Broadway Academy Trust

(A Company Limited by Guarantee)

Annual Report and Financial Statements
Year ended 31 August 2025

Company Registration Number
08534233 (England and Wales)

Feltons
Chartered Accountants

Birmingham
B1 3JR

Broadway Academy Trust
(A Company Limited by Guarantee)

Report and Financial Statements
Year ended 31 August 2025

Contents

Broadway Academy Trust
(A Company Limited by Guarantee)

Reference and Administrative Details

Executive Leadership Team	
• Headteacher & CEO	Mr R Skelton
• Deputy Headteacher	Mr S Carroll
• Deputy Headteacher	Mr G Stewart
• Chief Finance Officer	Mr G Preen
Company name	Broadway Academy Trust
Principal and registered office	The Broadway Birmingham B20 3DP
Company registration number	08534233
Independent auditor	Feltons 8 Sovereign Court 8 Graham Street Birmingham B1 3JR
Bankers	Lloyds Bank 2nd Floor, 125 Colmore Row Birmingham, B2 4BU
Solicitors	Browne Jacobson LLP Victoria Square House Victoria Square Birmingham, B2 4BU

Trustees' report for the year ended 31 August 2025

The trustees present their annual report together with the financial statements and auditor's report of the charitable company for the period 1 September 2024 to 31 August 2025 The annual report serves the purposes of both a trustees' report and a directors' report under company law.

The academy trust operates an academy for pupils aged 11 to 19 serving a catchment area in Birmingham. It has a pupil capacity of 1,250 and had a roll of 1231 in the Autumn school census October 2025.

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 Broadway Academy are also the directors of the charitable company for the purposes of company law. The charitable company operates as Broadway Academy Trust.

Details of the trustees who served during the year and to the date these accounts are approved are included in the Reference and Administrative details on page 1.

Members' liability

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

Trustees' indemnities

In accordance with normal commercial practice the academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim.

Method of recruitment and appointment or election of Trustees

Parent trustees are elected by the parents of registered pupils at the academy. A parent trustee must be a parent of a pupil at the academy at the time when she/he is elected.

Vacancies for parent trustees are placed in the weekly newsletter inviting nominations which parents vote on.

Community trustees may be appointed by the board of trustees provided that the person who is appointed as a community trustee is:

- a person who lives or works in the community served by the academy; or
- a person who, in the opinion of the board of trustees, is committed to the government and success of the academy; or
- a person who fills a skills/knowledge gap identified by the board.

Staff Trustees are elected by employees of the academy trust and appointed by the Governing Body.

Vacancies for staff trustees are placed in the staff bulletin inviting nominations.

Policies and Procedures Adopted for the Induction and Training of Trustees

When appointing Trustees key consideration is given to the personal and professional skills they will bring to the Governing Board. An annual skills audit is carried out, and Trustees are appointed according to the skills gaps identified from the audit. The Academy is committed to ensuring that all Trustees are provided with the information and support required to fulfil their role as a governor. Trustees are appointed to a 4-year term of office and represent all aspects of school life, including parents, staff, and the local community.

The Academy subscribes to the National Trustees Association and all Trustees, new and existing are invited and encouraged to attend induction training and other specific training in line with their needs as identified in the skills audit and the Deep Committee on which they serve. All Trustees are also invited to attend in-house training sessions delivered by other external sources at least once a year, covering a broad range of issues and topics.

Broadway Governing Board is a diverse board which is proactive in ensuring a broad cross section of society is represented.

Trustees are encouraged to actively participate in the life of the Academy, visit the school and hold regular meetings with employees linked to the Deep Committee on which the Trustees sit. Trustees contribute to the Deep Committee action plan and targets, reporting back on their visits to the school at each Committee.

All Trustees annually review and approve a Code of Conduct which they abide by, and which promotes effective working practices that are mutually supportive and respectful of roles and responsibilities. Trustees agree to abide by the seven principles of public life('the Nolan principles').

Organisational structure

The board of trustees has established committees and appoints trustees to serve on each of the committees annually. The committees for the period of the report were:

- Deep Leadership
- Deep Experience/Deep Support
- Deep Academics
- HR & Salaries
- Deep Services, Finance, Audit & Premises

The Full Board meets at least three times during each academic year and each of the committees meet at least three times each year, with additional meetings if required. To comply with the Academies Handbook the Full Board has Finance on the agenda for every meeting, so Finance is discussed at a Trustees meeting six times per annum.

In addition, Trustees volunteer to serve on staff or pupil disciplinary cases and appeals and exclusions.

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

The Board is responsible for the overall strategic vision and development of the Academy, which includes approving the School Improvement Plan, approving, and monitoring the annual budget and three-year financial plan and setting and approving policies. The Board is also responsible for agreeing any major decisions about the Academy plans and vision and is involved in senior staff appointments.

The structure of the executive leadership team is the head teacher, two deputy head teachers and the Chief Finance Officer. The executive leadership team meets on a regular basis.

The executive leadership team is supported by the appointment of assistant head teachers and a Director of HR. This wider leadership team meets regularly.

Trustees' report for the year ended 31 August 2025 (continued)

Arrangements for setting pay and remuneration of key management personnel

Trustees are unpaid but can claim travel and appropriate expenses in line with the Trustees Expenses Policy.

Senior staff are appraised against performance driven teaching and learning, leadership, and whole school objectives. These are reviewed at an HR and Salaries Committee by Trustees.

The Headteachers performance review is conducted by the HR & Salaries Committee and an external consultant, the School Improvement Partner.

Trade union facility time

Information in accordance with Schedule 2 of the Trade Union (Facility Time Publication Requirements) Regulations 2018 is as follows:

Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent number
2	2

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	
1% - 50%	2
51% - 99%	
100%	

Percentage of pay bill spent on facility time

Total cost of facility time	£6,807
Total pay bill	£8,403,961
Facility time as percentage of total pay bill	0.001%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	1.29%

Related parties, Connected Charities and other supporting Organisations

Broadway Academy has professional and working links with a broad range of organisations, including the following:

- Top Barn Trust, Worcestershire
- Radley College, Abingdon
- Atlantic College, South Wales
- Duke of Edinburgh Award Scheme
- West Midlands Police
- Sharing Panels
- Handsworth Association of Schools
- SACRE
- TISCA
- COFE
- Pupil & Family Support Organisations
- BETEL
- Alternative Curriculum Providers

- Titan Partnership
- City of Birmingham Rockets Basketball Club
- Aston Manor Cricket Club
- Erdington Judo Club
- University of Birmingham
- University of Worcester
- Aston University
- Birmingham City University

These links and relationships support the overarching ethos of the Academy and the aims of its charitable activities.

There are no related parties.

Objectives and activities

Objects and aims

The strategic goal of Broadway Academy is to provide a broad and balanced curriculum to all pupils in accordance with the funding agreement between Broadway Academy and the Department for Education.

Objectives, strategies, and activities

Broadway Academy has historically been able to maintain healthy cash reserves; however, the educational sector has had to respond to considerable challenges which Broadway Academy is not immune to. These national challenges include: high levels of inflation; limited income inflation which has not kept pace with RPI inflation; post covid challenges surrounding attendance and pupil engagement; limited external mental health support; SEND funding system challenges; limited capital financing; teacher recruitment; and pressures within other public sectors.

Regardless of these challenges Broadway Academy has achieved significant success, as well as maintaining an Ofsted Grade of Good. The school has produced good exam results and excellent progress scores, all of which is underpinned by high levels of pupil and community engagement, as demonstrated by the excellent pupil attendance. However, continued success will only be possible through adequate, planned and consistent funding, which will enable Broadway Academy to continually invest in its overarching aims.

Broadway Academy's four overarching aims are:

1. To deliver an Exceptional Educational Experience through a rich and diverse curriculum.
2. To deliver exceptional teaching and learning that yields excellent outcomes for students.
3. To continue to develop leadership capacity and wellbeing across the academy.
4. To empower students to go beyond compliance to ensure behaviour continues to be exceptional.

Public benefit

In setting our objectives and planning our activities the trustees have carefully considered the Charity Commission's general guidance on public benefit.

Broadway Academy is an equal opportunity employer and strives to give full and fair consideration to all applicants for employment, training, and promotions, irrespective of disability, sex, race, age, religion or belief, sexual orientation, gender reassignment, marital/civil partnership status, maternity status (the protected characteristics).

Broadway Academy has a thriving community, where multiple external agencies make use of the facilities.

Strategic Report

Achievements and Performance

- **Strong Governance and Leadership:** Governance remains excellent, providing strategic oversight, challenge, and support to ensure accountability for the Headteacher and leadership team.
- **Robust Safeguarding:** Safeguarding is highly effective and embedded at all levels of organisation.
- **Leadership and Expansion:** The academy's governance and leadership continue to drive the development and expansion of the sixth form, as well as the enhancement of support services and other functions.
- **Pupil Engagement and Attendance:** High levels of pupil engagement have led to above-national-average attendance, standing in contrast to the significant challenges faced nationally.
- **Character and Values-Based Education:** The academy delivers exceptional student progress through a focus on character, values, and inclusive education.
- **Outdoor Education Integration:** The integration of the Outdoor Education Centre and Farm has been successfully embedded into the overall curriculum offering.
- **Centre of Excellence for Sport and Music:** The development of a Centre of Excellence for sport and music is well underway.
- **Leadership in City-wide Qualifications:** The academy continues to be the lead school in the city for the Duke of Edinburgh Award and LAMDA qualifications.
- **Leadership Development and Capacity Building:** Expanded capacity through the development of the executive, leadership, and middle management teams supports continued growth, statutory compliance, and ongoing achievement.
- **Staff Engagement and Retention:** External verification highlights high levels of staff engagement, contributing to positive recruitment and retention outcomes.
- **Value-Driven Resource Management:** The Deep Committees and working groups maintain a focus on adding value, including reviewing service performance and requirements to optimize bought-in services.
- **Efficient Resource Allocation:** Resources are allocated effectively, with a continuous focus on maximising value, as evidenced by strong Ofsted ratings, high pupil engagement, and a stable financial position.
- **Community Engagement:** The academy continues to demonstrate exceptional collaboration with local communities, including strong ties with faith communities.
- **Partnerships and Collaborations:** There are outstanding partnerships with students, staff, and governors, notably with Radley College.
- **New Projects for School Improvement:** Several key projects have been successfully embedded in the academic year to benefit the school community, including:
    - The move from SIMS (School Management Information System) to Arbor.
    - The move from SIMS FMS (Financial Management System to Access Budgeting and Accounting.
    - The introduction of a Curriculum Led Financial Planning Tool (CLFPT) that integrates with the budgeting software.
    - Following a comprehensive formal tendering process, the catering provision has successfully been brought in-house, following many years of being outsourced to an external provider.

Key performance indicators

- Ofsted Rating: Good (2023: Good)
- Staffing Costs as a percentage of total income 78% (2024 : 77%)
- Teacher Costs as a percentage of total income 49% (2024 : 47%)

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.

Financial Review

The financial results of Broadway Academy are detailed in the following pages. It is considered that the finances are sound and well established. The principal financial management policies adopted are laid down by the Academy Trust Handbook and requirements as laid down by the Academy's Handbook.

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

Reserves Policy

The trustees operate in a prudent approach to financial planning, given the uncertainty surrounding revenue funding, as well as the pressure on capital funds.

It is the board of trustees' general policy to ensure an appropriate risk-based level of reserves are held. This balances financial sustainability with the need to invest strategically for growth and improvement to further the academy's educational purpose. The trustees ensure sufficient reserves, equivalent to one months expected expenditure out flow is maintained, in order to ensure there is sufficient cushion in the event of any cashflow difficulties.

As at 31 August 2025 the total funds compromised:

Unrestricted:		£761,460
Restricted:	Fixed Asset Funds	£16,156,112
	Pension Reserve	£nil
	Other	£45,160
Total		£16,962,732

Investment Policy

Any surplus funds are invested with Lloyds Bank plc in a deposit account.

These investments are carried out in accordance with the powers vested in the board of trustees.

Principal Risks and Uncertainties

Broadway Academy employs a comprehensive risk management approach to identify, assess, and mitigate key risks that could impact the Academy's operations. The principal risks are summarised as follows:

- **Reputational Risk:** Mitigated through strict adherence to sound policies and procedures, effective management of pupil behaviour, proactive staff management, robust health and safety and safeguarding measures, and continuous improvement in academic performance.
- **Performance Risk:** Addressed by setting clear and realistic targets, closely monitoring progress, and implementing targeted, timely, and reasonable intervention strategies where necessary.
- **Financial Risks:** These include potential reductions in pupil numbers, unbudgeted increases in staff costs, unfunded pay raises, unexpected capital expenditures, and insufficient increases in per-pupil funding. These risks are mitigated by prudent budgeting, long-term financial planning (including three-year projections), and the support of external accounting professionals.
- **Personnel Risks:** Managed through a combination of effective performance management processes, absence management, comprehensive policies and procedures, and external specialist support, alongside staying informed of national trends and issues that may affect staffing.
- **Political Risks:** These include potential changes in government policies or shifts in local and national priorities. The Academy mitigates these risks by maintaining ongoing dialogue with key stakeholders and staying informed of national trends and policy developments.
- **Legal and Regulatory Risks:** Managed by regularly monitoring changes in legislation and regulations, ensuring full compliance across all areas, and conducting independent internal and external reviews to ensure regulatory adherence.

Broadway Academy acknowledges that risk management is an inherent part of its operations. While some level of risk is inevitable, the Academy strives to avoid unacceptable risks in all areas. Major organisational risks are subject to review and consideration by the full governing body, while minor risks are delegated to sub-committees and executives for management and oversight.

Fundraising

Fundraising activities involving parental contributions within the Academy are limited as we are mindful of the local community it serves.

The community has access to school facilities, which is very active and results in a small annual profit which is reinvested into the community facility or supports other academy aims.

The Headteacher-CEO actively seeks grant and funding opportunities.

The Academy does not engage the services of professional fundraisers or companies to carry out fundraising on our behalf.

Plans for Future Periods

In line with the Academy's overarching aims, the plans for the future can be summarised as follows:

- **Delivering an Exceptional Educational Experience:** Continue to offer a rich and diverse curriculum that provides students with a well-rounded education, fostering both academic and personal growth.
- **Exceptional Teaching and Learning:** Focus on delivering high-quality teaching and learning that leads to excellent student outcomes, ensuring every student reaches their full potential.
- **Leadership Development and Well-being:** Further develop leadership capacity at all levels and prioritise the well-being of staff and students to create a supportive, thriving environment across the Academy.
- **Empowering Students for Exceptional Behaviour:** Encourage students to go beyond mere compliance by fostering a culture of empowerment, ensuring behaviour remains exemplary across the Academy.
- **Review of Admission Criteria:** Conduct a thorough review of the Academy's admission criteria to ensure it remains relevant and adaptable in a changing educational landscape, both locally and nationally.
- **Financial Planning for Capital Projects:** Establish financial provisions to support significant capital expenditures and to explore grants that may be available to support capital spend.

Auditor

Insofar as the Trustees are aware:

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

The trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 16 December 2025 and signed on the board's behalf by:

....

Honorary Alderman A Rudge LLB
Chair of Trustees

Broadway Academy Trust
(A Company Limited by Guarantee)

Governance statement for the year ended 31 August 2025

Scope of Responsibility

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

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

The board of trustees has delegated the day-to-day responsibility to the headteacher and CEO, 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 Broadway Academy 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.

Governance review

Trustees have a thorough and deep understanding of the school which enables them to effectively to challenge and support others.

The board undertakes internal review and self-evaluation throughout the year, ensuring that trustees appointed have the appropriate skills required.

The Safeguarding Lead has undertaken additional safeguarding training.

The trust intends to conduct its next self-evaluation/external review over the next two academic years.

The review ensured that the board is highly effective with a broad range of skills. The overall purpose of the board, and the various committees, is to ensure hold the Headteacher/CEO and wider leadership team to account.

Conflicts of interest

All trustees complete a declaration of business and personal interests form at the beginning of the academic year. These are recorded on a register published on the Academy website. Updates to declarations of business interests is a standing agenda item at all full board and committee meetings.

Meetings

The full board meet at least three time during the year, and further oversight is maintained through the five committees. Each of these committees meet at least three times a year and report back to the full board.

During each meeting the board / committees are presented with a wide range of reports and statistical data across all areas of management including Ofsted, performance, assessment, attendance, behaviour and financial performance and risk.

Full Board

The board of trustees has formally met four times during the year.

Attendance during the year at meetings of the board of trustees was as follows:

Name	Sep 24	Dec 24	Mar 25	Jun 25
Mr Tasir Ali	No	No	No	No
Dr Daniel Belcher	No	Yes	Yes	Yes
Mr John Bryan	Yes	Yes	No	Yes
Mr Joe Cahill	Yes	Yes	Yes	Yes
Dr Lieve Gies	Yes	No	Yes	No
Ms Gloria Hembeh	No	No	No	No
Mr Guy Hordern	Yes	Yes	Yes	Yes
Ms Zahida Hussain	Yes	Yes	Yes	Yes
Mr John Moule	Yes	Yes	Yes	No
Honorary Alderman Alan Rudge	Yes	Yes	Yes	Yes
Mr Ron Skelton	Yes	Yes	Yes	Yes
Mr Ben Stone	Yes	Yes	N/A resigned	N/A resigned
Revd Victor Walter	No	Yes	No	No
Professor Marius Felderhoff	Yes	No	Yes	Yes

The **Deep Services Finance, Audit & Premises Committee** is a sub-committee of the main board of trustees. Its purpose is to, in line with the Academies Handbook:

- Ensuring regularity and propriety in the use of the Trust's funds, and achievement of economy, efficiency, and effectiveness – the three elements of value for money.
- Monitoring the Trust's financial sustainability and challenging the Accounting Officer's assessment of its ability to operate as a going concern.
- Providing scrutiny over the Trust's diversification and commercialisation initiatives and partnerships.
- Advising the Full Governing Board on the adequacy of the Trust's internal control framework, including financial and non-financial controls and risk management arrangements.
- Directing a programme of independent internal scrutiny and considering the results and quality of external audit.
- Monitoring compliance with Premises Health and Safety and Accessibility laws and considering the investment requirements for development and maintenance.

	Oct 24	Apr 25	Jun 25
Dr Lieve Gies	Yes	Yes	Yes
Mr Ron Skelton	Yes	Yes	Yes
Mr Joe Cahill	Yes	No	Yes
Revd Victor Walter	No	No	No
Prof Marius Felderhof	N/A	Yes	Yes
Mr Guy Hordern	N/A	Yes	Yes
Mr Dan Belcher	Yes	N/A	No

The other sub-committees met as follows:

Deep Academics	Oct 24	Jan 25	May 25
Mr John Bryan	Yes	Yes	Yes
Dr Lieve Gies	No	Yes	No
Mr John Moule	Yes	Yes	Yes
Mr Ron Skelton	Yes	Yes	Yes
Prof Marius Felderhof	No	Yes	Yes

Deep Leadership	Nov 24	Feb 25	March 25
Honorary Alderman Alan Rudge	Yes	Yes	Yes
Mr Joe Cahill	Yes	No	Yes
Dr Daniel Belcher	Yes	Yes	Yes
Mr John Moule	Yes	No	Yes
Mr Ron Skelton	Yes	Yes	Yes

Deep Experience/Support	Nov 24	Mar 25
Mr John Bryan	Yes	Yes
Ms Zahida Hussain	No	No
Mr Ron Skelton	Yes	Yes
Mr Joe Cahill	Yes	No

HR and Salaries	Nov 24	March 25
Mr John Bryan	Yes	Yes
Mr Joe Cahill	Yes	Yes
Mr Guy Hordern	Yes	Yes
Mr Ron Skelton	Yes	Yes

Review of value for money

As the Accounting Officer, the Headteacher is responsible for ensuring that the Academy Trust delivers good value in its use of public resources. The Accounting Officer recognises that value for money refers to the educational and wider societal outcomes achieved in return for taxpayer resources.

The Academy's primary focus is on raising student attainment and aspirations through both curricular and extracurricular activities, with a particular emphasis on outdoor education and character development.

The staffing structure is designed to support academic achievement, enrichment opportunities, student well-being, and pastoral care.

Each year, the Accounting Officer assesses how the Academy Trust's resources have been utilised to provide good value for money and reports to the Board of Trustees on areas for potential improvement. This includes the use of benchmarking data and relevant frameworks.

Over the past year, the Accounting Officer has implemented several initiatives to enhance value for money:

- **Targeted Support for Students:** The Academy has provided targeted support through curriculum intervention, as well as after-school and weekend classes, aimed at improving academic achievement and addressing catch-up priorities.
- **Pastoral and Well-being Support:** Both targeted and whole-school support have been delivered through an effective pastoral team, complemented by external agencies and organisations, to ensure students' emotional well-being.
- **Cost Review of Contracts and Resources:** Ongoing reviews of contracts and educational resource costs are being conducted, although achieving significant cost reductions remains challenging in the current economic climate.
- **Utilisation of Government Procurement Frameworks:** The Academy has used government procurement frameworks to ensure value for money, such as in the purchase of new ICT equipment.
- **Recruitment of a bank of Cover/Supply staff:** The Academy has used appointed casual Cover Supervisors where appropriate, reducing the cost of the significant external agency supply costs. This approach also ensures continuity for students.
- **Staffing Review:** A thorough review of staffing structures, particularly leadership roles, has ensured that expenditure on staff remains in line with national benchmarks.
- **Catering Provision:** The catering contract for the Academy has historically been outsourced to an external contractor. Following a comprehensive formal tendering exercise, the catering provision has been bought in-house, supported by an external organisation who specialise in supporting schools and academies who operate their catering provision in-house. This is seeing a reduction in costs and offers

more flexibility with quality of provision.

- **Benchmarking and Data Comparison:** The Academy continues to use benchmarking data, comparing its financial and operational performance to national trends provided by organisations such as ISBL (Institute of School Business Leadership).

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness.

The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of the academy trust's policies, aims and objectives. It then evaluates the likelihood of those risks being realised, the impact should they be realised, and determines how to manage them efficiently, effectively, and economically.

The system of internal control has been in place in Broadway Academy Trust for the period from 1 September 2024 to 31 August 2025 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 from 1 September 2024 to 31 August 2025 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees as a standard item of business.

The Risk and Control Framework

The academy trust's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. 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 Deep Services Finance, Audit & Premises committee of reports which indicate financial performance against the forecasts, risks, and opportunities, 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.
- appropriate identification and management of risks.

The Trustees have commissioned an external provider to undertake Internal Scrutiny in order to provide an internal auditor function.

The role of the internal reviewer includes giving advice on financial and non-financial matters and performing a range of checks on the financial systems.

The internal reviewer has delivered their schedule of work as planned and no significant issues were identified.

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 internal reviewer.
- the work of the external auditor.

Governance statement for the year ended 31 August 2025 (continued)

- the financial management and governance self-assessment process of the school resource management self-assessment tool.
- 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 the various ongoing reviews of the system of internal control by the finance committee, and/or executive officers, and plans are in place to address weaknesses and ensure continuous improvement of the systems are in place.

Approved by order of the members of the board of trustees on 16 December 2025 and signed on its behalf by:

....

Honorary Alderman A Rudge LLB
Chair of Trustees

....

Mr R J Skelton
Accounting Officer

Broadway Academy Trust
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Statement of regularity, propriety and compliance for the period ended 31 August 2025

As accounting officer of Broadway Academy Trust, I confirm that I have had due regard to the framework of authorities governing regularity, propriety and compliance, including the trust's funding agreement with DfE, and the requirements of the Academy Trust Handbook, including responsibilities for estates safety and management. I have also considered my responsibility to notify the academy trust board of trustees and DfE of material irregularity, impropriety and non-compliance with terms and conditions of all funding, including for estates safety and management.

I confirm that I, and the board of trustees are able to identify any material irregular or improper use of all funds by the academy trust, or material non-compliance with the framework of authorities.

I confirm that no instances of material irregularity, impropriety or 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 DfE.

.... Mr R J Skelton – Accounting Officer

16 December 2025

Statement of Trustees' responsibilities for the period ended 31 August 2025

The trustees (who are also 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 Academies Accounts Direction published by the Department for Education, 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 then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2024 to 2025;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards 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 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 of trustees on 16 December 2025 and signed on its behalf by:

.... Honorary Alderman A Rudge LLB – Chair of Trustees

Independent Auditor's Report on the Financial Statements to the Members of Broadway Academy Trust

Opinion

We have audited the financial statements of Broadway Academy Trust (the 'academy trust') for the year ended 31 August 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the 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 Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", the Charities SORP 2019 and the Academies Accounts Direction 2024 to 2025 issued by the Department for Education.

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 2025, and of its incoming resources and application of resources, including its income and expenditure, for the period then ended
- have been prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2024 to 2025 issued by the Department for Education

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's responsibilities for the audit of the financial statements section of our report. We are independent of the academy trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Independent Auditor's Report on the Financial Statements to the Members of Broadway Academy Trust (continued)

Other information

The other information comprises the information included in the trustees annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. 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. 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 course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matter 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 (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and

- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the academy and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

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

- adequate accounting records have not been kept, or
- the annual accounts are not in agreement with the accounting records; 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 trustees' responsibilities statement [set out on page 15], the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material

In preparing the financial statements, the trustees are responsible for assessing the charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We reviewed the academy's control and risk management procedures and planned our work based on our assessment of those controls and procedures;
- This review included an assessment of the risk of material misstatement due to errors, fraud and management override of controls for all material areas in the financial statements;
- We made enquiries of management and the academy's lawyers regarding any actual or potential litigation and/or claims;
- Financial statements disclosures were reviewed and checked for compliance with applicable laws;
- Detailed testing was conducted on balances and transactions including unusual items and those of individual significance to the financial statements;
- Data analytics were used in order to identify unusual or significant trends;
- Communications with management and those charged with governance regarding relevant matters was undertaken throughout the audit and on completion.

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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

Auditor’s responsibilities for the audit of the financial statements (continued)

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charitable company’s internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees’ use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the academy trust’s members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company'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 trust and the academy trust's members as a body, for our audit work, for this report, or for the opinions we have formed.

Feltons

David W Farnsworth FCA (Senior Statutory Auditor)
For and on behalf of Feltons, Statutory Auditor
8 Sovereign Court
8 Graham Street
Birmingham B1 3JR

17 December 2025

Broadway Academy Trust
(A Company Limited by Guarantee)

Independent Reporting Accountant's Assurance Report on Regularity to Broadway Academy Trust and the Secretary of State for Education

In accordance with the terms of our engagement letter dated 22 March 2021 and further to the requirements of the Department for Education (DfE), as included in the extant Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts, we have carried out an engagement to obtain limited assurance about whether anything has come to our attention that would suggest, in all material respects, the expenditure disbursed and income received by Broadway Academy Trust during the period to 31 August 2025 have not been applied to the purposes intended by Parliament and that the financial transactions do not conform to the authorities which govern them.

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

Respective responsibilities of the accounting officer of Broadway Academy Trust and the reporting accountant

The accounting officer is responsible, under the requirements of Broadway Academy Trust's funding agreement with the Secretary of State for Education and the Academy Trust Handbook 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 extant Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2024 to 31 August 2025 have not been applied for the 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 Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts issued by DfE, which requires a limited assurance engagement as set out 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.

Broadway Academy Trust
(A Company Limited by Guarantee)

Independent Reporting Accountant's Assurance Report on Regularity to Broadway Academy Trust

The work undertaken to draw our conclusion includes :

- Consideration of the applicable legislation and the academy trust's funding agreement
- Review and evaluation of the academy trust's system of internal controls
- Examination and assessment of the Accounting Officer's statement on Regularity, Propriety and Compliance
- Examination, on a test basis, of third party evidence supporting income and expenditure
- Review of exceptional and unusual items

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2024 to 31 August 2025 has not been applied for the purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Feltons

David W Farnsworth FCA (Reporting Accountant)
For and on behalf of Feltons, Statutory Auditor
8 Sovereign Court
8 Graham Street
Birmingham B1 3JR

17 December 2025

Broadway Academy Trust
(A Company Limited by Guarantee)

Statement of financial activities for the year ended 31 August 2025 (including income and expenditure account)

	Notes	Unrestricted funds £	Restricted pension fund £	Restricted general funds £	Restricted fixed asset funds £	Total 2024/25 £	Total 2023/24 £
Income from :							
Donations and capital grants	2	-	-	-	26,261	26,261	25,476
Charitable activities :	3						
Funding for the academy trust's educational operations		15,995	-	10,675,247	-	10,691,242	9,897,110
Other trading activities	4	229,665	-	-	-	229,665	227,837
Investments	5	11,971	-	-	-	11,971	13,251
Total		257,631	-	10,675,247	26,261	10,959,139	10,163,674
Expenditure on :							
Charitable activities:							
Academy trust educational operations	6	257,631	(205,000)	10,584,320	498,795	11,135,746	10,436,248
Total		257,631	(205,000)	10,584,320	498,795	11,135,746	10,436,248
Net income/(expenditure) before transfers		-	205,000	90,927	(472,534)	(176,607)	(272,574)
Transfers between funds	14	(50,000)	-	(47,691)	97,691	-	-
Net income/(expenditure) after transfers		(50,000)	205,000	43,236	(374,843)	(176,607)	(272,574)
Other recognised gains/(losses)							
Actuarial gains/(losses) on defined benefit pension schemes	14, 23	-	1,418,000	-	-	1,418,000	240,000
Asset ceiling adjustment	14, 23	-	(456,000)	-	-	(456,000)	-
Net movement in funds		(50,000)	1,167,000	43,236	(374,843)	785,393	(32,574)
Reconciliation of funds							
Total funds brought forward	14	811,460	(1,167,000)	1,924	16,530,955	16,177,339	16,209,913
Total funds carried forward		761,460	-	45,160	16,156,112	16,962,732	16,177,339

The statement of financial activities includes all gains and losses recognised in the year.
All of the Academy's activities derive from continuing operations during the above two financial periods.

Broadway Academy Trust
(A Company Limited by Guarantee)

Company number : 08534233
Balance sheet as at 31 August 2025

	Notes	2025 £	2025 £	2024 £	2024 £
Fixed assets					
Tangible assets	11		16,156,113		16,530,956
Current assets					
Debtors	12	243,342		175,387	
Cash at bank and in hand		1,142,889		1,098,441	
		1,386,231		1,273,828	
Liabilities					
Creditors: amounts falling due within one year	13	579,612		460,445	
Net current assets			806,619		813,383
Total assets less current liabilities			16,962,732		17,344,339
Net assets excluding pension liability			16,962,732		17,344,339
Defined benefit pension scheme liability	23		-		(1,167,000)
Total net assets			16,962,732		16,177,339
Funds of the academy trust :					
Restricted funds					
Fixed asset fund	14	16,156,112		16,530,955	
Restricted income fund	14	45,160		1,924	
Pension reserve	14	-		(1,167,000)	
Total restricted funds			16,201,272		15,365,879
Unrestricted income funds	14		761,460		811,460
Total funds			16,962,732		16,177,339

The financial statements on pages 23 to 44 were approved by the trustees, and authorised for issue on 16 December 2025 and are signed on their behalf by:

.... Honorary Alderman A Rudge LLB – Chair of Trustees

Broadway Academy Trust
(A Company Limited by Guarantee)

Statement of cash flows for the year ended 31 August 2025

	Notes	2024/25 £	2023/24 £
Cash flows from operating activities			
Net cash provided by / (used in) operating activities	18	130,168	(491,373)
Cash flows from investing activities	19	(85,720)	(49,891)
Change in cash and cash equivalents in the reporting period		44,448	(541,264)
Cash and cash equivalents at 1 September 2024		1,098,441	1,639,705
Cash and cash equivalents at 31 August 2025	20	1,142,889	1,098,441

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.

1.1 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 (Charities SORP (FRS 102)), the Academies Accounts Direction 2024 to 2025 issued by DfE, the Charities Act 2011 and the Companies Act 2006.

1.2 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.

1.3 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 recognised when there is entitlement and are not deferred over the life of the asset on which they are expended.

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

1. Accounting policies (continued)

1.3 Income (continued)

- **Other income**
  Other income, including the hire of facilities, is recognised in the period it is receivable and to the extent the academy trust has provided the goods or services.

- **Donated goods, facilities and services**
  Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in 'Stocks' and 'Income from Other Trading Activities'. Upon sale, the value of the stock is charged against 'Income from Other Trading Activities' and the proceeds are recognised as 'Income from Other Trading Activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from Other Trading Activities'.

- **Donated fixed assets**
  Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the academy trust's accounting policies.

1.4 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.

- **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.

All resources expended are inclusive of irrecoverable VAT.

1. Accounting policies (continued)

1.5 Tangible fixed assets

Assets costing £1,000 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 the relevant assets is charged directly to the restricted fixed asset fund in the Statement of Financial Activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

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

Long leasehold buildings	- straight line over 50 years
Furniture and equipment	- straight line over 10 years
Computer hardware	- straight line over 5 years
Motor vehicles	- 25% reducing balance

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use and reclassified to freehold or leasehold land and buildings.

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.

1.6 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.7 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.8 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.

1. Accounting policies (continued)

1.9 Leased assets

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

1.10 Financial instruments

The academy trust only holds basic financial instruments as defined by 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. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments and are measured at amortised cost. 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.

1.11 Taxation

The academy trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Accordingly, the academy trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by part 11, chapter 3 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1.12 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.

The TPS is an unfunded scheme and contributions are calculated to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

1. Accounting policies (continued)

1.12 Pension benefits (continued)

The LGPS is a funded multi-employer scheme, and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to net income/(expenditure) are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

Actuarial gains and losses are recognised immediately in other recognised gains and losses.

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

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

1.14 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.

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 23, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2022 has been used by the actuary in valuing the pensions liability at 31 August 2025. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Notes to the financial statements for the year ended 31 August 2025 (continued)

1. Accounting policies (continued)

1.15 Redundancy and termination payments

Redundancy and termination payments are recognised as expenses and liabilities in the profit and loss account and balance sheet respectively at the point the entity is demonstrably committed to the termination, which happens when the entity has either a legal or constructive obligation to make the payment.

2. Donations and capital grants

	Unrestricted funds £	Restricted general fund £	Restricted fixed asset funds £	2024/25 Total £	2023/24 Total £
Capital grants	-	-	26,261	26,261	25,476
2024 total	-	-	25,476	25,476	

3. Funding for the Academy Trust's educational operations

	Unrestricted funds £	Restricted general fund £	Restricted fixed asset funds £	2024/25 Total £	2023/24 Total £
DfE grants					
General Annual Grant (GAG)	-	9,040,258	-	9,040,258	8,412,280
Other DfE grants					
Pupil premium	-	634,002	-	634,002	581,888
Core school budget grant	-	306,190	-	306,190	-
Teachers pension grant	-	245,815	-	245,815	115,270
Teachers pay grant	-	142,732	-	142,732	140,785
National Insurance grant	-	48,035	-	48,035	-
Mainstream schools grant	-	-	-	-	273,009
Recovery premium	-	-	-	-	152,628
Others	-	50,263	-	50,263	31,902
	-	10,467,295	-	10,467,295	9,707,762
Other government grants					
Local authority grants	-	129,750	-	129,750	46,028
	-	129,750	-	129,750	46,028
Other income from the academy trust's educational operations	15,995	78,202	-	94,197	143,320
	15,995	207,952	-	223,947	189,348
	15,995	10,675,247	-	10,691,242	9,897,110
2024 total	143,320	9,753,790	-	9,897,110	

4. Other trading activities

	Unrestricted funds £	Restricted funds £	2024/25 Total £	2023/24 Total £
Community Centre income	131,289	-	131,289	71,774
Miscellaneous	98,376	-	98,376	156,063
	229,665	-	229,665	227,837
2024 total	227,837		227,837	

5. Investment income

	Unrestricted funds £	Restricted funds £	2024/25 Total £	2023/24 Total £
Short term deposits	11,971	-	11,971	13,251
2024 total	13,251	-	13,251	

6. Expenditure

	Staff costs £	Non pay expenditure Premises £	Other £	2024/25 Total £	2023/24 Total £
Academy's educational operations					
Direct costs	6,740,784	243,597	813,581	7,797,962	7,090,705
Allocated support costs	1,830,788	901,706	605,290	3,337,784	3,345,543
	8,571,572	1,145,303	1,418,871	11,135,746	10,436,248
2024 total	7,859,687	1,302,550	1,274,011	10,436,248	

Net income/(expenditure) for the period includes :

		2024/25 £	2023/24 £
Operating leases	- plant and machinery	24,046	29,690
	- other	9,818	-
Depreciation		498,795	504,081
Fees payable to auditor	- audit	11,725	9,200
	- other services	2,085	1,750

Notes to the financial statements for the year ended 31 August 2025 (continued)

7. Charitable activities

	Unrestricted funds £	Restricted pension fund £	Other restricted funds £	2024/25 Total £	2023/24 Total £
Educational operations					
Direct costs					
Educational operations	-	-	7,797,962	7,797,962	7,090,705
Support costs					
Educational operations	257,631	(205,000)	3,285,153	3,337,784	3,345,543
	257,631	(205,000)	11,083,115	11,135,746	10,436,248
2024 total	389,408	(147,000)	10,193,840	10,436,248	

	Educational operations £	2024/25 Total £	2023/24 Total £
Analysis of support costs			
Support staff costs	1,830,788	1,830,788	1,659,289
Depreciation	255,198	255,198	242,346
Technology costs	57,380	57,380	105,960
Premises costs	643,258	643,258	798,991
Legal services - other	25,298	25,298	(4,075)
Other support costs	494,227	494,227	530,982
Governance costs	31,635	31,635	12,050
Total support costs	3,337,784	3,337,784	3,345,543
2024 total	3,345,543	3,345,543	

8. Staff

a) Staff costs

Staff costs during the period were:

	2024/25 £	2023/24 £
Wages and salaries	6,153,781	5,733,786
Social security costs	748,125	605,929
Pension costs	1,282,467	1,186,881
	8,184,373	7,526,596
Agency staff costs	356,531	333,091
Staff restructuring costs	30,668	-
	8,571,572	7,859,687

Staff restructuring costs comprise :		
Redundancy payments	5,000	-
Severance payments	25,668	-
	30,668	-

8. Staff (continued)

b) Severance payments

The academy trust paid one severance payment in the year, disclosed in the following band:

	2024/25 Number	2023/24 Number
£25,001 - £50,000	1	-

c) Special staff severance payments

Included in staff restructuring costs is a special severance payment of £10,000 (2024: £nil).

d) Staff numbers

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

	2024/25 Number	2023/24 Number
Teachers	74	70
Administration and support	88	75
Management	10	12
	172	157

e) Higher paid staff

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

	2024/25 Number	2023/24 Number
£60,001 - £70,000	2	8
£70,001 - £80,000	5	2
£80,001 - £90,000	2	2
£140,001 - £150,000	1	1

f) 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 £542,194 (2024: £508,869).

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.

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

R Skelton (principal and trustee)	
Remuneration	£145,000 - £150,000 (2024 : £140,000 - £145,000)
Employer's pension contributions paid	£40,000 - £45,000 (2024 : £30,000 - £40,000)
H Khattak (staff trustee, resigned 3 June 2024)	
Remuneration	£nil (2024 : £55,000- £60,000)
Employer's pension contributions paid	£nil (2024 : £nil)

During the year ended 31 August 2025, travel and subsistence expenses totalling £357 was reimbursed or paid directly to two trustees (2024 : £1,071 paid to two trustees).

10. Trustees' and officers' insurance

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

11. Tangible fixed assets

	Leasehold land and buildings £	Furniture and equipment £	Computer hardware £	Motor vehicles £	Total £
Cost or valuation					
At 1 September 2024	20,942,702	533,917	426,122	51,706	21,954,447
Additions	41,350	28,307	54,295	-	123,952
At 31 August 2025	20,984,052	562,224	480,417	51,706	22,078,399
Depreciation					
At 1 September 2024	4,651,545	429,306	323,244	19,396	5,423,491
Charge for the year	419,199	15,487	56,031	8,078	498,795
At 31 August 2025	5,070,744	444,793	379,275	27,474	5,922,286
Net book values					
At 31 August 2025	15,913,308	117,431	101,142	24,232	16,156,113
At 31 August 2024	16,291,157	104,611	102,878	32,310	16,530,956

Notes to the financial statements for the year ended 31 August 2025 (continued)

12. Debtors

	2025 £	2024 £
Debtors from operations	10,205	234
VAT recoverable	10,296	18,900
Prepayments and accrued income	222,841	156,253
	243,342	175,387

13. Creditors

	2025 £	2024 £
Amounts falling due within one year :		
Creditors from operations	75,346	-
Other taxation and social security	317,268	283,889
Accruals and deferred income	186,998	176,556
	579,612	460,445

Deferred income

	2025	2024
Deferred income at 1 September 2024	31,000	38,000
Resources deferred in the year	17,015	31,000
Amounts released from previous years	(31,000)	(38,000)
Deferred income at 31 August 2025	17,015	31,000

14. Funds

	Balance at 1 September 2024 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2025 £
Restricted general funds					
General Annual Grant (GAG)	1,924	9,040,258	(8,949,331)	(47,691)	45,160
Pupil premium	-	634,002	(634,002)	-	-
Teachers pay grant	-	142,732	(142,732)	-	-
Teachers pension grant	-	245,815	(245,815)	-	-
Other grants	-	612,440	(612,440)	-	-
	1,924	10,675,247	(10,584,320)	(47,691)	45,160
Restricted fixed asset funds					
Transfer on conversion	16,238,759	-	(489,977)	-	15,748,782
DfE Group capital grants	66,328	26,261	(2,003)	-	90,586
Capital expenditure from GAG	139,803	-	(4,218)	97,691	233,276
BSF Contract	51,039	-	(1,540)	-	49,499
Donations	35,026	-	(1,057)	-	33,969
	16,530,955	26,261	(498,795)	97,691	16,156,112
Pension reserve	(1,167,000)	-	205,000	962,000	-
Total restricted funds	15,365,879	10,701,508	(10,878,115)	1,012,000	16,201,272
Unrestricted funds					
Other income	811,460	257,631	(257,631)	(50,000)	761,460
Total unrestricted funds	811,460	257,631	(257,631)	(50,000)	761,460
Total funds	16,177,339	10,959,139	(11,135,746)	962,000	16,962,732

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

Restricted general funds
These comprise all restricted funds other than restricted fixed asset funds and include grants from DfE and Birmingham City Council.
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 could carry forward at 31 August 2025.

Unrestricted funds
These comprise resources that may be used towards meeting any of the charitable objects of the academy trust at the discretion of the trustees.

Restricted fixed asset funds
These comprise resources which are to be applied to specific capital purposes imposed by DfE and Birmingham City Council where the asset acquired or created is held for a specific purpose.

14. Funds (continued)

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

	Balance at 1 September 2023 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2024 £
Restricted general funds					
General Annual Grant (GAG)	1,035	8,412,280	(8,348,249)	(63,142)	1,924
Pupil premium	-	581,888	(581,888)	-	-
Mainstream schools additional grant	-	273,009	(273,009)	-	-
Teachers pay grant	-	140,785	(140,785)	-	-
Teachers pension grant	-	115,270	(115,270)	-	-
National Tutoring programme	-	152,628	(152,628)	-	-
Other grants	-	77,930	(77,930)	-	-
	1,035	9,753,790	(9,689,759)	(63,142)	1,924
Restricted fixed asset funds					
Transfer on conversion	16,585,214	-	(346,455)	-	16,238,759
DfE Group capital grants	43,836	25,476	(2,984)	-	66,328
Capital expenditure from GAG	231,303	-	(154,642)	63,142	139,803
BSF Contract	51,039	-	-	-	51,039
Donations	35,026	-	-	-	35,026
	16,946,418	25,476	(504,081)	63,142	16,530,955
Pension reserve	(1,554,000)	-	147,000	240,000	(1,167,000)
Total restricted funds	15,393,453	9,779,266	(10,046,840)	240,000	15,365,879
Unrestricted funds					
Other income	816,460	384,408	(389,408)	-	811,460
Total unrestricted funds	816,460	384,408	(389,408)	-	811,460
Total funds	16,209,913	10,163,674	(10,436,248)	240,000	16,177,339

15. Analysis of net assets between funds

Fund balances at 31 August 2025 are represented by:	Unrestricted funds £	Restricted pension funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	-	-	-	16,156,112	16,156,112
Current assets	761,460	-	624,772	-	1,386,232
Current liabilities	-	-	(579,612)	-	(579,612)
	761,460	-	45,160	16,156,112	16,962,732
Pension scheme liability	-	-	-	-	-
Total net assets	761,460	-	45,160	16,156,112	16,962,732

Comparative information in respect of the preceding period is as follows :	Unrestricted funds £	Restricted pension funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	-	-	-	16,530,955	16,530,955
Current assets	811,460	-	462,368	-	1,273,828
Current liabilities	-	-	(460,444)	-	(460,444)
	811,460	-	1,924	16,530,955	17,344,339
Pension scheme liability	-	(1,167,000)	-	-	(1,167,000)
Total net assets	811,460	(1,167,000)	1,924	16,530,955	16,177,339

16. Capital commitments

	2025 £	2024 £
Contracted for but not provided in the financial statements	-	-

17. Commitments under operating leases

At 31 August 2025 the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:	Total 2025 £	Total 2024 £
Amounts due within one year	29,306	44,070
Amounts due between one and five years	61,323	79,629
	90,629	123,699

Notes to the financial statements for the year ended 31 August 2025 (continued)

18. Reconciliation of net income/(expenditure) to net cash flow from operating activities

	2024/25 Total £	2023/24 Total £
Net income/(expenditure) for reporting period (as per the SoFA)	(176,607)	(272,574)
Adjusted for :		
Depreciation (note 11)	498,795	504,081
Capital grants from DfE and other capital income	(26,261)	(25,476)
Interest receivable (note 5)	(11,971)	(13,251)
Defined benefit pension scheme cost less contributions payable (note 23)	(257,000)	(222,000)
Defined benefit pension scheme finance cost/(income) (note 23)	52,000	75,000
(Increase) / decrease in debtors	(67,955)	42,757
Increase / (decrease) in creditors	119,167	(579,910)
Net cash provided by / (used in) operating activities	130,168	(491,373)

19. Cash flows from investing activities

	2024/25 Total £	2023/24 Total £
Interest received	11,971	13,251
Purchase of tangible fixed assets	(123,952)	(88,618)
Capital grants from DfE Group	26,261	25,476
Net cash used in investing activities	(85,720)	(49,891)

20. Analysis of cash and cash equivalents

	At 31 August 2025 £	At 31 August 2024 £
Cash at bank and in hand	1,142,889	1,098,441
	1,142,889	1,098,441

21. Analysis of changes in net debt

	At 31 August 2024 £	Cash flows £	Other non-cash changes £	At 31 August 2025 £
Cash at bank and in hand	1,098,441	(350,370)	394,818	1,142,889
	1,098,441	(350,370)	394,818	1,142,889

22. Members' liability

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

23. Pension and similar obligations

The academy trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by West Midlands Pension Fund. Both are multi-employer defined-benefit schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2020 and of the LGPS 31 March 2022.

Contributions amounting to £151,902 (2024 : £159,758) were payable to the schemes at 31 August 2025 and are included within creditors.

Teachers' Pension Scheme

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

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

Valuation of the Teachers' Pension Scheme

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

Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2020. The valuation report was published by the Department for Education on 27 October 2023, with the SCAPE rate, set by HMT, applying a notional investment return based on 1.7% above the rate of CPI. The key elements of the valuation 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 was implemented on 1 April 2024.The next valuation result is due to be implemented from 1 April 2027.

The employer's pension costs paid to TPS in the year amounted to £875,381 (2024 : £748,678).

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

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

23. Pension and similar obligations (continued)

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2025 was £740,457 (2024 : £710,779), of which employer's contributions totalled £613,542 (2024 : £587,981) and employees' contributions totalled £126,915 (2024 : £122,798). The agreed contribution rates for future years are 30.6% for employers and between 5.5% and 8.5% for employees.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of 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.

The trustees have agreed that the trust will make additional contributions in addition to normal funding levels over the next 22 years.

Principal actuarial assumptions	At 31 August 2025	At 31 August 2024
Rate of increase in salaries	3.70%	3.65%
Rate of increase for pensions in payment / inflation	2.70%	2.65%
Discount rate for scheme liabilities	6.05%	5.00%
Inflation assumption (CPI)	2.70%	2.65%
Commutation of pensions to lump sums	50.00%	50.00%

Sensitivity analysis	At 31 August 2025 £'000s	At 31 August 2024 £'000s
Discount rate +0.1%	(133)	(157)
Discount rate -0.1%	133	157
Mortality assumption 1 year increase	249	276
Mortality assumption 1 year decrease	(249)	(276)
CPI rate +0.1%	127	148
CPI rate -0.1%	(127)	(148)

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

	At 31 August 2025	At 31 August 2024
Retiring today		
Males	19.5	21.2
Females	23.8	23.8
Retiring in 20 years		
Males	21.4	21.2
Females	24.7	24.7

23. Pension and similar obligations (continued)

Local Government Pension Scheme (continued)

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

	31 August 2025 £	31 August 2024 £
Equities	3,405,000	2,975,440
Bonds	2,537,000	2,002,700
Property	401,000	343,320
Cash	333,000	400,540
Total market value of assets	6,676,000	5,722,000

The actual return on scheme assets was 5.0% (2024 : 8.4%).

	2024/25 £	2023/24 £
Amount recognised in the statement of financial activities		
Current service cost	375,000	363,000
Interest income	(302,000)	(260,000)
Interest cost	354,000	335,000
Total amount recognised in the SoFA	427,000	438,000

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

	2024/25 £	2023/24 £
At 1 September 2024	6,889,000	6,255,000
Current service cost	375,000	363,000
Interest cost	354,000	335,000
Employee contributions	134,000	123,000
Actuarial gains/(losses) - financial assumptions	(1,394,000)	(230,000)
Actuarial gains/(losses) - demographic assumptions	26,000	(14,000)
Actuarial gains/(losses) - experience gains/losses	(51,000)	173,000
Benefits paid	(113,000)	(116,000)
Asset ceiling adjustment	456,000	-
At 31 August 2025	6,676,000	6,889,000

23. Pension and similar obligations (continued)

Local Government Pension Scheme (continued)

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

	2024/25	2023/24
	£	£
At 1 September 2024	5,722,000	4,701,000
Interest income	302,000	260,000
Return on assets less interest	(1,000)	169,000
Employer contributions	632,000	585,000
Employee contributions	134,000	123,000
Benefits paid net of transfers in	(113,000)	(116,000)
At 31 August 2025	6,676,000	5,722,000
Net pension scheme liability	-	(1,167,000)

The fair value of the pension plan assets at 31 August 2025 is in excess of the present value of the defined benefit obligation at that date, giving rise to a net surplus of £456,000 (2024: £nil). This surplus is recognised in the financial statements only to the extent that the academy trust can recover this surplus, either through a reduction in future contributions or through a refund to the academy trust.

The academy is not able to determine that future contributions will be reduced and it is not possible for the academy trust to receive a refund from the scheme, as the specific conditions for this have not been met. Therefore an asset ceiling is in place such that the surplus of £456,000 (2024: £nil) is not recognised as an asset at 31 August 2025 and the net asset / liability recognised in the financial statements is capped at £nil.

24. 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.

No related party transactions took place in the period of account other than certain trustees' remuneration and expenses already disclosed in note 9.