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Registration number: 08446789

Highwoods Community Primary School

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 August 2024



Edmund Carr LLP
Chartered Accountants & Statutory Auditor
146 New London Road
Chelmsford
Essex
CM2 0AW

Highwoods Community Primary School

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Highwoods Community Primary School

Trustees' Report for the Year Ended 31 August 2024

Reference and Administrative Details

Members	S Waring T Barraclough A Cox
Trustees	P Disley (Principal and Accounting Officer) Dr T Barraclough (Chair) Rev. H Cooper (Vice-Chair) S Waring MBE L Houghton T Neal S Thornhill A Gopu (resigned 26 th February 2024) N Cork (appointed 8 th February 2024) K King (appointed 8 th February 2024) N Jamieson
Company Secretary	N Jamieson
Senior Management Team:	
• Headteacher	P Disley
• Deputy Headteacher	S Corton M McLewin
Business Manager	N Jamieson
Company Name	Highwoods Community Primary School
Principal and Registered Office	Tynedale Square Highwoods Colchester Essex CO4 9SN
Company Registration Number	08446789
Independent Auditor	Edmund Carr LLP Chartered Accountants & Statutory Auditor 146 New London Road Chelmsford CM2 0AW
Bankers	Lloyds Bank PLC 27 High Street Colchester C01 1DU
Solicitors	Birkett Long Essex House 42 Crouch Street Colchester CO3 3HH

Highwoods Community Primary School

Trustees' Report for the Year Ended 31 August 2024

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

The school converted to become an academy on 1 April 2013 and the academy trust's objective is to advance, for the public benefit, education in the United Kingdom, by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum. The academy trust operates an academy for pupils aged 4 to 11 serving a catchment area in north Colchester. It has a pupil capacity of 428 and had a roll of 427 in the school census on 5th October 2023.

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 trustees of Highwoods Community Primary School are also the directors of the charitable company for the purposes of company law. The charitable company operates as Highwoods Community Primary School.

Details of the trustees who served during the year and to the date these accounts are approved are included in the Reference and Administrative Details.

Members' Liability

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

Trustees' Indemnities

The academy trust, through its articles, has fully indemnified its trustees permissible by law. During the period the academy also purchased and maintained liability insurance for its trustees.

Method of Recruitment and Appointment or Election of Trustees

The makeup of the trustee board is outlined in the academy's articles of association and states the members may appoint up to 10 trustees with the principal as an ex-officio governor.

- Parent trustees are elected by parents/guardians of registered pupils at the academy. There must be a minimum of 2 parent trustees
- The trust board may appoint up to 3 co-opted trustees from the community.

In certain circumstances the secretary of state may appoint additional trustees.

All trustees have a term of office of four years, excluding the principle. Any trustees may be re-appointed or re-elected after this term, providing they remain under the terms set out in the articles.

Policies and Procedures Adopted for the Induction and Training of Trustees

The trustees believe it is essential that all new trustees receive comprehensive support and guidance as part of their induction. All new trustees will meet with the headteacher, receive a tour of the school and be introduced to staff and pupils. New trustees will be supported by the entire board and in particular by the training link trustee who will work with new trustees to plan required training. All trustees are provided with access to the information that they will need to undertake their role. During their term of office, trustees have the opportunity to attend a wide range of training courses, networks and conferences, organised by various bodies, in order that their knowledge and understanding continually develops and is fully up to date.

Highwoods Community Primary School

Trustees' Report for the Year Ended 31 August 2024 (continued)

Organisational Structure

The trust board of the academy is defined in the Memorandum and Articles of Association together with the Funding Agreement with the Department of Education. The organisational structure of the academy consists of three levels; Members, Trustees and Leadership Team. The aim of the management structure is to devolve responsibility and encourage involvement in making major strategic decisions at all levels. Details of the members and trustees who served during the year are included in the Reference and Administrative details on page 1.

To maximise the overall understanding and awareness of all trustees, the trust board meets once a month during term time (trustee meetings once a term and general committee meetings at other times). In addition, other committees are;

- Audit & Risk
- Personnel
- Salary Review (Pay) Committee

Additionally, adhoc groups/working parties of trustees are established to consider specific issues and make recommendations to the board.

The headteacher is the Accounting Officer and works closely with the staff and trustees. The Business Manager is Natalie Jamieson who also serves as the Chief Finance Officer and the Company Secretary.

The day-to-day management of the school rests with the headteacher who has overall responsibility for the school. The headteacher is responsible for establishing a Senior Leadership Team (SLT) which includes the deputy heads, the business manager and senior teaching staff.

As well as being involved in the various committees, trustees also take on roles and responsibilities for subject areas and liaise with the subject coordinators in school throughout the year.

Arrangements for Setting Pay and Remuneration of Key Management Personnel

The trustees of the academy have a Headteacher Performance Management Committee and they set the performance management targets with the headteacher annually with an external partner from Impetus Education Solutions to support them with the process.

The performance management target setting and cycle for other staff is delegated to the headteacher. The pay committee meet once a year to review the pay and the headteacher's recommendations for pay increases for all the staff. All performance management follows the Academy Performance Management Policy. All pay decisions follow the criteria set out in the Academy Pay Policy.

Related Parties and other Connected Charities and Organisations

The academy trust is a member of the North Essex Schools Partnership (NESP), North Colchester Primary Collaborative and Colchester North East Essex Consortium. These groups provide the academy with benchmarking and moderation of teaching standards and provide access to training, support and to framework agreements for the provision of goods and services at rates that may not otherwise be available.

A variety of external clubs that serve the local community use the school facilities. These are:

- Fun4kids
- Scouts
- Colchester University Science and Maths Clubs
- Little Big Foots

Highwoods Community Primary School

Trustees' Report for the Year Ended 31 August 2024 (continued)

Objectives and Activities

Objects and Aims

"Learning for Life"

Highwoods is passionate about developing the whole child when supporting and nurturing young minds. Through our rich and broad curriculum, our Forest Schools Programme and our love of learning, we provide a stimulating, safe and thriving environment where children learn about themselves and the world around them.

Learning For Life - throughout their time at Highwoods, children become equipped with the knowledge, skills and character needed to thrive and be the best version of themselves.

Objectives, Strategies and Activities

Each year, the headteacher, trustees and SLT prepare a School Improvement Plan (SIP) which identifies the key priorities for the forthcoming year and set targets to be achieved with appropriate success criteria identified.

The School Improvement Plan is reviewed through the year and the trustees conduct monitoring visits to ensure progress is being managed and targets are being met, or appropriate actions plans are in place to achieve the desired outcomes

The School Improvement Plan identified nine specific areas for development as follows, with staff and trustees appointed as responsible for delivering and monitoring accordingly.

- Behaviour & Attitudes:
 - Implement an amended behaviour plan to further strengthen behaviour across the school community
 - Implement robust, structured and strategic processes to monitor and review attendance, safeguarding and behaviour
- Leadership & Management
 - Provide effective opportunities for CPD for all staff
 - Further strengthen the strategic role and effectiveness of the trustee board
 - Further strengthen the wellbeing of all staff, including senior leaders
 - Ensure clear succession for leadership roles and responsibilities
 - Personal Development
- Quality of Education
 - Improve achievement of pupils in EYFS for GLD
 - Review and embed retrieval practice through the curriculum offer
 - Effectively use assessment strategies to inform teaching and learning termly assessment reports to trustees
 - To continue to improve outcomes for Year 4 MTC.
 - Enhance the knowledge and cultural capital of disadvantaged pupils
 - Embed approach to mastery teaching within the school
- Personal Development
 - Continue to strengthen pupil voice and ensure pupil representation across all groups

Highwoods Community Primary School

Trustees' Report for the Year Ended 31 August 2024 (continued)

Public Benefit

The academy trust provides educational services to children in the local area. The trustees confirm that they have complied with the duty in Section 4 of the Charities Act 2006 to have due regard to the public benefit guidance provided by the Charity Commission.

In accordance with its objectives, the academy trust strives to advance the education of the pupils attending the school. The academy trust's primary beneficiaries are therefore the pupils and benefits to the pupils are provided through continuing to maintain a high standard of education throughout the school.

In addition to its core objects to provide educational services, the academy trust will promote the provision of facilities for recreation of other leisure time, with the object of improving the condition of life for those who have need of such facilities by reason of their youth, age infirmity, or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare.

Strategic Report

Achievements and Performance

With 428 pupils on roll the school is larger than the average-sized primary school. We continue to be oversubscribed year on year showing the continued popularity of our school.

The school had a Section 8 Ofsted inspection in June 2024 and continues to be rated as good. However, the evidence gathered suggests that the inspection grade might be outstanding if a graded (section 5) inspection were carried out now. The school's next inspection will be a graded inspection.

Some key findings of the inspections were;

- Pupils love being part of Highwoods Community Primary School. The school is a warm, welcoming and inclusive community.
- Pupils' learning is strong in all curriculum areas, and their achievements in national assessments are well above average.
- An ambitious, intelligently designed curriculum is securely in place.
- Children in the early years access engaging and purposeful learning that skilfully prepares them for Year 1.
- Leaders support teachers to improve their subject knowledge. Teachers know their pupils and subjects very well. Consequently, teachers adapt well-chosen learning activities to get the best out of pupils.
- The school's work to support all pupils, including pupils with special educational needs and/or disabilities (SEND) is a strength. Careful changes are made to lessons or the curriculum to enable pupils with SEND to achieve well.
- The school's very high expectations of behaviour are shown through pupils' positive actions in lessons and around the school. Pupils behave exceptionally well, attend regularly and have excellent attitudes to learning. Pupils take pride in producing high quality, beautifully presented writing.
- The school caters extremely well for pupils' personal development. Leaders have carefully planned an exemplary range of additional opportunities. All pupils, regardless of background, can take part in clubs, trips and other activities.
- The leadership team, led by the headteacher, drives the ambition for the school. Leaders, governors, trustees and staff work closely together, and pupils are at the centre of the school's work. Governors offer high-quality challenge and support.

Highwoods Community Primary School

Trustees' Report for the Year Ended 31 August 2024 (continued)

Key Performance Indicators for 2023/24

Data headlines:

- Attainment in phonics is above national average with 88% achieving the pass mark in year one. 100% of year two pupils have now achieved the pass mark.
- Year four multiplication check saw 75% of the cohort achieving 100%.
- Data 2024-reading, writing and maths combined scores at the end of Key Stage 2 were 81% compared to 62% in Essex and National.
- The percentage of pupils achieving the higher standard for reading, writing and maths combined, at the end of year 6 is 26%. Essex average was 9% and National 8%.
- 90% of the 2024 cohort achieved expected standard in Reading, at the end of Key Stage 2, compared to 76% in Essex and 74% Nationally.
- The percentage of pupils achieving the higher standard for writing, at the end of year six is 32%, nearly 20% above the national average.
- The percentage of pupils attaining the expected standard in mathematics, at the end of year six is 89% compared to 74% in Essex and 73% National.
- Grammar, Punctuation and Spelling at the end of year 6 is 90%, 20% higher than both Essex and National. 48% of the cohort achieved the higher standard.
- Good Level of Development (GLD) in Foundation Stage for 2024 is 77% compared to 69% in Essex and 68% National.

Early Years - Good level of Development

School	National
77%	68%

Year 1 – Phonics screening check

School	National
88	80

Year 2 – Phonics screening recheck (pupils who did not meet standard in Y1)

School	National
100%	91

Key Stage 1 Results (Year 2)

	School		National	
	Expected standard	Higher Standard	Expected standard	Higher Standard
Reading	90%	45%	74%	8%
Writing	84%	2%	2%	2%
Maths	9%	5%	3%	3%
GPS	90%	48%	72%	31%
Combined	1%	6%	1%	7
Science	90%	-	1%	-

Highwoods Community Primary School

Trustees' Report for the Year Ended 31 August 2024 (continued)

Multiplication Tables Check (Year 4)

School Mean Score 2023	National Mean Score 2022
24.2	0.7
% scoring 25/25	
75%	5%

Key Stage 2 Results (Year 6)

Regular information is reported to the trustees to enable trustees to monitor the performance of the academy compared to its aims and development plan.

Financial Review

Going Concern

After making appropriate enquiries, the board of trustees has a reasonable expectation that the academy trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies. Key financial performance indicators together with forecasts are provided monthly to all trustees in a management accounts report.

The school's accounting period was 1st September 2023 to 31st August 2024. The principal source of funding for the school is the GAG and other grants that it receives from the Education and Skills Funding Agency (ESFA). In this accounting period the school received total income of £2,688,162 of which GAG was 71% (£1,899,226).

Self-generated income has remained low compared to previous years and totalled £68,749. The trend is showing an increase but remains a concern. Lettings are proving challenging to increase with actual income of £20,365, which has not recovered since COVID. Catering income remains strong with an income of £36,185 against a budget of £33,440. This is due to specific focus on varied meal options that are liked by the children but remain affordable. The school continues to look for additional income to supplement ESFA funding and will be a focus of future trustees' meetings to determine alternative options for fund raising. For example, the school raised £5,000 in previous years from a sponsored walk which is an indication of the positive relationship the school has with the wider school community.

The school submitted a Conditional Improvement Fund (CIF) bid, regarding security & safeguarding to ESFA. This bid was successful and a grant of £237,835 was received to replace the fencing around the perimeter of the school. This work was mostly finished by the end of the academic year with some work due to continue into the autumn term of the next academic year.

The academy continues to try and keep costs low without impacting learning outcomes and continues to review spending to identify areas that can be deferred. Following on from redundancies made across financial years 2016/17, 2017/2018 and 2020/21 staff costs remain low at 84% of total income excluding CIF Funding. Total expenditure for the year was £2,675,225.

Highwoods Community Primary School

Trustees' Report for the Year Ended 31 August 2024 (continued)

The academy and board of trustees has been focused on increasing reserves to a level in line with the reserves policy (aim for 5% of GAG) through sustainable spending restraint and scrutiny. The academy brought forward £106,884 from financial year 2022/23 and through planned and structural financial management and a robust budget, the carry forward for 2023/24 is £103,011 which equates to 5.4% of GAG.

At the balance sheet date, the school had reserves of £95,671 (unrestricted) and £7,340 restricted.

A deficit budget of £12,594 has been declared by the academy for the financial year 24/25. However, since the budget was approved the Government announced the Core Schools Budget Grant (CSBG) which increased the annual income by £40,681 eradicating the deficit budget. The reason for the initial deficit budget was the teachers pay award of 5.5% and the Local Government Support Staff annual increment of £1,290 on each pay scale. The increase in GAG funding and additional funding provided does not fully cover these increased costs. Where possible, the school has controlled costs under its control. For example, fixed rate energy tariffs have been put in place to remove uncertainty and financial risk. The impact of these increased costs on the budget is that spending on curriculum, training and premises have been reduced to a minimum. Although the academy will focus on minimising the impacts on learning, the risk of impact to outcomes has increased as consequence. This will be of a particular focus next financial year for the board of trustees and the school leadership team.

Reserves Policy

The trustees are aware of the requirements to balance current and future needs. The trustees always aim to set a balanced budget with annual income balancing annual expenditure. The trustees monitor estimated year-end carry-forward figures via the monthly management accounts report from the business manager. The agreed reserves policy states the school aims for reserves to be 5% of GAG.

Our initial estimates indicated that the academy's reserves will reduce in future years due to the reasons outlined above. The school will continue to look at additional income options but if additional Government funding is not forthcoming then further cost savings will need to be considered to comply with the reserves policy in future years.

Investment Policy

The trustees aim to maximise investment return while taking a zero-risk approach to investment.

Principal Risks and Uncertainties

The trustees maintain a risk register identifying the major risks to which the academy is exposed and identifying actions and procedures to mitigate those risks. A formal review of the risk register process is undertaken on an annual basis and the internal control systems and the exposure to said risks are monitored on behalf of the trustees at each termly Risk and Audit Committee meeting. Edmund Carr LLP have been appointed to carry out all external audits and SBM Services to carry out all internal audits.

As an academy and with the financial controls that are in place, the level of financial risk associated with accuracy of budgeting and forecasting is low.

Highwoods Community Primary School

Trustees' Report for the Year Ended 31 August 2024 (continued)

The top principal risks are as follows;

- Maintenance and upkeep of the school is not possible to fund through the school capital budget resulting in deterioration of the learning environment and increased health & safety risks.
 - Mitigations / Actions:
 - SBM & site manager to regularly review improvement priorities
 - SBM & site manager to actively seeking funding in the form of CIF bids and grants to repair the school
- Difficulty in recruitment and retention of trustees with the appropriate experience
 - Mitigations / Actions:
 - Governors attending regular training with ECC and SIP.
 - Active recruitment for skills needed through local networks and contacts.
- Loss of key staff due to personal cost pressures and low moral
 - Mitigations / Actions:
 - Ensure that the Wellbeing Charter is being followed.
 - Ensure there is a culture of support.

Fundraising

The academy's main fund-raising activities are through the Parent Teachers Association (PTA) including a yearly school fayre. Further events will be organised in the future by the academy and the PTA. The PTA is a very active body and organises events throughout the year e.g. talent show and summer fete. The academy trust does not work with professional fundraisers or companies who carry out fundraising on its behalf. During the year no complaints or issues have arisen as a result of the fundraising events

Plans for Future Periods

The academy has a School Development Plan (SDP) that is refreshed each year at the start of Autumn term. The Chair of Trustees and Vice-chair join the senior leadership team to agree the vision, strategy and objectives for the year ahead with clear actions and measures. These also feed into monitoring that the board of trustees undertake throughout the year.

During the academic year the school has engaged with the authority to explore the option of a bulge class in Year 4 to accommodate additional demand in the local area. The school agreed to go ahead with this proposal and the works required for an additional building on site was started during the summer, due to finished early Autumn term 24/25. The class will provide an additional 31 spaces within the school in this year group.

Funds Held as Custodian Trustee on Behalf of Others

No funds are held by the academy as custodian trustees on behalf of others.

Highwoods Community Primary School

Trustees' Report for the Year Ended 31 August 2024 (continued)

Auditor

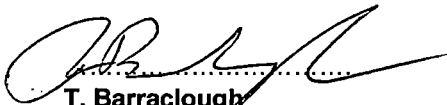
Insofar as the trustees are aware:

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

Reappointment of Auditor

The auditor Edmund Carr LLP are deemed to be reappointed under section 487(2) of the Companies Act 2006

Trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 27th November 2024 and signed on the board's behalf by:



T. Barraclough
Trustee

Highwoods Community Primary School

Governance Statement

Scope of Responsibility

As trustees, we acknowledge we have overall responsibility for ensuring that Highwoods Community Primary 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 or loss.

The board of 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 Highwoods Community Primary 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.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The trustees have formally met 13 times during the year across the various committed. Attendance during the year at monthly meetings of the board of trustees was as follows:

Trustees	Meetings attended	Out of Possible
P Disley (Headteacher)	12	13
Dr T Barraclough (Chair)	13	13
Rev. H Cooper (Vice-Chair)	12	12
S Waring MBE	10	12
L Houghton	12	12
A Gopu	5	7
T Neal	12	13
S Thornhill	8	13
N Cork	7	7
K King	7	7

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 achieved in return for the taxpayer resources received.

The accounting officer considers how the academy 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. Examples include discounts through the use of the framework agreements as a member of the North Essex Schools Partnership (NESP), including but not limited to Banking, Utilities, Educational supplies, Furniture, Staff training and Data Protection Officer (DPO).

Highwoods Community Primary School

Governance Statement (continued)

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 Highwoods Community Primary School for the period ending 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 ending 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.

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 finance and general purposes 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

SBM Services have been appointed to provide an internal audit service and their role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems. SBM Services audit against the updated Academies Financial Handbook and divide their audit service into 13 areas; Financial Governance, Financial Administration, Managing Business & Personal Interests, Risk Management, Income, Payroll, Purchasing and Creditors, Bank and Cash, Inventory and Fixed Assets, Budget, VAT, Lettings and Balance Sheet. On an annual basis, 3 or 4 out of the 13 areas are audited. The areas to be audited are agreed by the trustees in advance. The audit findings are reported to the board. In this financial period the following areas were checked.

- Balance Sheet
- Financial Governance
- Income and Debtors

Any areas that were found to require attention have been actioned and reported back to the trustees at the monthly meetings.

Highwoods Community Primary School

Governance Statement (continued)

Review of Effectiveness

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

- the work of the responsible officer
- the work of the external auditors
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework

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

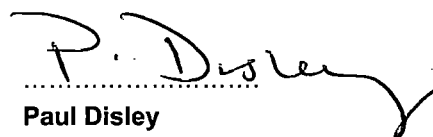
Based on the advice of the audit and risk committee and the accounting officer, the board of trustees is of the opinion that the academy trust has an adequate and effective framework for governance, risk management and control.

Approved by order of the members of the board of trustees on 27th November 2024 and signed on its behalf by:



Tim Barraclough

Trustee



Paul Disley

Accounting Officer


Highwoods Community Primary School

Statement of Regularity, Propriety and Compliance

As accounting officer of Highwoods Community Primary School I have considered my responsibility to notify the academy trust board of trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration, I have had due regard to the requirements of the Academies Financial Handbook 2023.

I confirm that I and the academy trust board of trustees can identify any material irregular or improper use of all 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 Academies Financial 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.



Paul Disley
Accounting Officer

27th November 2024

Highwoods Community Primary School

Statement of Trustees' Responsibilities

The Trustees (who are the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with the Annual Accounts Direction published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the Trustees to prepare 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 its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

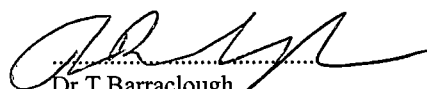
- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2023 to 2024;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards [FRS 102] have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from the ESFA/DfE have been applied for the purposes intended.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by order of the members of the Board on 27 November 2024 and signed on its behalf by:



Dr T Barraclough
Trustee

Highwoods Community Primary School

Independent Auditor's Report on the Financial Statements to the Members of Highwoods Community Primary School

Opinion

We have audited the financial statements of Highwoods Community Primary School (the 'Academy') for the year ended 31 August 2024, which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows 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 and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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; and
- 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 auditor responsibilities for the audit of the financial statements section of our report. We are independent of the Academy 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's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were 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 (covers the Trustees' report)

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 auditor's report 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Highwoods Community Primary School

Independent Auditor's Report on the Financial Statements to the Members of Highwoods Community Primary School (continued)

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' report been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report.

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.

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities [set out on page 15], the Trustees 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'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 or to cease operations, or have no realistic alternative but to do so.

Auditor 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 an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Highwoods Community Primary School

Independent Auditor's Report on the Financial Statements to the Members of Highwoods Community Primary School (continued)

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows;

- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations.
- We focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations for the company, including the Companies Act 2006, tax legislation and data protection, anti-bribery, employment, environmental and health and safety legislation.
- We assessed the extent of compliance with the laws and regulations identified above through making enquiries of management.
- Identified laws and regulations were communicated with the audit team regularly and the team remained alert of instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur by;

- Making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud.
- Considering the internal controls in place to mitigate the risks of fraud and non-compliance with laws and regulations

To address the risk of fraud through management bias and override of controls, we;

- Performed analytical procedures to identify any unusual or unexpected relationships
- Tested journal entries to identify unusual transactions

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- Agreeing financial statement disclosures to underlying supporting documentation
- Reading the minutes of meetings of those charged with governance
- Enquiring of management as to actual and potential litigation and claims

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Highwoods Community Primary School

Independent Auditor's Report on the Financial Statements to the Members of Highwoods Community Primary School (continued)

Use of our report

This report is made solely to the Academy'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's Members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Academy and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Stewart Martin (Senior Statutory Auditor)
For and on behalf of Edmund Carr LLP, Statutory Auditor

146 New London Road
Chelmsford
Essex
CM2 0AW

Date: 27/11/2014

Highwoods Community Primary School

Independent Reporting Accountant's Assurance Report on Regularity to Highwoods Community Primary School and the Education and Skills Funding Agency to Highwoods Community Primary School and the Education Funding Agency

In accordance with the terms of our engagement letter dated 20 January 2023 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 Highwoods Community Primary 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 the Board of Trustees and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we may state to the Board of Trustees 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 the Board of Trustees and the ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of the board of trustees' accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of the board of trustees' funding agreement with the Secretary of State for Education dated 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 year from 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 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.

Highwoods Community Primary School

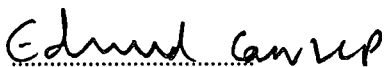
Independent Reporting Accountant's Assurance Report on Regularity to Highwoods Community Primary School and the Education and Skills Funding Agency to Highwoods Community Primary School and the Education Funding Agency (continued)

The work undertaken to draw to our conclusion includes:

- Reviewing the Minutes of the meetings of the committees and other evidence made available to us, relevant to our consideration of regularity
- Testing a sample of payments and receipts to documentation
- Evaluating the internal control procedures and reporting lines, and testing as appropriate and making appropriate enquiries of the Accounting Officer.

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 year from 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.



Stewart Martin
For and on behalf of Edmund Carr LLP, Chartered Accountants

146 New London Road
Chelmsford
Essex
CM2 0AW

Date: 27/11/2024

Highwoods Community Primary School

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

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	2024 Total £
Income and endowments from:					
Donations and capital grants	2	17,615	-	234,627	252,242
Other trading activities	4	72,401	36,185	-	108,586
Investments	5	30	-	-	30
<i>Charitable activities:</i>					
Funding for the Academy trust's educational operations	3	-	2,327,304	-	2,327,304
Total		90,046	2,363,489	234,627	2,688,162
Expenditure on:					
<i>Charitable activities:</i>					
Academy trust educational operations	7	60,843	2,354,624	259,758	2,675,225
Net income/(expenditure)		29,203	8,865	(25,131)	12,937
Transfers between funds		(9,371)	7,430	1,941	-
Other recognised gains and losses					
Actuarial gains/(losses) on defined benefit pension schemes	24	-	(40,000)	-	(40,000)
Net movement in funds/(deficit)		19,832	(23,705)	(23,190)	(27,063)
Reconciliation of funds					
Total funds brought forward at 1 September 2023		75,839	31,045	4,591,766	4,698,650
Total funds carried forward at 31 August 2024		95,671	7,340	4,568,576	4,671,587

Highwoods Community Primary School

Statement of Financial Activities for the Year Ended 31 August 2023 (including Income and Expenditure Account)

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	2023 Total £
Income and endowments from:					
Donations and capital grants	2	10,775	2,300	27,430	40,505
Other trading activities	4	78,857	32,710	-	111,567
Investments	5	30	-	-	30
<i>Charitable activities:</i>					
Funding for the Academy trust's educational operations	3	-	2,216,837	-	2,216,837
Total		89,662	2,251,847	27,430	2,368,939
Expenditure on:					
<i>Charitable activities:</i>					
Academy trust educational operations	7	60,840	2,259,044	98,387	2,418,271
Net income/(expenditure)		28,822	(7,197)	(70,957)	(49,332)
Other recognised gains and losses					
Actuarial gains/(losses) on defined benefit pension schemes	24	-	268,000	-	268,000
Net movement in funds/(deficit)		28,822	260,803	(70,957)	218,668
Reconciliation of funds					
Total funds/(deficit) brought forward at 1 September 2022		47,017	(229,758)	4,662,723	4,479,982
Total funds carried forward at 31 August 2023		75,839	31,045	4,591,766	4,698,650

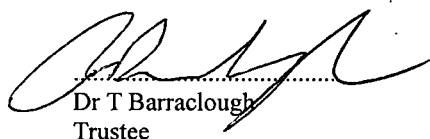
Highwoods Community Primary School

(Registration number: 08446789)

Balance Sheet as at 31 August 2024 as at 31 August 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	11	4,506,321	4,591,766
Current assets			
Debtors	12	217,707	114,226
Cash at bank and in hand		171,761	198,857
		<u>389,468</u>	<u>313,083</u>
Liabilities			
Creditors: Amounts falling due within one year		<u>(224,202)</u>	<u>(206,199)</u>
Net current assets		<u>165,266</u>	<u>106,884</u>
Total assets less current liabilities		<u>4,671,587</u>	<u>4,698,650</u>
Net assets excluding pension asset		<u>4,671,587</u>	<u>4,698,650</u>
Total net assets		<u><u>4,671,587</u></u>	<u><u>4,698,650</u></u>
Funds of the Academy:			
Restricted funds			
Restricted general fund	14	7,340	31,045
Restricted fixed asset fund	14	4,568,576	4,591,766
		4,575,916	4,622,811
Unrestricted funds			
Unrestricted general fund	14	95,671	75,839
Total funds		<u><u>4,671,587</u></u>	<u><u>4,698,650</u></u>

The financial statements on pages 22 to 48 were approved by the Trustees, and authorised for issue on 27 November 2024 and signed on their behalf by:


Dr T Barraclough
Trustee

Highwoods Community Primary School

Statement of Cash Flows for the year ended 31 August 2024 for the Year Ended 31 August 2024

	Note	2024 £	2023 £
Cash flows from operating activities			
Net cash used in operating activities	18	(261,753)	(21,975)
Cash flows from investing activities	19	<u>234,657</u>	<u>7,940</u>
Change in cash and cash equivalents in the year		(27,096)	(14,035)
Cash and cash equivalents at 1 September		<u>198,857</u>	<u>212,892</u>
Cash and cash equivalents at 31 August	20	<u><u>171,761</u></u>	<u><u>198,857</u></u>

Highwoods Community Primary School

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

1 Accounting policies

A summary of the principal accounting policies adopted (which have been applied consistently, except where noted), judgements and key sources of estimation uncertainty is set out below.

Basis of preparation

The financial statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2023 to 2024 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Highwoods Community Primary 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 company to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the 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.

Income

All incoming resources are recognised when the academy trust has entitlement to the funds, the receipt is probable and the amount can be measured reliably.

Grants

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

General Annual Grant is recognised in full in the Statement of Financial Activities in the 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 spent on capital projects in line with the terms and conditions of the grant. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended.

Highwoods Community Primary School

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

1 Accounting policies (continued)

Donations

Donations are recognised on a receivable basis (where there are no performance-related conditions) where the receipt is probable and the amount can be reliably measured.

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.

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.

Expenditure on raising funds

This includes all expenditure incurred by the academy trust to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Charitable activities

These are costs incurred on the academy trust's educational operations, including support costs and costs relating to the governance of the academy trust apportioned to charitable activities.

Highwoods Community Primary School

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

1 Accounting policies (continued)

Tangible fixed assets

Assets costing £5,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment. Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on 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. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of each asset over its expected useful lives, per the table below.

Assets in the course of construction are included at cost. Depreciation on 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.

Asset class	Depreciation method and rate
Computer & IT equipment	33.3% straight line
Fixture, fittings and Equipment	25% straight line
Property Improvements	2% straight line
Long leasehold land & property	60 - 125 years straight line

Liabilities

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the academy trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions

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

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

Leased assets

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

Highwoods Community Primary School

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

1 Accounting policies (continued)

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 note 12. Prepayments are not financial instruments. Amounts due to the charity's wholly owned subsidiary are held at face value less any impairment.

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 13. 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. Amounts due to charity's wholly owned subsidiary are held at face value less any impairment.

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 the categories covered by part 11, chapter 3 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Highwoods Community Primary School

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

1 Accounting policies (continued)

Pension benefits

Retirement benefits to employees of the Academy Trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes and the assets are held separately from those of the Academy Trust.

The TPS is an unfunded scheme and contributions are calculated 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 quinquennial valuations using a prospective benefit method. As stated in the notes to the financial statements, the TPS is a multi-employer scheme and the Academy Trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

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 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 gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the Statement of Financial Activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The expected return on assets and the interest cost are shown as a net finance amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in other gains and losses.

Fund accounting

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the Education Funding Agency/Department for Education/sponsor/other funders where the asset acquired or created is held for a specific purpose.

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

Critical accounting estimates and areas of judgement

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.

Highwoods Community Primary School

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

1 Accounting policies (continued)

Critical accounting estimates and assumptions

The academy trust makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 'Member Liability', will impact on the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2022 has been used by the actuary in valuing the pensions liability at 31 August 2024. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

The LGPS valuation shows a pension asset as at 31 August 2024. FRS 102 section 28.22 states a plan surplus can be recognised only to the extent an entity is able to recover the surplus, either through reduced contributions in the future, or through refunds from the scheme. Based on the guidance, the pension asset has not been recognised and instead the actuarial gain has been restricted to recognise the liability as nil.

2 Donations and capital grants

	Unrestricted Funds £	Restricted Fixed Asset Funds £	2024 Total £	2023 Total £
Capital grants	-	234,627	234,627	27,430
Other donations	17,615	-	17,615	13,075
	<u>17,615</u>	<u>234,627</u>	<u>252,242</u>	<u>40,505</u>

Highwoods Community Primary School

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

3 Funding for the Academy Trust's educational operations

	Restricted General Funds £	2024 Total £	2023 Total £
Educational operations			
DfE/ESFA revenue grants			
General Annual Grant (GAG)	1,899,226	1,899,226	1,833,950
Others	158,986	158,986	134,003
UIFSM	71,698	71,698	67,541
Pupil Premium	<u>120,903</u>	<u>120,903</u>	<u>118,885</u>
	2,250,813	2,250,813	2,154,379
Other government grants			
SEN	60,790	60,790	54,045
Non-government grants and other income			
Staff absences insurance reimbursements	<u>15,701</u>	<u>15,701</u>	<u>8,413</u>
Total grants	<u><u>2,327,304</u></u>	<u><u>2,327,304</u></u>	<u><u>2,216,837</u></u>

Highwoods Community Primary School

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

4 Other trading activities

	Unrestricted Funds £	Restricted General Funds £	2024 Total £	2023 Total £
Hire of facilities	20,365	-	20,365	19,215
Catering income	-	36,185	36,185	32,710
School trips, photos and other miscellaneous sales	52,036	-	52,036	59,642
	<u>72,401</u>	<u>36,185</u>	<u>108,586</u>	<u>111,567</u>

5 Investment income

	Unrestricted Funds £	2024 Total £	2023 Total £
Short term deposits	<u>30</u>	<u>30</u>	<u>30</u>

Highwoods Community Primary School

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

6 Expenditure

	Non Pay Expenditure			2023/24	2022/23
	Staff costs £	Premises £	Other costs £	Total £	Total £
Academy's educational operations					
Direct costs	1,651,242	-	107,362	1,758,604	1,640,734
Allocated support costs	<u>328,077</u>	<u>488,319</u>	<u>100,225</u>	<u>916,621</u>	<u>777,537</u>
	<u>1,979,319</u>	<u>488,319</u>	<u>207,587</u>	<u>2,675,225</u>	<u>2,418,271</u>

Net income/(expenditure) for the year includes:

	2024 £	2023 £
Operating leases - plant and machinery	285	426
Fees payable to auditor - audit	8,490	8,085
- other audit services	770	735
Depreciation	<u>85,445</u>	<u>88,937</u>

7 Charitable activities

	2024 £	2023 £
Direct costs - educational operations	1,758,604	1,640,734
Support costs - educational operations	<u>916,621</u>	<u>777,537</u>
	<u>2,675,225</u>	<u>2,418,271</u>

	Educational operations £	2023/24 Total £	2022/23 Total £
Analysis of support costs			
Support staff costs	328,077	328,077	375,858
Depreciation	85,445	85,445	88,937
Premises costs	402,874	402,874	219,411
Other support costs	91,739	91,739	84,055
Governance costs	<u>8,486</u>	<u>8,486</u>	<u>9,276</u>
Total support costs	<u>916,621</u>	<u>916,621</u>	<u>777,537</u>

Highwoods Community Primary School

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

8 Staff

Staff costs and employee benefits

	2024	2023
	£	£
Staff costs during the year were:		
Wages and salaries	1,507,079	1,422,863
Social security costs	126,330	107,150
Pension costs	343,849	359,136
	<u>1,977,258</u>	<u>1,889,149</u>
Staff restructuring costs	2,061	-
	<u>1,979,319</u>	<u>1,889,149</u>
		2024
		£

Staff restructuring costs comprise:

Redundancy payments	<u>2,061</u>
---------------------	--------------

Severance payments

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

	2024
	£
0 - £25,000	<u>1</u>

Non statutory/non-contractual staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £Nil (2023: £Nil). Individually, the payments were:

Non-statutory payments £Nil

Staff numbers

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

	2024	2023
	No	No
Teachers	16	19
Administration and support	46	52
Management	6	4
	<u>68</u>	<u>75</u>

Higher paid staff

Highwoods Community Primary School

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

8 Staff (continued)

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

	2024	2023
	No	No
£60,001 - £70,000	1	-
£70,001 - £80,000	-	1
£80,001 - £90,000	1	-
	<u>1</u>	<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 key management personnel benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £476,769 (2023: £348,486).

9 Related party transactions - Trustees' remuneration and expenses

One or more Trustees has been paid remuneration or has received other benefits from employment with the academy trust. The principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment, and not in respect of their role as Trustees. The value of trustees' remuneration and other benefits was as follows:

P Disley (Headteacher):

Remuneration: £80,000 - £85,000 (2023 - £75,000 - £80,000)

Employer's pension contributions: £20,000 - £25,000 (2023 - £15,000 - £20,000)

Other related party transactions involving the trustees are set out in note 23.

10 Trustees' and officers' insurance

In accordance with normal commercial practice the Academy has purchased insurance to protect governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £25,000,000 on any one claim and the cost for the year ended 31 August 2024 was £8,345.

Highwoods Community Primary School

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

11 Tangible fixed assets

	Leasehold land and buildings £	Furniture and equipment £	Computer equipment £	Leasehold Improvements £	2024 Total £
Cost					
At 1 September 2023	<u>5,315,000</u>	<u>16,916</u>	<u>53,539</u>	<u>65,846</u>	<u>5,451,301</u>
At 31 August 2024	<u>5,315,000</u>	<u>16,916</u>	<u>53,539</u>	<u>65,846</u>	<u>5,451,301</u>
Depreciation					
At 1 September 2023	794,730	10,444	43,889	10,472	859,535
Charge for the year	<u>76,294</u>	<u>2,158</u>	<u>5,676</u>	<u>1,317</u>	<u>85,445</u>
At 31 August 2024	<u>871,024</u>	<u>12,602</u>	<u>49,565</u>	<u>11,789</u>	<u>944,980</u>
Net book value					
At 31 August 2024	<u>4,443,976</u>	<u>4,314</u>	<u>3,974</u>	<u>54,057</u>	<u>4,506,321</u>
At 31 August 2023	<u>4,520,270</u>	<u>6,472</u>	<u>9,650</u>	<u>55,374</u>	<u>4,591,766</u>

12 Debtors

	2024 £	2023 £
Trade debtors	-	850
VAT recoverable	5,363	5,844
Prepayments	44,953	42,917
Accrued grant and other income	<u>167,391</u>	<u>64,615</u>
	<u>217,707</u>	<u>114,226</u>

Highwoods Community Primary School

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

13 Creditors: amounts falling due within one year

	2024	2023
	£	£
Trade creditors	21,252	-
Other taxation and social security	55,109	44,031
Accruals	99,575	108,035
Deferred income	48,266	54,133
	<u>224,202</u>	<u>206,199</u>
	2024	2023
	£	£
Deferred income		
Deferred income at 1 September 2023	54,133	58,541
Resources deferred in the period	48,266	54,133
Amounts released from previous periods	<u>(54,133)</u>	<u>(58,541)</u>
Deferred income at 31 August 2024	<u>48,266</u>	<u>54,133</u>

The deferred income as at 31 August 2024 is in respect of amounts received in advance for free school meals and rates relief.

Highwoods Community Primary School

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

14 Funds

	Balance at 1 September 2023 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2024 £
Restricted general funds					
General Annual Grant (GAG)	31,045	1,899,226	(1,930,361)	7,430	7,340
Other DfE/ESFA grants	-	158,986	(158,986)	-	-
UIFSM	-	71,698	(71,698)	-	-
Pupil Premium	-	120,903	(120,903)	-	-
Other donations and income	-	51,886	(51,886)	-	-
Other local authority funds	-	60,790	(60,790)	-	-
Pension reserve	-	-	40,000	(40,000)	-
	<u>31,045</u>	<u>2,363,489</u>	<u>(2,354,624)</u>	<u>(32,570)</u>	<u>7,340</u>
Restricted fixed asset funds					
Devolved Formula Capital (DFC)	13,734	8,804	(6,675)	(13,734)	2,129
Tangible Assets	4,578,032	-	(85,445)	13,734	4,506,321
Condition Improvement Fund	-	225,823	(167,638)	1,941	60,126
	<u>4,591,766</u>	<u>234,627</u>	<u>(259,758)</u>	<u>1,941</u>	<u>4,568,576</u>
Total restricted funds	4,622,811	2,598,116	(2,614,382)	(30,629)	4,575,916
Unrestricted funds					
Unrestricted general funds	<u>75,839</u>	<u>90,046</u>	<u>(60,843)</u>	<u>(9,371)</u>	<u>95,671</u>
Total funds	<u>4,698,650</u>	<u>2,688,162</u>	<u>(2,675,225)</u>	<u>(40,000)</u>	<u>4,671,587</u>

Highwoods Community Primary School

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

14 Funds (continued)

The academy trust is not subject to GAG carried forward limits.

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

-The General Annual Grant (GAG), other DfE funding and local authority funds must be used for the normal running costs of the Academy.

- Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG that it would carry forward at 31 August 2024.

-The SEN funding represents grants received in order to provide additional teaching resources for children with special learning needs. The cost of these teaching resources has been set against income.

-The other donations fund includes income from the PTA donated for specific expenses and catering income.

-The transfer from the unrestricted fund of £9,371 to the restricted general fund and the restricted fixed asset fund relates to a school contribution towards projects where there was a shortfall in capital grants, and a reallocation of additional restricted funding received.

Highwoods Community Primary School

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

14 Funds (continued)

	Balance at 1 September 2022 £	Incoming resources £	Resources Expended £	Gains, losses and transfers £	Balance at 31 August 2023 £
Restricted general funds					
General Annual Grant (GAG)	15,242	1,833,950	(1,818,147)	-	31,045
Other DfE/ESFA grants	-	134,003	(134,003)	-	-
UIFSM	-	67,541	(67,541)	-	-
Pupil Premium	-	118,885	(118,885)	-	-
Other donations and income	-	43,423	(43,423)	-	-
Other local authority funds	-	54,045	(54,045)	-	-
Pension reserve	(245,000)	-	(23,000)	268,000	-
	<u>(229,758)</u>	<u>2,251,847</u>	<u>(2,259,044)</u>	<u>268,000</u>	<u>31,045</u>
Restricted fixed asset funds					
Devolved Formula Capital (DFC)	1,542	27,430	(15,238)	-	13,734
Tangible Assets	4,661,181	-	(83,149)	-	4,578,032
	<u>4,662,723</u>	<u>27,430</u>	<u>(98,387)</u>	<u>-</u>	<u>4,591,766</u>
Total restricted funds	4,432,965	2,279,277	(2,357,431)	268,000	4,622,811
Unrestricted funds					
Unrestricted general funds	<u>47,017</u>	<u>89,662</u>	<u>(60,840)</u>	<u>-</u>	<u>75,839</u>
Total funds	<u>4,479,982</u>	<u>2,368,939</u>	<u>(2,418,271)</u>	<u>268,000</u>	<u>4,698,650</u>

Highwoods Community Primary School

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

15 Analysis of net assets between funds

Fund balances at 31 August 2024 are represented by:

	Unrestricted Funds	Restricted General Funds	Restricted Fixed Asset Funds	Total Funds
	£	£	£	£
Tangible fixed assets	-	-	4,506,321	4,506,321
Current assets	95,671	231,542	62,255	389,468
Current liabilities	-	(224,202)	-	(224,202)
Total net assets	<u>95,671</u>	<u>7,340</u>	<u>4,568,576</u>	<u>4,671,587</u>

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

	Unrestricted Funds	Restricted General Funds	Restricted Fixed Asset Funds	Total Funds
	£	£	£	£
Tangible fixed assets	-	-	4,591,766	4,591,766
Current assets	75,839	237,244	-	313,083
Current liabilities	-	(206,199)	-	(206,199)
Total net assets	<u>75,839</u>	<u>31,045</u>	<u>4,591,766</u>	<u>4,698,650</u>

16 Capital commitments

	2024 £
Contracted for, but not provided in the financial statements	<u>60,125</u>

17 Financial commitments

Operating leases

At 31 August 2024 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

	2024 £	2023 £
Amounts due within one year	285	285
Amounts due between one and five years	428	713
	<u>713</u>	<u>998</u>

Highwoods Community Primary School

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

18 Reconciliation of net income/(expenditure) to net cash inflow/(outflow) from operating activities

	2024	2023
	£	£
Net income/(expenditure)	12,937	(49,332)
Depreciation	85,445	88,937
Capital grants from DfE and other capital income	(234,627)	(27,430)
Interest receivable	(30)	(30)
Defined benefit pension scheme obligation inherited	(40,000)	23,000
(Increase)/decrease in debtors	(103,481)	5,612
Increase/(decrease) in creditors	18,003	(62,732)
Net cash used in Operating Activities	<u>(261,753)</u>	<u>(21,975)</u>

19 Cash flows from investing activities

	2024	2023
	£	£
Dividends, interest and rents from investments	30	30
Purchase of tangible fixed assets	-	(19,520)
Capital funding received from sponsors and others	234,627	27,430
Net cash provided by investing activities	<u>234,657</u>	<u>7,940</u>

20 Analysis of cash and cash equivalents

	2024	2023
	£	£
Cash in hand and at bank	<u>171,761</u>	<u>198,857</u>
Total cash and cash equivalents	<u>171,761</u>	<u>198,857</u>

21 Analysis of changes in net debt

	At 1 September 2023	Cash flows	At 31 August 2024
	£	£	£
Cash	198,857	(27,096)	171,761
	-	-	-
Total	<u>198,857</u>	<u>(27,096)</u>	<u>171,761</u>

Highwoods Community Primary School

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

22 Member 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.

23 Related party transactions

Owing to the nature of the academy trust and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. The following related party transactions took place in the financial period.

There were no related party transactions in the year, other than certain Trustees' remuneration and expenses already disclosed in note 9.

Highwoods Community Primary School

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

24 Pension and similar obligations

The Academy'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 Essex County Council. Both are multi-employer defined benefit schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2020 and of the LGPS 31 March 2022.

Contributions amounting to £26,517 were payable to the schemes at 31 August 2024 (2023: £19,435) 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 academy trusts. All teachers have the option to opt-out of the TPS following enrolment.

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

Valuation of the Teachers' Pension Scheme

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

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

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

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

Highwoods Community Primary School

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

24 Pension and similar obligations (continued)

The employers pension costs paid to TPS in the period amounted to £216,642 (2023: £178,860).

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

Under the definitions set out in Financial Reporting Standard 102 (FRS 102), the TPS is an unfunded multi-employer pension scheme. The academy 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 has set out above the information available on the scheme.

Local government pension scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate Trustee-administered funds. The total contribution made for the year ended 31 August 2024 was £200,000 (2023 - £188,000), of which employer's contributions totalled £163,000 (2023 - £153,000) and employees' contributions totalled £37,000 (2023 - £35,000). The agreed contribution rates for future years are 25% per cent for employers and 5.5% - 12.5% per cent for employees.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of an academy trust closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013 and on 21 July 2022, the Department for Education reaffirmed its commitment to the guarantee, with a parliamentary minute published on GOV.UK.

Principal actuarial assumptions

	2024	2023
	%	%
Rate of increase in salaries	3.90	3.90
Rate of increase for pensions in payment/inflation	2.90	2.90
Discount rate for scheme liabilities	5.10	5.30
Inflation assumptions (CPI)	<u>2.90</u>	<u>2.90</u>

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

	2024	2023
Retiring today		
Males retiring today	20.70	20.70
Females retiring today	23.30	23.20
Retiring in 20 years		
Males retiring in 20 years	22.00	22.00
Females retiring in 20 years	<u>24.70</u>	<u>24.60</u>

Highwoods Community Primary School

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

24 Pension and similar obligations (continued)

Sensitivity analysis

	2024 £ '000	2023 £ '000
Discount rate +0.1%	2,554.00	2,233.00
Discount rate -0.1%	2,651.00	2,274.00
Mortality assumption – 1 year increase	2,679.00	2,341.00
Mortality assumption – 1 year decrease	2,527.00	2,209.00
CPI rate +0.1%	2,605.00	2,277.00
CPI rate -0.1%	<u>2,599.00</u>	<u>2,271.00</u>

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

	2024 £	2023 £
Equities	1,523,000	1,325,000
Gilts	47,000	29,000
Property	190,000	178,000
Cash and other liquid assets	46,000	67,000
Other	<u>904,000</u>	<u>675,000</u>
Total market value of assets	<u>2,710,000</u>	<u>2,274,000</u>

The actual return on scheme assets was £272,000 (2023 - £98,000).

Amounts recognised in the statement of financial activities

	2024 £	2023 £
Current service cost	125,000	168,000
Interest income	(125,000)	(89,000)
Interest cost	121,000	96,000
Admin expenses	<u>2,000</u>	<u>1,000</u>
Total amount recognized in the SOFA	<u>123,000</u>	<u>176,000</u>

Changes in the present value of defined benefit obligations were as follows:

	2024 £	2023 £
At start of period	2,274,000	2,262,000
Current service cost	125,000	168,000
Interest cost	121,000	96,000
Employee contributions	37,000	35,000
Actuarial (gain)/loss	82,000	(257,000)
Benefits paid	<u>(37,000)</u>	<u>(30,000)</u>
At 31 August	<u>2,602,000</u>	<u>2,274,000</u>

Highwoods Community Primary School

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

24 Pension and similar obligations (continued)

Changes in the fair value of academy's share of scheme assets:

	2024	2023
	£	£
At start of period	2,277,000	2,017,000
Interest income	125,000	89,000
Actuarial gain/(loss)	145,000	10,000
Employer contributions	163,000	153,000
Employee contributions	37,000	35,000
Benefits paid	<u>(37,000)</u>	<u>(30,000)</u>
At 31 August	<u>2,710,000</u>	<u>2,274,000</u>

The Local Government Pension Scheme was valued by an actuary as an asset amounting to £108,000 (2023: £3,000 asset). The asset has not been recognised in the accounts.

The LGPS valuation shows a pension asset as at 31 August 2024. FRS 102 section 28.22 states a plan surplus can be recognised only to the extent an entity is able to recover the surplus, either through reduced contributions in the future, or through refunds from the scheme. Based on the guidance, the pension asset has not been recognised and instead the actuarial gain has been restricted to recognise the liability as nil.