.

#### Investment policy and objectives

The aim is to maintain at least £250,000 of liquid assets to fund the delay between spending and receipt of grants and maintain a safety net to cover emergency spending.

#### Reserves policy

The policy is to carry forward sufficient funds to meet the academy's long term aims and objectives without compromising its current operational activities. The deficit linked to the Local Government Pension Scheme is considered when assessing the position.

The Academy's current level of unrestricted reserves (total funds less the amount held in fixed assets and restricted funds) is £142,777 (2023: £131,162). The level of general restricted reserves is £377,842 (2023: £676,848).

#### Going concern

After making appropriate enquiries, the board of trustees have a reasonable expectation that the academy trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, the going concern basis is adopted in preparing the financial statements.

## STRATEGIC REPORT

### Principal risks and uncertainties

A risk analysis has been undertaken and updated for review by the trustees. Consideration has been given to those risks linked to the school's reputation, operations and finances as well as its compliance with legislation. Those risks have been subjected to a probability study and risk ranking in order to identify the actions necessary to reduce or eliminate the risk consequences.

The Site Manager ensures the school site is maintained to a high standard and complies with relevant regulations. A health and Safety report is produced 6 times a year and reported to Trustees, the Site Manager and Director of Finance and Administration have regular Health and Safety site walks and the Trustee responsible for Health and Safety visits the school throughout the year to ensure we are compliant.

### Future plans

The Academy continues to grow and has an ongoing programme of maintenance. The school has been unsuccessful in its bids to the DfE for a number of capital projects but is continuing to pursue this potential source of funding. There have been discussions with the Local Authority with regard to Herefordshire's Capital Investment Strategy, but reliance is not being placed on financial support from them to fund any future developments, so external funding streams continue to be sought.

The Academy has purchased neighbouring land to ensure future building work is possible and to create a full size playing field. The change of use has been submitted but progress has been slow due to flood regulations and a backlog at Herefordshire Council.

The Academy will continue to look ahead to national and local curriculum developments to ensure that we are able to provide an appropriate education for all our learners. In addition the school will continue to provide top quality teaching and learning to ensure that numbers are maintained and the school is financially viable and sustainable for the long term.

## STRUCTURE, GOVERNANCE AND MANAGEMENT

### Constitution

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The charitable company is known as Fairfield High School. The academy was incorporated on 12 March 2014 and commenced as an academy from 1 May 2014.

Details of the Trustees who served throughout this period are included in the Reference and Administrative details on page 1.

### Members' liability

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

### Trustees' Indemnities

Trustees benefit from indemnity insurance purchased at the Academy Trust'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 Trust, provided that any such insurance shall not extend to any claim arising from any act or omission which the trustees knew to be a breach of trust or 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 such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the trustees in their capacity as trustees of the Academy Trust. The limit of this indemnity is £5,000,000 and is provided by Zurich Municipal.

### Principal activities

These are described above in the Objectives and Activities section of this report.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Appointment of members and trustees**

The members comprise the Chair of Trustees, other members appointed on incorporation and may also include such additional members as may be appointed by special resolution of the members. The minimum number of members is three and there is no maximum number. The academy aimed to have five members by the end of the 2020-21 academic year and had achieved this by Mr Patrick Cramsie joining the Members in September 2021, although since then two members have resigned taking the number back to three.

The board of trustees comprise up to ten trustees appointed by the members, a minimum of two parent trustees, the Headteacher and any co-opted trustees. The minimum number of trustees is three and there is no maximum number.

Staff governors may be appointed by the Trust Board through such process as they may determine but the number of staff governors plus the Headteacher shall not exceed one third of the total number of trustees.

Parent governors are elected by the parents of registered students or, in certain circumstances, appointed by the trustees.

The term of office for trustees is four years and, subject to eligibility, trustees may be re-appointed or re-elected.

### **Organisational structure**

The structure consists of four levels: Members, Trust Board, Governing body and Senior Leadership Team.

The Senior Leadership Team is the Head Teacher, two Deputy Head Teachers, Three Assistant Headteachers, the SENDCO, and the Director of Finance and Administration.

The school is led and managed via full trustees' meetings and trustees' committees meetings which take place at least on a termly basis; weekly Senior Leadership Team Meetings; monthly Head of Faculty meetings; whole staff meetings, faculty meetings and pastoral team meetings. There are also five In Service Training Days per year for all staff.

The following decisions are reserved to the 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 Headteacher 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 and capital expenditure. Some financial responsibilities are delegated to the Business Committee in accordance with its Terms of Reference and to the Headteacher. The trustees have devolved responsibility for day to day management of the Academy to the Headteacher. The Headteacher will implement the policies laid down by the trustees and report back to them on performance.

The Headteacher is the Accounting Officer.

### **Policies and procedures adopted for the induction and training of trustees**

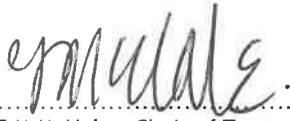
The level of training provided for trustees is tailored to their level of understanding and previous knowledge. Each new trustee meets with the Chair of Trustees and the Headteacher, is given detailed information about the school on appointment and is regularly offered appropriate training via Herefordshire Trustee Services and the school. All trustees are trained in appropriate safeguarding procedures.



Fairfield High School

Report of the Trustees  
for the Year Ended 31 August 2024

The Report of the Trustees, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on ..... 16/12/24 ..... and signed on its behalf by:



.....  
Miss F M McHale - Chair of Trustees

### SCOPE OF RESPONSIBILITY

As trustees, we acknowledge we have overall responsibility for ensuring that Fairfield High School 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 the trustees has delegated the day-to-day responsibility to the Headteacher, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Fairfield High School 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 Trustees and in the Statement of Trustees' Responsibilities. The board of trustees has formally met 4 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustee	Meetings attended	Out of a possible
Miss F Mchale (Chair of Trustees)	4	4
Mr J Pringle	3	4
Mr A Fryers	3	4
Mr A Griffiths	4	4
Mrs S Churchwood	4	4
Ms N Emmett (Finance) (Associate)	4	4
Mr P Jennings (Headteacher)	4	4
Mr C Giggle (Resigned 01.07.24) (Associate)	4	4
Mr B Eacock (Resigned 19.03.24) (Associate)	3	3

The Business Committee & Education Committee are sub-committees of the main board of trustees. The main function of this committee is to consider and make recommendations to the trustees on all financial and budgetary matters. Attendances at meetings in the year were as follows:

Trustee	Meetings attended	Out of a possible
Miss F Mchale (Chair of Trustees)	2	2
Mr J Pringle	2	2
Mr A Fryers	2	2
Mr A Griffiths	2	2
Mrs S Churchward	2	2
Ms N Emmett (Finance) (Associate)	2	2
Mr P Jennings (Headteacher)	2	2
Mr C Giggle (Resigned 01.07.24) (Associate)	2	2
Mr B Eacock (Resigned 19.03.24) (Associate)	1	2

We manage conflicts of interests as a school by maintaining up to date register of interests for Trustees and the senior leadership team and using this in the day to day management and governance of the academy trust.

### Governance Review

The Education and Skills Funding Agency's Financial Management and Governance Self-Assessment return was considered by the trustees. This assessment allowed the trustees to consider aspects covering financial oversight, financial planning, internal control, financial monitoring and management and audit requirements. It also ensured compliance with the requirements of the Academy Trust Handbook.

### REVIEW OF VALUE FOR MONEY

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

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

- Weekly meeting with the Director of Finance to look at budgets, premises, future planning, staffing and costs
- Ensuring the Finance Policy is adhered to and appropriate financial safeguards are in place

Value for money with regards to estates safety and management is effectively managed by the Finance Assistant working with the Site Manager to ensure all orders raised and work completed is reviewed and approved prior to being carried out. All orders are fully signed off and budgets are managed effectively.

Money is regularly spent to ensure the Health and Safety of the site is paramount, all external emergency lighting has been renewed and costs were reviewed for value for money with the site manager assisting the electrician where possible.

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees;
- regular reviews by the Business 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 considered the need for an internal audit and has appointed Academy Audit Ltd to perform this function, the role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems. They prepared a report with recommendations that are reviewed at least annually by the board of trustees. Other than noted above, no changes have been made to the internal controls and procedures operated at Fairfield.

**REVIEW OF EFFECTIVENESS**

As accounting officer the Headteacher has responsibility for reviewing the effectiveness of the system of internal control. Since becoming an academy, the review has been informed by:

- The internal audit and review work.
- The work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.

Any recommendations made by the auditors, following the audit will be considered and acted upon in a timely manner.

**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 .....16.12.24..... and signed on its behalf by:



.....  
Miss F M McHale - Chair of Trustees



.....  
P Jennings - Trustee / Headteacher

Fairfield High School

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

As accounting officer of Fairfield High School 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 no instances of material irregularity, impropriety or funding non-compliance have been discovered to date. If any instances are identified after the date of this statement, these will be notified to the board of trustees and ESFA.

  
.....  
Mr P Jennings - Accounting Officer

Date: 16/12/24.....

Fairfield High School

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

The trustees (who act as trustees of Fairfield High School 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.

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 members of the board of trustees on .....16/12/24..... and signed on its behalf by:

  
.....  
Miss F M McHale - Chair of Trustees

### **Opinion**

We have audited the financial statements of Fairfield High School (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.

### **Conclusions relating to going concern**

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

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

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

### **Other information**

The 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.

**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 trustee**

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.

**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 Academy Trust Handbook 2023, the Academies Accounts Direction 2023, 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.

The maintenance and integrity of the Fairfield High School website is the responsibility of the trustees; the work carried out by the auditors does not involve the consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

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](http://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  
Fairfield High School

**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.



Mr K M Tong FCCA, ACA (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: ..... 20/12/24 .....

## Independent Reporting Accountant's Assurance Report on Regularity to Fairfield High School 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 Fairfield High School 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 Fairfield High School and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Fairfield High School 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 Fairfield High School and the ESFA, for our work, for this report, or for the conclusion we have formed.

### **Respective responsibilities of Fairfield High School's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Fairfield High School'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:

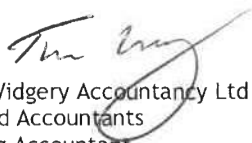
- detailed testing of a sample of items of income and expenditure to ensure appropriately applied for the purpose intended
- specific testing, on a sample basis, of system controls relevant to the above
- a general review of correspondence with the appropriate authorities regarding Academy governance matters during the year
- a general review and discussion of the Academy's internal control 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  
Fairfield High School 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.



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

Date: .....20/12/24.....

Fairfield High School

Statement of Financial Activities  
(Incorporating an Income and Expenditure Account)  
for the Year Ended 31 August 2024

				31.8.24	31.8.23	
	Notes	Unrestricted Fund £	Restricted Fixed Asset £	Restricted General Fund £	Total funds £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>						
Donations and capital grants	2	-	15,366	278,399	293,765	173,899
<b>Charitable activities</b>						
Funding for the academy's educational operations	3	-	-	3,715,375	3,715,375	3,551,122
Other trading activities	4	2,352	-	39,841	42,193	57,475
Investment income	5	<u>9,263</u>	<u>-</u>	<u>-</u>	<u>9,263</u>	<u>5,615</u>
<b>Total</b>		<u>11,615</u>	<u>15,366</u>	<u>4,033,615</u>	<u>4,060,596</u>	<u>3,788,111</u>
<b>EXPENDITURE ON Charitable activities</b>						
Academy's educational operations	7	-	157,099	4,204,942	4,362,041	3,723,499
<b>Total</b>		<u>-</u>	<u>157,099</u>	<u>4,204,942</u>	<u>4,362,041</u>	<u>3,723,499</u>
<b>NET INCOME/(EXPENDITURE)</b>						
Transfers between funds	16	11,615	(141,733)	(171,327)	(301,445)	64,612
Other recognised gains/(losses)		-	247,680	(247,680)	-	-
Actuarial gains on defined benefit schemes		<u>-</u>	<u>-</u>	<u>254,000</u>	<u>254,000</u>	<u>365,000</u>
<b>Net movement in funds</b>		11,615	105,947	(165,007)	(47,445)	429,612
<b>RECONCILIATION OF FUNDS</b>						
Total funds brought forward		<u>131,162</u>	<u>4,250,613</u>	<u>266,848</u>	<u>4,648,623</u>	<u>4,219,011</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u>142,777</u>	<u>4,356,560</u>	<u>101,841</u>	<u>4,601,178</u>	<u>4,648,623</u>

**CONTINUING OPERATIONS**

All income and expenditure has arisen from continuing activities.

The notes form part of these financial statements

Balance Sheet  
31 August 2024

	Notes	31.8.24 £	31.8.23 £
<b>FIXED ASSETS</b>			
Tangible assets	12	4,356,561	4,250,612
<b>CURRENT ASSETS</b>			
Debtors	13	219,816	211,555
Cash at bank and in hand		<u>696,294</u>	<u>1,013,195</u>
		916,110	1,224,750
<b>CREDITORS</b>			
Amounts falling due within one year	14	(395,493)	(416,739)
		<u>520,617</u>	<u>808,011</u>
<b>NET CURRENT ASSETS</b>			
		<u>520,617</u>	<u>808,011</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		4,877,178	5,058,623
<b>PENSION LIABILITY</b>	17	(276,000)	(410,000)
		<u>4,601,178</u>	<u>4,648,623</u>
<b>NET ASSETS</b>			
		<u>4,601,178</u>	<u>4,648,623</u>
<b>FUNDS</b>	16		
Restricted funds:			
Conversion and Depreciation		3,589,044	3,657,364
Fixed assets funded by GAG		708,143	515,571
ESFA Capital Grants		55,742	74,869
Pension fund		(276,000)	(410,000)
General Annual Grant		314,292	607,752
Other general restricted funds		63,550	69,096
Fixed assets funded by other sources		<u>3,630</u>	<u>2,809</u>
		<u>4,458,401</u>	<u>4,517,461</u>
Unrestricted funds:			
General fund		<u>142,777</u>	<u>131,162</u>
<b>TOTAL FUNDS</b>		<u>4,601,178</u>	<u>4,648,623</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 16.12.24 and were signed on its behalf by:

  
.....  
F M McHale - Trustee

Fairfield High School

Cash Flow Statement  
for the Year Ended 31 August 2024

	Notes	31.8.24 £	31.8.23 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	<u>(89,850)</u>	<u>213,319</u>
Net cash (used in)/provided by operating activities		<u>(89,850)</u>	<u>213,319</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(249,680)	(274,195)
Capital grants from DfE/EFA		13,366	39,229
Interest received		<u>9,263</u>	<u>5,615</u>
Net cash used in investing activities		<u>(227,051)</u>	<u>(229,351)</u>
<b>Change in cash and cash equivalents in the reporting period</b>		<b>(316,901)</b>	<b>(16,032)</b>
Cash and cash equivalents at the beginning of the reporting period		<u>1,013,195</u>	<u>1,029,227</u>
Cash and cash equivalents at the end of the reporting period		<u>696,294</u>	<u>1,013,195</u>

The notes form part of these financial statements

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

<b>1. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES</b>			
		31.8.24	31.8.23
		£	£
<b>Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)</b>		(301,445)	64,612
<b>Adjustments for:</b>			
Depreciation charges		143,734	128,594
Capital grants from DfE/ESFA		(13,366)	(39,229)
Interest received		(9,263)	(5,615)
Increase in debtors		(8,261)	(84,471)
(Decrease)/increase in creditors		(21,249)	124,428
Difference between pension charge and cash contributions		<u>120,000</u>	<u>25,000</u>
<b>Net cash (used in)/provided by operations</b>		<u>(89,850)</u>	<u>213,319</u>
<b>2. ANALYSIS OF CHANGES IN NET FUNDS</b>			
	At 1.9.23	Cash flow	At 31.8.24
	£	£	£
<b>Net cash</b>			
Cash at bank and in hand	<u>1,013,195</u>	<u>(316,901)</u>	<u>696,294</u>
	<u>1,013,195</u>	<u>(316,901)</u>	<u>696,294</u>
<b>Total</b>	<u>1,013,195</u>	<u>(316,901)</u>	<u>696,294</u>

## 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.

Fairfield High School 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 trust 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 and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

The Academy's current level of unrestricted reserves (total funds less the amount held in fixed assets and restricted funds) is £142,777 (2023: £131,162) all of which is free reserves. The level of general restricted reserves (excluding pension) is £377,842 (2023: £676,848).

### **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.

### **Grants**

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

General Annual Grant is recognised in full in the Statement of Financial Activities in the 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.

### **Sponsorship income**

Sponsorship income provided to the academy trust which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable (where there are no performance-related conditions), where it is probable that the income will be received and the amount can be measured reliably.

### **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.

**1. ACCOUNTING POLICIES - continued****Donated goods, facilities and services**

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the 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. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

**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.

**Tangible fixed assets**

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

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. 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 such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Academy Trust's depreciation policy.

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

Leasehold buildings	2%	per annum
Leasehold Improvements	10%-20%	per annum
ICT equipment	33.3%	per annum
Motor Vehicles	25%	per annum

Assets in the course of construction are included at cost. Depreciation of these assets is not charged until they are brought into use.

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.

Long leasehold land and buildings are subject to a 125 year lease with the local authority. Land and buildings were valued by the ESFA on conversion to academy status. Depreciation on the buildings element is included within expenditure in the SOFA in accordance with the above policies.

**Liabilities**

1. ACCOUNTING POLICIES - continued

**Tangible fixed assets**

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 a straight line basis over the lease term.

**Investments**

The aim is to maintain at least £250,000 of liquid assets to fund the delay between spending and receipt of grants and maintain a safety net to cover emergency spending.

**Financial Instruments**

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

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

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

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

**Taxation**

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

**Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives 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 and include grants from the Education Skills Funding Agency.

1. ACCOUNTING POLICIES - continued

**Fund accounting**

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

**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. As stated in the pension note, the TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded 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 operating surplus 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.

**Critical accounting estimates and assumptions**

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

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 the pension note, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at the year end. 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.

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

## 2. DONATIONS AND CAPITAL GRANTS

	Unrestricted funds £	Restricted funds £	31.8.24 Total funds £	31.8.23 Total funds £
Grants and donations	-	11,292	11,292	3,689
Capital Grants	-	13,366	13,366	39,229
School trips etc	-	246,283	246,283	110,454
Contributions from other organisations	-	22,824	22,824	20,527
	<u>-</u>	<u>293,765</u>	<u>293,765</u>	<u>173,899</u>

In the comparatives £172,099 related to restricted funds and £1,800 to unrestricted funds.

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

	31.8.24 £	31.8.23 £
Capital Grant	<u>13,366</u>	<u>39,229</u>

## 3. FUNDING FOR THE ACADEMY TRUST'S EDUCATIONAL OPERATIONS

	Unrestricted funds £	Restricted funds £	31.8.24 Total funds £	31.8.23 Total funds £
<b>DfE/ESFA grants</b>				
General Annual Grant(GAG)	-	3,259,317	3,259,317	3,091,719
Other DfE/ESFA Grants	-	33,766	33,766	-
Other DfE/ESFA grants	-	-	-	44,945
Other Dfe/ESFA - Pupil Premium	-	85,109	85,109	82,421
Supplementary Grant	-	111,792	111,792	137,291
	<u>-</u>	<u>3,489,984</u>	<u>3,489,984</u>	<u>3,356,376</u>
<b>Other Government grant</b>				
Other local authority	-	225,391	225,391	194,746
	<u>-</u>	<u>3,715,375</u>	<u>3,715,375</u>	<u>3,551,122</u>

All of the figures included 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 £
Income from other schools	-	39,844	39,844	55,824
Other income	<u>2,352</u>	<u>(3)</u>	<u>2,349</u>	<u>1,651</u>
	<u>2,352</u>	<u>39,841</u>	<u>42,193</u>	<u>57,475</u>

In the comparatives £55,824 related to restricted funds and £1,651 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 £
Short term deposits	<u>9,263</u>	<u>-</u>	<u>9,263</u>	<u>5,615</u>

All of the figures included 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 £
<b>Charitable activities</b>					
<b>Academy's educational operations</b>					
Direct costs	2,464,511	72,780	524,920	3,062,211	2,552,196
Allocated support costs	<u>868,924</u>	<u>167,171</u>	<u>263,735</u>	<u>1,299,830</u>	<u>1,171,303</u>
	<u>3,333,435</u>	<u>239,951</u>	<u>788,655</u>	<u>4,362,041</u>	<u>3,723,499</u>

Net income/(expenditure) is stated after charging/(crediting):

	31.8.24 £	31.8.23 £
Auditors' remuneration	9,869	9,399
Auditors' remuneration for non audit work	1,946	1,580
Depreciation - owned assets	143,731	128,595
Operating leases	<u>3,337</u>	<u>3,337</u>

## 7. CHARITABLE ACTIVITIES - ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds £	Restricted funds £	31.8.24 Total funds £	31.8.23 Total funds £
Direct costs	-	3,062,211	3,062,211	2,552,196
Support costs	<u>-</u>	<u>1,299,830</u>	<u>1,299,830</u>	<u>1,171,303</u>
	<u>-</u>	<u>4,362,041</u>	<u>4,362,041</u>	<u>3,723,499</u>

	31.8.24 Total £	31.8.23 Total £
<b>Analysis of support costs</b>		
Support staff costs	868,924	798,852
Depreciation	48,281	39,845
Administration and technology costs	87,624	83,461
Premises costs	167,171	140,443
Other support costs	116,015	97,723
Governance costs	<u>11,815</u>	<u>10,979</u>
Total support costs	<u>1,299,830</u>	<u>1,171,303</u>

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

## 7. CHARITABLE ACTIVITIES - ACADEMY'S EDUCATIONAL OPERATIONS - continued

In the comparatives £3,723,499 related to restricted funds and £Nil to unrestricted funds.

## 8. STAFF COST AND EMPLOYEE EXPENSES

	31.8.24	31.8.23
	£	£
Wages and salaries	2,443,866	2,281,572
Social security costs	252,011	221,832
Operating costs of defined benefit pension schemes	<u>626,229</u>	<u>494,103</u>
Supply teacher costs	3,322,106	2,997,507
	<u>11,329</u>	<u>12,226</u>
	<u><u>3,333,435</u></u>	<u><u>3,009,733</u></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	29	33
Administration and support	38	37
Management	<u>10</u>	<u>7</u>
	<u><u>77</u></u>	<u><u>77</u></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	1	2
£70,001 - £80,000	2	-
£80,001 - £90,000	1	-
£100,000 - £110,000	<u>-</u>	<u>1</u>
	<u><u>4</u></u>	<u><u>3</u></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 £765,212 (2023: £623,868).

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

The Headteacher received remuneration in respect of services provided undertaking the role of Headteacher and not in respect of service as a trustee. Other trustees did not receive any payments, other than expenses, from the academy trust in respect of their role as trustees. The value of trustees' remuneration and other benefits received during the period, was as follows:

			2024	2023
S Gaston	Headteacher and Accounting Officer (resigned 31.08.23)	Remuneration	£Nil	£105,000 - £110,000
		Eer Pension Contributions	£Nil	£Nil
P Jennings	Headteacher and Accounting Officer	Remuneration	£85,000 - £90,000	£Nil

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

(appointed 01.09.24)	Eer Pension Contributions	£20,000 - £25,000	£Nil
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Staff Members C Ford and C Giggle were Associate Trustees of the Academy who were not appointed as directors on Companies House, and did not have the same voting rights as those that are appointed. Their remuneration is not disclosed for this reason. Both staff members have resigned in the year.

Other related party transactions involving the trustees are set out in note 20.

**Trustees Expenses**

During the period ended 31 August 2024, expenses totalling £62 (2023: £231) were reimbursed to 2 trustees (2023: 2).

**10. TRUSTEES' AND OFFICERS' INSURANCE**

In accordance with normal commercial practice the Academy has purchased insurance to protect Trustees and Officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost of this insurance is included in the total cost of insurance.

**11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted Fund £	Restricted Fixed Asset £	Restricted General Fund £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>				
Donations and capital grants	1,800	39,229	132,870	173,899
<b>Charitable activities</b>				
Funding for the academy's educational operations	-	-	3,551,122	3,551,122
Other trading activities	1,650	-	55,825	57,475
Investment income	<u>5,613</u>	<u>-</u>	<u>2</u>	<u>5,615</u>
<b>Total</b>	<u>9,063</u>	<u>39,229</u>	<u>3,739,819</u>	<u>3,788,111</u>
<b>EXPENDITURE ON</b>				
<b>Charitable activities</b>				
Academy's educational operations	-	128,594	3,594,905	3,723,499
<b>Total</b>	<u>-</u>	<u>128,594</u>	<u>3,594,905</u>	<u>3,723,499</u>
<b>NET INCOME/(EXPENDITURE)</b>	9,063	(89,365)	144,914	64,612
Transfers between funds	-	234,965	(234,965)	-
<b>Other recognised gains/(losses)</b>				
Actuarial gains on defined benefit schemes	<u>-</u>	<u>-</u>	<u>365,000</u>	<u>365,000</u>
<b>Net movement in funds</b>	9,063	145,600	274,949	429,612
<b>RECONCILIATION OF FUNDS</b>				
Total funds brought forward	122,099	4,105,013	(8,101)	4,219,011

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

## 11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted Fund £	Restricted Fixed Asset £	Restricted General Fund £	Total funds £
TOTAL FUNDS CARRIED FORWARD	<u>131,162</u>	<u>4,250,613</u>	<u>266,848</u>	<u>4,648,623</u>

## 12. TANGIBLE FIXED ASSETS

	Long leasehold £	Improvements to property £	Motor vehicles £	Computer equipment £	Totals £
<b>COST</b>					
At 1 September 2023	4,596,660	301,813	16,150	353,642	5,268,265
Additions	<u>-</u>	<u>177,250</u>	<u>-</u>	<u>72,430</u>	<u>249,680</u>
At 31 August 2024	<u>4,596,660</u>	<u>479,063</u>	<u>16,150</u>	<u>426,072</u>	<u>5,517,945</u>
<b>DEPRECIATION</b>					
At 1 September 2023	644,940	60,128	13,341	299,244	1,017,653
Charge for year	<u>69,364</u>	<u>26,088</u>	<u>1,162</u>	<u>47,117</u>	<u>143,731</u>
At 31 August 2024	<u>714,304</u>	<u>86,216</u>	<u>14,503</u>	<u>346,361</u>	<u>1,161,384</u>
<b>NET BOOK VALUE</b>					
At 31 August 2024	<u>3,882,356</u>	<u>392,847</u>	<u>1,647</u>	<u>79,711</u>	<u>4,356,561</u>
At 31 August 2023	<u>3,951,720</u>	<u>241,685</u>	<u>2,809</u>	<u>54,398</u>	<u>4,250,612</u>

The leasehold land and buildings at Peterchurch is leased for no consideration from Herefordshire Council for a term of 125 years from 2014.

Included within long leasehold land and buildings is non-depreciating land valued at £879,000.

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.

## 13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.8.24 £	31.8.23 £
Trade debtors	8,645	10,283
VAT	20,753	25,352
Prepayments and accrued income	<u>190,418</u>	<u>175,920</u>
	<u>219,816</u>	<u>211,555</u>

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

## 14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.8.24	31.8.23
	£	£
Trade creditors	62,387	96,589
Social security and other taxes	127,073	108,967
Other creditors	19	2,419
Accruals and deferred income	<u>206,014</u>	<u>208,764</u>
	<u>395,493</u>	<u>416,739</u>
	31.8.24	31.8.23
	£	£
Deferred Income at 1 September 2023	171,900	65,027
Resources deferred in the year	142,723	171,900
Amounts released from previous years	<u>(146,900)</u>	<u>(65,027)</u>
Deferred Income at 31 August 2024	<u>167,723</u>	<u>171,900</u>

At the balance sheet date the Academy Trust was holding funds received in advance in relation to trips due to take place in the 24/25 academic year, and a grant received towards field drainage works yet to be done.

## 15. ANALYSIS OF NET ASSETS BETWEEN FUNDS

				31.8.24
	Unrestricted	Restricted	Restricted	Total
	Fund	Fixed	General	funds
	£	Asset	Fund	£
Fixed assets	-	4,356,561	-	4,356,561
Current assets	142,777	-	773,333	916,110
Current liabilities	-	(2)	(395,491)	(395,493)
Pension liability	-	-	(276,000)	(276,000)
	<u>142,777</u>	<u>4,356,559</u>	<u>101,842</u>	<u>4,601,178</u>

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

				31.8.23
	Unrestricted	Restricted	Restricted	Total
	Fund	Fixed	General	funds
	£	Asset	Fund	£
Fixed assets	-	4,250,612	-	4,250,612
Current assets	131,162	-	1,093,588	1,224,750
Current liabilities	-	1	(416,740)	(416,739)
Pension liability	-	-	(410,000)	(410,000)
	<u>131,162</u>	<u>4,250,613</u>	<u>266,848</u>	<u>4,648,623</u>

## 16. MOVEMENT IN FUNDS

	At 1.9.23 £	Net movement in funds £	Transfers between funds £	At 31.8.24 £
<b>Restricted general funds</b>				
Conversion and Depreciation	3,657,364	(68,320)	-	3,589,044
Fixed assets funded by GAG	515,571	(55,068)	247,640	708,143
ESFA Capital Grants	74,869	(19,127)	-	55,742
Pension fund	(410,000)	134,000	-	(276,000)
General Annual Grant	607,752	(45,780)	(247,680)	314,292
Other general restricted funds	69,096	(5,546)	-	63,550
Fixed assets funded by other sources	<u>2,809</u>	<u>781</u>	<u>40</u>	<u>3,630</u>
	<u>4,517,461</u>	<u>(59,060)</u>	<u>-</u>	<u>4,458,401</u>
<b>Unrestricted fund</b>				
General fund	<u>131,162</u>	<u>11,615</u>	<u>-</u>	<u>142,777</u>
<b>TOTAL FUNDS</b>	<u>4,648,623</u>	<u>(47,445)</u>	<u>-</u>	<u>4,601,178</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Restricted general funds</b>				
Conversion and Depreciation	-	(68,320)	-	(68,320)
Fixed assets funded by GAG	-	(55,068)	-	(55,068)
ESFA Capital Grants	13,365	(32,492)	-	(19,127)
Pension fund	-	(120,000)	254,000	134,000
General Annual Grant	3,259,315	(3,305,095)	-	(45,780)
Other general restricted funds	543,633	(549,179)	-	(5,546)
Other ESFA Grants	33,766	(33,766)	-	-
Fixed assets funded by other sources	2,001	(1,220)	-	781
Other Dfe/ESFA - Pupil Premium	85,109	(85,109)	-	-
Other DfE/ESFA - Supplementary Funding	<u>111,792</u>	<u>(111,792)</u>	<u>-</u>	<u>-</u>
	<u>4,048,981</u>	<u>(4,362,041)</u>	<u>254,000</u>	<u>(59,060)</u>
<b>Unrestricted fund</b>				
General fund	<u>11,615</u>	<u>-</u>	<u>-</u>	<u>11,615</u>
<b>TOTAL FUNDS</b>	<u>4,060,596</u>	<u>(4,362,041)</u>	<u>254,000</u>	<u>(47,445)</u>

## 16. MOVEMENT IN FUNDS - continued

## Comparatives for movement in funds

	At 1.9.22 £	Net movement in funds £	Transfers between funds £	At 31.8.23 £
<b>Restricted general funds</b>				
Conversion and Depreciation	3,725,684	(68,320)	-	3,657,364
Fixed assets funded by GAG	324,718	(42,863)	233,716	515,571
ESFA Capital Grants	50,639	22,981	1,249	74,869
Pension fund	(750,000)	340,000	-	(410,000)
General Annual Grant	684,479	158,238	(234,965)	607,752
Other general restricted funds	57,420	11,676	-	69,096
Fixed assets funded by other sources	3,972	(1,163)	-	2,809
	<u>4,096,912</u>	<u>420,549</u>	<u>-</u>	<u>4,517,461</u>
<b>Unrestricted fund</b>				
General fund	122,099	9,063	-	131,162
	<u>122,099</u>	<u>9,063</u>	<u>-</u>	<u>131,162</u>
<b>TOTAL FUNDS</b>	<u>4,219,011</u>	<u>429,612</u>	<u>-</u>	<u>4,648,623</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Restricted general funds</b>				
Conversion and Depreciation	-	(68,320)	-	(68,320)
Fixed assets funded by GAG	-	(42,863)	-	(42,863)
ESFA Capital Grants	39,229	(16,248)	-	22,981
Pension fund	-	(25,000)	365,000	340,000
General Annual Grant	3,091,719	(2,933,481)	-	158,238
Other general restricted funds	383,443	(371,767)	-	11,676
Other ESFA Grants	44,945	(44,945)	-	-
Fixed assets funded by other sources	-	(1,163)	-	(1,163)
Other Dfe/ESFA - Pupil Premium	82,421	(82,421)	-	-
Other DfE/ESFA - Supplementary Funding	137,291	(137,291)	-	-
	<u>3,779,048</u>	<u>(3,723,499)</u>	<u>365,000</u>	<u>420,549</u>
<b>Unrestricted fund</b>				
General fund	9,063	-	-	9,063
	<u>9,063</u>	<u>-</u>	<u>-</u>	<u>9,063</u>
<b>TOTAL FUNDS</b>	<u>3,788,111</u>	<u>(3,723,499)</u>	<u>365,000</u>	<u>429,612</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 the year end.

\* Other ESFA Grants: are utilised for the purposes intended by the donor.

\* Other Restricted General Funds: include payments made towards Academy trips and reflect the grant income and expenditure related to the refurbishment of the science block in 2018/19.

\* The Pension Fund: is the surplus/(deficit) in the Local Government Pension Scheme.

**16. MOVEMENT IN FUNDS - continued**

\* Restricted Fixed Asset Funds: include the fixed assets transferred on conversion to Academy, capital grants, additions and depreciation.

\* Unrestricted Funds: are for general use in the Academy.

**Transfers between funds**

£247,680 (2023: £2,124,935) has been transferred from the restricted general fund to the restricted fixed asset funds to fund the purchases of fixed assets in the period.

**17. 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 £70,262 were payable to the schemes at 31 August 2024 (2023 - £53,515) 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.

**17. PENSION AND SIMILAR OBLIGATIONS - continued**

**Valuation of the teachers' pension scheme**

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

Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2020. The valuation report was published by the Department for Education on 27 October 2023, with the SCAPE rate, set by HMT, applying a notional investment return based on 1.7% above the rate of CPI. The key elements of the valuation 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 £454,665 (2023 - £348,215).

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

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

**Local government pension scheme**

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2024 was £161,793 (2023: £136,129), of which employer's contributions totalled £124,582 (2023: £101,764) and employees' contributions totalled £37,211 (2023: £34,368). The agreed contribution rates for future years are 17.4% for employers and between 5.5% and 10.5% 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.

As the scheme is in deficit, the academy has entered into an agreement with the trustees to make additional contributions in addition to normal funding levels.

The rates payable will be the Future Service Rate of 22.4% of payroll plus phased lump sum deficit contributions starting at £27,400 for the year to 31 March 2020, increasing by approximately 4% per annum. The rate payable from 1 April 2023 has been further revised following the valuation of the Pension Fund on 31 March 2022.

The current estimated recovery period is 13 years.

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

## 17. PENSION AND SIMILAR OBLIGATIONS - continued

The amounts recognised in the Balance Sheet are as follows:

	Defined benefit pension plans	
	31.8.24	31.8.23
	£	£
Present value of funded obligations	(1,961,000)	(1,735,000)
Fair value of plan assets	<u>1,685,000</u>	<u>1,325,000</u>
	(276,000)	(410,000)
Present value of unfunded obligations	<u>-</u>	<u>-</u>
Deficit	<u>(276,000)</u>	<u>(410,000)</u>
Net liability	<u>(276,000)</u>	<u>(410,000)</u>

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	103,000	139,000
Net interest from net defined benefit asset/liability	17,000	29,000
Past service cost	<u>-</u>	<u>-</u>
	<u>120,000</u>	<u>168,000</u>
Actual return on plan assets	<u>183,000</u>	<u>54,000</u>

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	1,735,000	1,897,000
Current service cost	103,000	139,000
Contributions by scheme participants	37,000	34,000
Interest cost	92,000	81,000
Actuarial losses/(gains)	20,000	(363,000)
Benefits paid	<u>(26,000)</u>	<u>(53,000)</u>
	<u>1,961,000</u>	<u>1,735,000</u>

## 17. PENSION AND SIMILAR OBLIGATIONS - continued

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	1,325,000	1,147,000
Contributions by employer	166,000	145,000
Contributions by scheme participants	37,000	34,000
Expected return	75,000	52,000
Actuarial gains/(losses)	108,000	2,000
Benefits paid	(26,000)	(53,000)
Administration expenses	-	(2,000)
	<u>1,685,000</u>	<u>1,325,000</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)	<u>254,000</u>	<u>365,000</u>
	<u>254,000</u>	<u>365,000</u>

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	1,129,000	970,000
Other bonds	135,000	30,000
Property	404,000	109,000
Cash/liquidity	17,000	12,000
Other	-	204,000
	<u>1,685,000</u>	<u>1,325,000</u>

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

	31.8.24	31.8.23
Discount rate	2.65%	5.30%
Future salary increases	4.15%	4.30%
Future pension increases	2.65%	2.90%
Inflation assumption (CPI)	2.65%	2.80%

Notes to the Financial Statements - continued  
for the Year Ended 31 August 2024**17. PENSION AND SIMILAR OBLIGATIONS - continued**

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

	31.8.24	31.8.23
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%	42,000	(32,000)
Discount rate -0.1%	(42,000)	32,000
Mortality assumption - 1 year increase	78,000	36,000
Mortality assumption - 1 year decrease	(78,000)	(35,000)
CPI rate +0.1%	41,000	32,000
CPI rate -0.1%	(41,000)	(32,000)

**18. CONTINGENT LIABILITIES**

The academy is currently in dispute with a potential energy provider to the value of £9,000, for a breach of contract allegation. This is with the legal department and is expected to be resolved in 24/25.

**19. 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	3,337	3,337
Between one and five years	<u>5,928</u>	<u>9,265</u>
	<u>9,265</u>	<u>12,602</u>

**20. 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 trustee have an interest. The following related party transactions took place in the financial period.

**20. RELATED PARTY DISCLOSURES - continued**

All transactions involving such organisations are conducted in accordance with the requirements of the Academy Trust Handbook, including notifying the 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. The following related party transactions took place in the financial period.

S Gaston, Headteacher and accounting officer (until 31.08.23) acted as the Executive Headteacher of Longtown Primary School. During the year, the academy trust received £Nil (2023: £7,307) in respect of this service, and this includes provision of other staff members' time. As a result of this arrangement, S Gaston was paid an additional £Nil/annum (2023: £15,302/annum) in relation to these additional duties. In addition, during the year expenditure of £Nil (2023: £157) was recharged to Longtown Primary School for goods and services bought on their behalf. At the year end £Nil was owed to the academy trust (2023: £Nil).

During the year Fairfield provided CFO support under an SLA agreement to Lady Hawkins School and Internal Scrutiny work for three Herefordshire Academies.

In entering into the above transactions the academy trust has complied with the requirements of the Academy Trust Handbook 2023, and any element above £2,500 has been provided 'at no more than cost'.

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.