Company Registration Number: 08130468 (England & Wales)

SHERBORNE AREA SCHOOLS' TRUST

(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2024

Bishop Fleming

SHERBORNE AREA SCHOOLS' TRUST
(A COMPANY LIMITED BY GUARANTEE)

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REFERENCE AND ADMINISTRATIVE DETAILS

Members

M Christopher (resigned 21 February 2024)
E Gregory (on behalf of Bath & Wells Diocese Board of Education)
P McGuigan (Chair)
K Fitzsimmons (on behalf of Salisbury Diocese Board of Education)
A Cooke (resigned 19 October 2023)
R Lord (appointed 20 August 2024)

Trustees

D Middleton, Chair[3,4]
J Rundle (Resigned 28 June 2024)[2,3]
R Beavis (Resigned 28 June 2024)[3,4]
S Mcdonald (Resigned 31 August 2024)
D Roberts[4]
G Pugh (Appointed 15 May 2024)[3]
J Bertelsen (Appointed 22 March 2024)[3,4]
S Reynolds (Appointed 18 June 2024)
S Busby (Appointed 22 March 2024)[3]
S Lowkis (Appointed 13 March 2024)

[1] Finance Committee
[2] Standards and School Improvement Committee
[3] People Committee
[4] Audit & Risk Committee

Company registered number 08130468

Company name Sherborne Area Schools' Trust

Principal and registered office

The Gryphon School
Bristol Road
Sherborne
Dorset
United Kingdom
DT9 4EQ

Company secretary G Spirrell (apppointed 1 October 2024)

Accounting officer

D Watson (appointed 15 April 2024)
B Hooper (resigned 14 April 2024)

REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024

Trust management team	
	B Hooper (resigned 14 April 2024), CEO D Watson (appointed 15 April 2024), CEO S Smith (resigned 31 August 24), Director of Education C Watson (resigned 30 June 2024), Director of Human Resources P Knell (Resigned 31 March 2024), Director of Finance & Operations L Miller (1 January 2024 to 30 September 2024), Director of Finance & Operations R Stacey (Resigned 31 July 2024), Director of Business Operations
Independent auditors	Bishop Fleming LLP Chartered Accountants Statutory Auditors 10 Temple Back Bristol BS1 6FL
Bankers	Lloyds Bank 9 High Street Yeovil Somerset BA20 1RN
Solicitors	Veale Wasbrough Vizards Narrow Quay House Narrow Way Bristol BS1 4QA

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2024**

The Trustees present their annual report together with the financial statements and auditors' report of the Charitable Company for the year ended 31 August 2024. The annual report serves the purpose of both a Trustees' report and a Directors' report under company law.

Sherborne Area Schools' Trust (SAST) is a multi-academy trust, formed in June 2017, serving Dorset and South Somerset. During the year ending 31st August 2024, the Trust operated 13 primary schools, and 5 secondary schools – three of which have sixth forms, and one is alternative provision. The Trust has a pupil capacity of 7,037 and had a roll of 5,663 in the school census on 1st October 2023.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Sherborne Area Schools Trust (SAST or the 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 Trust. The Trustees of SAST are also the directors of the Charitable Company for the purposes of company law.

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

Trustees' Liability

Each Trustee 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 Trustee, or within one year after he/she ceases to be a Trustee, such amount as may be required, not exceeding £10, for the debts and liabilities contracted before they cease to be a trustee.

Trustees' Indemnities

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

In accordance with normal commercial practice the Trust has opted into the Department for Education's Risk Protection Arrangement to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business.

Method of recruitment and appointment or election of Trustees

There were seven Trustees including two Foundation Trustees as of 31st August 2024. The Articles of Association (45-80) of the Trust detail the following arrangements for Trustees:

- The number of Trustees shall not be less than five
- The Members shall appoint no fewer than three Trustees
- The Members will ensure that the number of Foundation Trustees appointed does not exceed 50% of the total number of Trustees
- The Members will ensure that the total number of Trustees employed by the Trust is no more than one third of the total

The Diocese of Salisbury Board of Education, and the Diocese of Bath & Wells Board of Education, as corporate members, may appoint Trustees under article 50A to ensure Foundation Trustees represent 50% of the total number of Trustees.

New Trustees are appointed under the requirements of the Articles of Association. The Trustees are appointed on the basis of the skills balance required for the Trust including strategic leadership, business management, finance, law or educational improvement. There is a full selection process including interviews and meetings with prospective Trustees.

All Trustees, Academy Committee Representatives and professionals working for the Trust accept and embrace their professional responsibility to care for every child and young person within the Trust. They are open to change, treating all within the wider SAST community with dignity and respect at all times. They will follow the seven principles of public life (the Nolan principles).

The term of office for Trustees is four years. Subject to remaining eligible to be a particular type of Trustee, any Trustee can be re-appointed or re-elected. Trustees elect a Chair and Vice Chair annually.

Policies and Procedures adopted for the Induction and Training of Trustees
The Trust is committed to ensuring that all Trustees and Local Governors are given the induction, training and information required to support their role to provide challenge and support to the Executive Leadership, the headteachers and the school leadership teams.

All Trustees have access to policies, plans, evaluation reports, all external performance information, agendas, reports, minutes, and accompanying papers. Trustees are welcome to visit each School in liaison with the H eadteachers.

Organisational Structure
SAST is the corporate body for running the affairs of all the schools in the Trust. The Secretary of State for Education has entered into an agreement with the Sherborne Area Schools' Trust to run the schools in the Trust and therefore the Trust Board is responsible for the standards and operation of all schools in the Trust.

There is a balance as to the responsibilities delegated to schools and those that remain the direct responsibility of the Trust. We aim to continually evaluate, improve, and develop through strong, effective, and accountable leadership at all levels. The aim is to establish clear, simple, and effective accountability including slim and streamlined governance. The Scheme of Delegation details the roles and responsibilities of the Members, the Trustees, the Academy Committees, the CEO (who is the Accounting Officer) and the school headteachers. All Schools are accountable to the Board of Trustees for standards and achievement.

There are three levels of governance:

- Members - Members appoint the Trustees to run the Trust and are the only people able to amend the Articles of Association of the SAST. There are four members of which one is the Diocese of Salisbury Board of Education in a corporate capacity, one is the Diocese of Bath & Wells Board of Education in a corporate capacity, and one other has foundation status. Members have a strategic vision, with a range of skills such as academic/education, financial, legal, corporate business and creative/cultural.
- Board of Trustees - Trustees determine policy and make decisions for the Trust. The Trust Board is the statutory Governing Body of each School. There were seven Trustees as at 31st August 2024, including two with foundation status. The Trustees are appointed on the basis of the skills balance required for the Trust including finance, legal, HR, project/business management, education, estates etc. The Board of Trustees meets at least four times per year. The Board establishes an overall framework for the governance of the Trust and determines membership, terms of reference and procedures of Committees and other groups. It receives reports including policies from its committees for ratification. It monitors the activities of the Committees through the minutes of their meetings.
- Academy Committees (AC) - Each school has a AC with agreed delegation to respond to the context, status, needs and resources of its school community and its connections to the wider world. The AC will focus on teaching and learning, standards and achievement, community, and safeguarding. There are up to 12 AC Representatives in each School and its composition reflects its previous VC, VA, or community status.

The Board of Trustees has four central Trust Committees: one for Standards and School Improvement, one for Finance and Resources, one for People, and one for Audit & Risk.

- The Standards and School Improvement Committee terms of reference focus on performance and standards, educational development, safeguarding, and other compliance items.
- The Finance and Resources Committee terms of reference focus on finance and the management of internal resources.
- The Audit & Risk Committee terms of reference focus on internal scrutiny, risk, and compliance.
- The People Committee terms of reference focus on staffing items including wellbeing, performance management, and pay & remuneration.

There is an Executive Team which runs SAST in accordance with Board's strategy, objectives, and policies. This includes the CEO, Education Director, and CFOO, who are appointed by the Board of Trustees.

Arrangements for setting pay and remuneration of key management personnel
The Trustees consider that the Board of Trustees and the Executive Team collectively provide the direction, control, and operation of the Trust on a day-to-day basis. All Trustees give their time freely and no trustee received remuneration in the year in respect of their role as a Trustee.

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

The pay of key management personnel is reviewed annually. The SAST People Committee has the following responsibilities related to pay and remuneration.

- To determine the Pay Policy for the Trust.
- To ratify appropriate salary ranges and starting salaries for lead practitioners, and members of the leadership group.
- To ratify annual pay progress for teachers as set out in the Pay Policy, taking account of any recommendations made by the school headteachers in accordance with the approved pay policy and appraisal evidence.
- To approve applications to be paid on the Upper Pay Range.
- To approve annual pay progression for the CEO, taking account of the recommendation made by the CEO Appraisal Panel, following the annual review.
- To determine the application of national inflationary increases as required.
- To monitor and review the performance and pay of all headteachers in the Trust.

The annual appraisal of the interim CEO was conducted by a minimum of three Trustees with an independent external advisor. The annual appraisals of the school headteachers are conducted by the CEO and / or Education Director. The Trustees benchmark against pay levels in other Academies of a similar size.

Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
5	4.37

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	**1**
1%-50%	4
51%-99%	**0**
100%	**0**

Percentage of pay bill spent on facility time

Provide the total cost of facility time	£7,013
Provide the total pay bill	£32,319,479
Provide the percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time / total pay bill) x 100	0.02%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as: (total hours spent on paid trade union activities by relevant union officials during the relevant period / total paid facility time hours) x 100	34.88%

Related Parties and other Connected Charities and Organisations

SASTCO Limited and the Gryphon Sports Centre
The Sherborne Area Schools' Trust Company Limited (the Company) (a trading subsidiary company of SAST limited by guarantee) took over the management of the Gryphon Sports Centre from West Dorset District Council for community access in November 2017.

The Company's objects are to carry on business by providing or assisting in the services for recreation, sporting, or other leisure time activities to improve the conditions of life for the public at large and such other activities as the directors shall in their absolute discretion determine. The Company was dormant for the duration of the year ended 31st August 2024.

The Gryphon Foundation
The Gryphon Foundation (also known as The Digby and Newland and Foster Educational Foundations) was established in 2011. Its objects are:

- The advancement of the education of pupils of The Gryphon School, Sherborne, Dorset (the School) by providing and assisting in the provision of facilities and special benefits for education at the School (not normally provided by the local education authority).
- To fund prizes for the pupils at Prize Giving and Celebration of Achievement events at the School.
- The provision of grants, exhibitions or bursaries for the further or higher education of present or past pupils of the School up to and including the age of 25 (save in exceptional circumstances), including assistance to enable them to enter a profession, trade or calling.
- Otherwise promoting the education of the beneficiaries of the Charity.

The objects of the Charity shall be furthered in such manner as the Trustees determine and the selection of beneficiaries of the Charity shall be at the Trustees' discretion.

There are no related parties nor sponsors which either control or significantly influence the decisions and operations of Sherborne Area Schools' Trust.

Engagement with employees (including disabled persons)
The Trust engages with their employees through many means and methods, including:

- A termly meeting of the SAST Joint Consultative and Negotiation Committee (JCNC).
- Regular updates to all staff via briefings, the staff intranet and newsletters.
- Employee Forums including CPD and Wellbeing.
- Undertaking a Staff Experience Survey every two years. The next survey is scheduled for the year ending 31st August 2025.

Engagement with suppliers, customers, and others in a business relationship with the Trust
The Trust plays a major role in the local economy through its relationship with local businesses and community groups, which regularly are encouraged to make use of school facilities to develop business networks and provide an additional income stream.

The Trust also understands the importance of supporting local business and has produced a procurement policy that sets out the requirement for all major tendering work to consider sustainability as part of the award criteria. All procurements for goods and services must follow the principles of being open, transparent, and fair, and the trust regularly encourages SMEs to provide quotes to become a supplier to SAST schools.

There are regular opportunities for businesses to tender for the supply of goods, maintenance services, school transport, and other support services.

OBJECTIVES

Objects
The Trust's main object is to advance education, for the public benefit in the United Kingdom, in particular by establishing, maintaining, carrying on, managing and developing Academies which shall offer a broad and balanced curriculum. This includes all Academies regardless of faith.

Church of England Academies shall be conducted in accordance with the principles, practices and tenets of the Church of England both generally and particularly in relation to arranging for religious education and daily acts of worship and in having regard to the advice and following any directives of the Diocesan Board of Education.

Our Vision
To deliver educational excellence through aspiration and collaboration.

Our Mission
Working together for outstanding education

To be a special collaboration of high performing primary, secondary and alternative provision schools seeking to ensure an excellent and sustainable 0-19 education for children within our community across West and North Dorset as well as South Somerset.

To build upon the existing relationships across partnerships and clusters to develop as a family of schools working together to strengthen each school and inspire our young people and their families.

To have a shared commitment to creative and innovative learning opportunities, high aspirations and leadership, and academic success with inspiring schools, alongside developing the personal attributes for everyone (children and staff) to thrive at every stage of their learning journey.

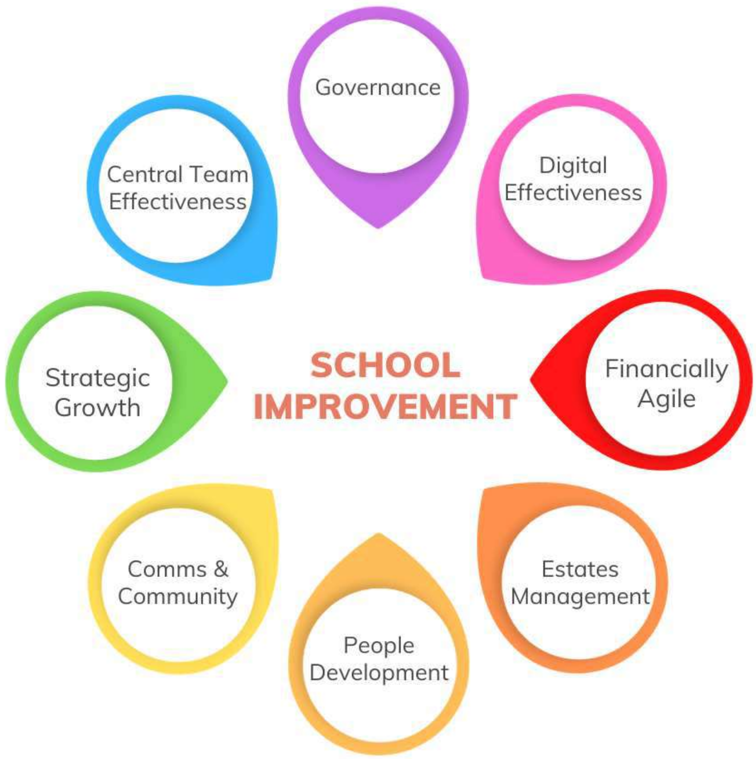
Our ethos

- Our partnership is an inclusive learning community in which children and adults together are committed to, and inspired by, a love of lifelong learning. The partnership focus is to enhance the whole of a child's learning journey from 0-19.
- All Schools are equal partners and are committed to the principles of collaboration, sharing expertise and resources to enable all partner Schools to deliver excellent education for all young people in their care.
- Opportunities for greater consistency and coherence will be actively sought for the benefit of all children and staff.
- We will celebrate each school's unique and individual characteristics in the community it serves. Each school will retain its individual identity, uniform, ethos and, where relevant, Christian distinctiveness but will be working together for the benefit of the children, families and communities that they serve.
- There will be a rigorous focus on the key areas for improvement in order to achieve the highest standards of academic and personal achievement - nurturing our students' spiritual, moral, social, physical and cultural development.
- All the Trust leaders will act impartially in the best interest of the Trust and will work in the best interest of all the schools in the Trust.
- The Trust will recognise, prepare for and act upon the national and local changes taking place across education and that face the Trust.
- The Trust will seek to pre-empt issues of performance (educational, financial, compliance etc). Where a school is experiencing or at risk of experiencing issues, the Trust will take the appropriate action to support the school to resolve those issues in a timely manner and for the benefit of those within the Trust.
- All schools value all of our staff and the contribution they bring to our schools and for our young people. All partner schools are committed to supporting the development of all staff, to fostering leadership and succession planning as well as offering staff greater opportunities within the Trust and its academies. We will engage with our staff in shaping the provision across the Trust.

Our values

- **Partnership and Collaboration**. Our schools support each other, by sharing expertise and resources, to ensure improvement.
- **Pursuit of Excellence**. We provide a high-quality education to enable all students and staff to aspire, thrive and succeed.
- **Holistic Lifelong Learning**. We promote the personal development of every child and a love of lifelong learning for our students and staff.
- **Equity and Distinctiveness.** We celebrate the individuality of each school and all in it. We are proud to be at the heart of our local communities.

Strategic Priorities
School Improvement sits at the very heart of everything we do in SAST. Our other focus areas support this and ensure that SAST as an organisation is fit for purpose, forward-thinking, strong and aspirational.



Activities
Key activities and targets were identified as part of our strategic priorities. They were partly influenced by the challenges and opportunities arising from national changes in education policy and funding, in addition to internal plans and aspirations. The activities included the following:

- The Trust appointed a new CEO and accounting officer, David Watson OBE from 15th April 2024.
- The Trust commissioned Lee Miller from the ESFA from 1st January 2024 to 31st August 2024 to conduct an audit of financial strategy and to recommend action to the board of trustees and to maintain communication with the ESFA around ensuring that the Trust has strong financial management and is financially viable. This has resulted in an ongoing conversation with ESFA to implement a restructure. The first phase of this project has delivered significant financial efficiencies, with work continuing to deliver further efficiencies in 2024/25.
- The Trust has, with the advice of Lee Miller, developed a new financial strategy to strengthen financial control and reporting.
- Ongoing negotiations with schools interested in joining the Trust.
- Embed the roles of the new school improvement team and develop our new Education Strategy.

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

The Trust aims to advance for the public benefit, education in North Dorset, West Dorset, South Somerset and the surrounding area, in particular by maintaining, managing and developing schools and offering a broad curriculum.

The Trust received funding for 5,785 children for the 2023/24 academic year.

An average of 809 staff were employed throughout the year. There are:

- Three large town primary schools.
- Ten small / medium village primary schools.
- Three 11-18 secondary schools with sixth forms.
- One small 11-16 secondary school.
- One 11-16 alternative provision school.
- Two nursery schools.

The schools serve a large rural catchment area across North Dorset, West Dorset and South Somerset. Significant numbers apply and join the schools from outside the catchment areas.

Each school offers considerable public benefit through its role as a provider of education and the links it has developed with the local community. This includes pre-school and after-school provision as well as holiday childcare provision. Community groups hire school facilities.

STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE

Throughout the 2023/24 academic year, the Trust was responsible for 18 schools.

2024 was the second year since the pandemic that the government indicated a return to pre-pandemic grading arrangements for pupils sitting tests and examinations.

Unvalidated summer 2024 outcomes

	KS2												
	Buckland Newton CE Primary School	Charlton Horethorne CE Primary School	Motcombe CE Primary School	Shaftesbury CE Primary School	Sherborne Abbey CE Primary School	Sherborne Primary School	Shillingstone CE Primary School	St Andrew's CE Primary School (Fontmell Magna)	St Andrew's CE Primary School (Yetminster)	St Mary the Virgin CE Primary School	St Mary's CE Primary School (Bradford Abbas)	St Nicholas Church of England Primary School Child Okeford	Thornford CE Primary School
	% of pupils Expected or higher												
Reading	93%	58%	61%	65%	73%	73%	77%	93%	63%	97%	83%	64%	93%
Writing	79%	58%	42%	56%	53%	69%	50%	80%	63%	83%	75%	57%	71%
Maths	93%	25%	65%	50%	63%	61%	55%	87%	50%	90%	67%	36%	86%
Ofsted 2023/2024	-	-	-	-	-	-	-	Good	-	-	-	-	-
Previous Ofsted Rating	Good	Good	Good	Good	Good	Good	Good	RI	Good	Good	Good	Good	Outstanding

	Secondary				AP
	Gryphon	King Arthur's	Sturminster Newton	Shaftesbury School	Harbour Vale
KS4 - P8	-0.05	-0.22	-0.38	-0.48	
KS4 - A8	48.11	39.67	42.23	42.15	
KS4 - % 4-9 (E&M)	65.70%	53.20%	64.50%	54.70%	
KS4 - % 5-9 (E&M)	46.40%	31.60%	45.80%	34.30%	
KS5 - A*- A	33.80%		13.60%	12.90%	
KS5 - A*- B	60%		34.10%	36.10%	
KS5 - A*- C	81.60%		63.60%	55.80%	
KS5 - A*- E	99.30%		96.60%	91.80%	
Ofsted 2023/2024	-	-	-	-	Good
Previous Ofsted Rating	Good	RI	Good	Good	Inadequate

At **Key Stage 5 (KS5)**, the trust's performance shows high attainment in STEM and languages, with particularly strong results in A*-C grades, positioning SAST well in these subjects. These strengths suggest effective teaching and curriculum alignment in schools with strong A-Level programs, and these institutions could lead professional development or resource sharing to enhance teaching strategies across the trust. However, subjects such as Sociology, Art, and Photography have shown weaker outcomes in some schools, indicating a need for targeted support and a review of instructional approaches in these areas. KS5 outcomes have improved gradually, especially in STEM and languages, reflecting successful trust-wide initiatives. However, the lower progress in creative subjects highlights the need for additional support to help students reach their potential in these areas. By continuing to leverage strengths and addressing gaps in creative and applied subjects, SAST can further raise overall standards and enhance its reputation for high-quality post-16 education.

In **Key Stage 4 (KS4)**, results vary across SAST, with some schools performing near the national average in Progress 8 (P8) and Attainment 8 (A8) scores, while others fall below. Some STEM subjects and languages are strengths within the trust, with some high performance, especially in sciences and certain languages. These subjects are a point of pride and represent an opportunity for stronger-performing schools to support others through shared strategies and curriculum guidance. On the other hand, creative and applied subjects, such as Design & Technology (D&T), Media Studies, and Performing Arts (with the exception of Shaftesbury School), show weaker progress and attainment, suggesting a need for more support in these areas.

In **Key Stage 2**, SAST has mixed performance across core subjects. In reading, the trust achieved a rate of 74% of pupils reaching the expected standard, slightly above the national average of 73%, suggesting a solid foundation in literacy. However, writing presents more of a challenge, with a trust-wide rate of 72%, below the national average of 78%. A few schools demonstrate strong writing outcomes, reflecting structured writing programs that could be shared to support improvement across the trust. Maths is an area of concern, with SAST achieving a rate of 63% at the expected standard, notably below the national average of 73%. Certain schools maintain high standards in maths, reaching the 90th percentile, and could provide guidance to raise standards in schools where performance has slipped. Over recent years, KS2 outcomes in reading have held steady; while writing and maths have seen slight declines, aligning with a national trend. This may be due to learning gaps exacerbated by the pandemic. Addressing these gaps through focused interventions, such as targeted workshops and cross-school collaboration, will be essential to ensure students are equipped with strong foundational skills as they progress.

In **Key Stage 1 Phonics**, SAST's Year 1 Phonics Screening pass rate for 2023-2024 stands at 82%, matching the national average. This steady alignment with national expectations reflects resilience in early reading instruction across the trust, though certain schools would benefit from additional support. A few schools consistently achieve pass rates in the 90th percentile, showing the effectiveness of their phonics teaching, which can serve as a model for others. The trust has demonstrated steady improvement in phonics outcomes over the years, successfully recovering from the challenges of remote learning in 2020-2021.

For **Early Years Foundation Stage (EYFS)**, SAST currently achieves a Good Level of Development (GLD) rate of 67%, slightly below the national average of 72%. While this is close to national standards, there remains a need to strengthen early years education across the trust. Certain schools have maintained high performance, with GLD rates in the 90th percentile or above, demonstrating strong early years practices that set a robust foundation for literacy and numeracy. These schools will play a critical role in supporting others within the trust by sharing effective strategies. Over recent years, the trust has seen a slight decline in GLD rates, aligning with a national trend that likely reflects the impact of pandemic-related disruptions on early childhood education.

During the last academic year, two schools within the trust underwent Ofsted inspections, both with positive outcomes. Harbour Vale improved its rating from "Inadequate" to "Good," and St Andrew's progressed from "Requires Improvement" to "Good." These achievements highlight the effectiveness of the trust's school improvement strategy, building on the positive Ofsted results seen in 2023. In response to these successes, the trust has refined its school improvement strategy with a renewed focus on delivering even stronger academic outcomes in 2024.

The 2023-24 academic year has been another challenging one for the trust, marked by spending cuts and the restructuring of various roles, both in and out of schools. This has led to increased pressure on schools to raise standards despite a reduction in teaching resources. The ongoing impact of the pandemic continues to affect academic progress, with unique challenges emerging in rural settings like ours. Compared to other contexts across the country, these impacts are still difficult to pinpoint precisely, but we are working hard to overcome these obstacles. In response to these pressures, trust leaders have been proactive, raising the profile of pupil outcomes and clarifying lines of accountability essential for improvement. Our strategy for school improvement is centred on moving the resources we have closer to the schools and reinforcing the sharing of successful strategies across the trust. Processes and activities are being implemented to raise standards and strengthen accountability, driven largely by the work of the school improvement team. Last year, the team developed the SAST Education Strategy, which outlines the expectations of staff and the support and challenge the team will provide to assist them. This support will be tailored to the specific needs of each school. Throughout the year, there will be opportunities to reflect on and review our impact, ensuring that schools progress towards stronger outcomes in all areas of educational experience, with a focus on raising pupil achievement.

GOING CONCERN

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the Trust will have adequate resources to continue in operational existence for the foreseeable future. In the 2023/24 academic year the Trust are reporting a free reserves deficit of £1.3m, and deficit restricted funds of £569k; the restricted deficit is supported by a £750k grant awarded by the DfE post year end to support restructuring activities during the year.

This view is supported by favourable forecast for the 3-year financial picture when compared to budget, further supported by the current discussion of financial support from the ESFA to clear the 2023/24 deficit position. 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.

Promoting the success of the company

We actively promote the work of both the Trust and our schools to our various stakeholders. Internally, staff are kept up to date through newsletters, briefings, and events. Externally, we share news with all local media, as well as with our parents and families through newsletters, our website, and social media. We actively market our schools to potential parents in the region, to ensure we maximise school capacity.

The Sherborne Area Schools' Trust recognises the importance of making decisions that have a positive long-term impact on the Trust's ability to fulfil its educational objectives, ensuring the sustainable growth and development of the organization.

The Trust prioritizes the well-being and development of its employees, ensuring that they are provided with opportunities for professional growth and maintaining a supportive work environment. Our CPD programme helps to develop staff, and we provide access to all employees to the National College online portal where they can find a range of training courses. We also regularly survey staff to find out their views and how we can continuously improve as an employer.

The Trust places significant emphasis on building and maintaining strong relationships with suppliers, customers, and stakeholders. These relationships are critical to the Trust's ability to deliver quality education and support services effectively.

The Trust acknowledges its responsibility towards the community and environment. It is committed to minimising its environmental footprint and actively engages with the local community to support its well-being.

Upholding high standards of business conduct is of high importance to us as a trust. This includes transparency, integrity, and accountability in all its dealings, ensuring it maintains a strong reputation. We recognise the importance of the community and our stakeholders holding us in high esteem, as the organisation responsible for the education of young people within our care.

The Trust ensures fairness and equity among its members, whether they are students, employees, or stakeholders. It strives to provide equal opportunities and benefits to all. One of our core values is 'Equity and Distinctiveness' recognising the importance of every individual within our family of schools.

FINANCIAL REVIEW

Most of the Trust income is obtained from the DfE via the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ending 31st August 2024 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

The Trust also receives grants for fixed assets from the DfE which are shown in the Statement of Financial Activities as restricted income in the Fixed Asset Fund. The Restricted Fixed Asset Fund balance is reduced by annual depreciation charges over the useful life of the assets concerned, as defined in the Trusts accounting policies

During the year 31 August 2024 the trust (excluding restricted fixed asset and pension funds) received total income of £41,986k and incurred total expenditure of £44,460k. The excess of expenditure of income for the year was £2,474k. The position is inflated by the net transfers between funds of £349k and £569k of restructuring costs funded through a grant that was received in September 2024; this leaves a deficit position of £1,555k.

The in-year budget for 2023/24 was set at £479k, the overspend reflects a challenging period of the Trust, marked by financial pressures affecting the whole education sector, exacerbated by high levels of inflation particularly impacting the cost of utility contracts, maintenance and compliance costs, catering provision and the increasing cost and challenge around alternative provision. Financial challenges were further compounded by high levels of staff absence in the form of the associated costs of backfilling essential front-line Teaching roles.

The trust remains committed to prudent financial management and is well-positioned to continue to grow and adapt to the evolving financial landscape in the education sector.

At 31 August 2024 the net book value of fixed assets was £41,496k and movements in tangible assets are shown in note 17 to the financial statements. These assets are exclusively used for providing education and support services to the pupils of the Trust.

The Trust has taken on the deficit in the Local Government Pension Scheme in respect of its non-teaching staff transferred upon academy conversion. Detailed information about this pension deficit is provided in note 27 to the financial statements.

Key financial policies adopted or reviewed during the year include the Finance Policy and Anti-Fraud policy. These policies outline the framework for financial management, including financial responsibilities of the Board, headteachers, managers, budget holders, and other staff.

Reserves Policy

The Trust maintains reserves for several purposes, including funding current and future expenditures on fixed assets, supporting schools' working capital needs, and serving as a safety net for unforeseen challenges in running the Trust. The Trustees' objective is to hold reserves adequate to meet these needs and to allocate any surpluses generated by individual schools towards enhancing educational programs and facilities. Currently, the Trust aims to maintain financial reserves ranging from 1.5% (£435,500) to 5% (£1,452,000) of its annual GAG (General Annual Grant) funding. The Trust aim to grow reserves through delivering efficiencies across the Trust, whilst ensuring that the focus remains on a quality teaching and learning provision for all pupils.

The defined benefit pension scheme reserve shows a negative balance. The effect of the deficit position in the pension scheme leads to the Trust paying higher employer's pension contributions over years, which will be covered from the Academy Trust's budgeted annual income. Whilst the deficit will not be immediately eliminated, there should be no actual cash flow deficit on the fund, nor any direct impact on the Trust's free reserves.

Investment Policy
The Trust's current investment strategy focuses on low-risk and easily accessible current bank accounts. This approach aims to effectively manage cash balances to meet day-to-day working capital requirements for its operations.

Purposes:

- To ensure adequate cash balances are maintained in the current account to cover day to day working capital balances.
- To ensure there is minimal risk of loss in the capital value of any cash funds invested.
- To seek to protect the capital value of any invested funds against inflation.
- To optimise returns on invested funds.

PRINCIPAL RISKS AND UNCERTAINTIES

The Board of Trustees has a designated Audit & Risk Committee for overseeing the process of risk management. In line with the guidance set out in the Academy Trust Handbook, the committee meets throughout the year to review the major risks faced by the Trust, alongside the operational, financial and compliance controls that have been implemented to mitigate those risks.

The principal risks and uncertainties facing the Trust are as follows:

Strategic – to enable the Trust to achieve its strategic vision of 'delivering educational excellence through aspiration and collaboration' it is vital that its values are effectively communicated and enacted throughout each school. A failure to do so will limit the Trust's ability to develop and grow. There has been a significant level of change in the composition of the board over the past year, and the board is conscious that it needs to maintain its focus on holding leaders to account for achieving the trust's strategic objectives.

Compliance and regulatory – the Trust continues to evolve its response to meeting regulatory compliance, particularly towards ensuring that the estate is warm, safe, and dry. Health & Safety has been a major area of development during 2023/24 with a particular focus on ensuring that statutory maintenance and inspections are arranged in a timely manner. Compliance has been a regular agenda item, with the Audit & Risk Committee receiving termly reports on the executive team's approach to improving compliance and health & safety at each of the trust's 18 sites. The trust has also concerned about the rise of cyber security attacks on educational establishment and has taken measures to improve resilience within its core IT networks.

Financial - The Trustees oversee the financial health of the trust on a regular basis. They review performance against budgets and overall expenditure by means of regular update reports at full board and Finance and Resources Committee meetings. The Trustees also regularly review cash flow forecasts and ensure sufficient funds are held to cover all known and anticipated commitments. The cost of energy continues to be a cause for concern across the sector, and the Trust must seek ways to offset the costs of heating and lighting our premises. Salaries have also continued to increase to match cost-of-living expenses, and whilst some of this has previously been funded by the ESFA, there is always a percentage that needs to be met from existing budgets. With such a high percentage of all income contributing towards salaries, these unfunded pay awards are a significant risk to the financial stability of the trust.

Governance – There has been significant movement of Trustees during the year, resulting in a more settled board in the second half of the year. As at the 31 August, the number of trustees appointed to the board is below capacity, currently at 7 members of a potential 11. It is critical that high-calibre individuals are recruited to strengthen the board and ensure that the executive leaders of the trust are held to account for meeting the strategic objectives and delivering on operational performance. The board must also ensure that it continues to maintain compliance with the requirements of the Academy Trust Handbook and has developed processes to facilitate this.

School Performance – Student attainment outcomes at the end of 2023/24 showed general improvement compared to the previous academic year. The board of trustees must ensure that leaders are empowered to sustain ongoing school improvement and that the core functions supporting these efforts are adequately resourced to achieve the desired outcomes.

The Trustees have assessed the major risks to which the Trust is exposed and have implemented systems to assess and minimise those risks, including internal controls described elsewhere.

The Trust has continued to strengthen its risk management process throughout the year by developing policies, training of staff, and raising the awareness of the importance of robust risk management practices. A central risk register is maintained and reviewed by the board on a regular basis.

The Audit & Risk Committee is responsible for the deployment of the Trust's internal auditors, and at the beginning of the year, given the newness of the board the approach was one of consolidation to assess the current position of the Trust, through a review of previous internal and external audit reports to assess the status of the issues and risks previously identified.

In addition to this a fraud risk assessment was commissioned to benchmark and implement recommended policy and procedures.

The Board of Trustees ensures that actions and recommendations are swiftly implemented.

During 2023/24 overview of Finance & Resources fell to the Board of Trustees, who formally examined the financial health of the Trust. The Board reviewed performance against budgets and overall expenditure by means of regular update reports.

The Board of Trustees has reviewed the key risks to which the Trust is exposed together with the operating, financial, and compliance controls that have been implemented to mitigate those risks. The Trustees are of the view that there is a formal ongoing process for identifying, evaluating, and managing significant risks that have been in place for the year.

FUNDRAISING

The Trust undertakes student fundraising activities for nominated charities on a regular basis. Charities supported during the 2023/24 academic year included Children in Need, Comic Relief, Save the Children, and Macmillan Cancer Support. No commercial partners or professional fundraisers were involved with fundraising activities.

Schools sometimes undertake fundraising to fund individual projects. Any such funding is used to benefit students directly and support the costs of resources, educational visits, activities and improvements to educational facilities at individual schools.

STREAMLINED ENERGY AND CARBON REPORTING

UK Greenhouse gas emissions and energy use data for the period 1 September 2023 to 31 August 2024

	Current reporting year 2023/24	Comparison reporting year 2022/23
Energy Consumption used to calculate emissions		
- Electricity	1,400,089	1,422,663
- Gas	1,345,075	1,482,480
- transport fuel	123,682	93,121
Scope 1 emissions in metric tonnes CO2e		
Gas Consumption (incl minibuses)	253.93	276.60
Scope 2 emissions in metric tonnes CO2e		
Purchased Electricity	289.89	306.98
Scope 3 emissions in metric tonnes CO2e		
Business travel in employee owned vehicles	7.41	6.92
Total Gross emissions in metric tonnes CO2e	553.23	590.5
Intensity ratio Tonnes CO2e per pupil	0.10	0.10

Quantification and reporting methodology
We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2023 UK Government's Conversion Factors for Company Reporting.

Intensity measurement
The chosen intensity measurement ratio is total gross emissions in metric tonnes CO2e per pupil, the recommended ratio for the sector.

Measures taken to improve energy efficiency
The Trust has carried out a project to install LED lighting across all premises in order to reduce the electricity consumption required to light all classrooms, working spaces, and outdoor areas across the Trust. Smart meters have also been installed to enable energy consumption to be reviewed and monitored.

Staff are encouraged to consider online meetings in order to reduce travelling time, travel costs, and associated emissions. Support staff also periodically work from home which reduces CO2e emissions.

PLANS FOR FUTURE PERIODS

The focus for the upcoming academic year will be on reviewing and updating the mission, values and the strategic plan.

There are 2 main priorities for 2024/2025.

- Delivering financial strategy to ensure that all funding that the trust receives is deployed to maximise pedagogical impact.
- To deliver an updated school improvement strategy to ensure that more children know and remember more. There is a focus on attendance, inclusion, assessment the quality of teaching.

The trust is also seeking further growth by welcoming The Blandford School into SAST during the 2024/25 academic year. An increase in secondary school places across the trust will enable further developments in shared resources and curriculum-intent for the Key stage 4 and 5 provision. A shift in topography of the trust will require a holistic review of central services to ensure that teams continue to self-evaluate as they mature and expand the scope of their offer to schools.

AUDITOR

In so far as the Trustees are aware:

- There is no relevant audit information of which the charity'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 auditors, Bishop Fleming LLP, are willing to continue in office and a resolution to appoint them will be proposed at the annual general meeting.

The Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 19 December 2024 and signed on its behalf by:

D Middleton
Chair of Trustees

GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2024

SCOPE OF RESPONSIBILITY

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

The Board of Trustees has delegated the day-to-day responsibility to the Chief Executive Officer 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 Sherborne Area Schools’ Trust and the Secretary of State for Education. The Accounting Officer is also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

GOVERNANCE

The information on governance included here supplements that described in the Trustees’ Report and in the Statement of Trustees’ Responsibilities. The Board of Trustees and its committees collectively met 21 times during the year. Attendance during the year at meetings of the Board of Trustees and its committees was as follows:

Trustee	Meetings attended	Out of a possible
D Middleton (Chair)	14	20
D Roberts	10	14
J Rundle	12	18
S McDonald	9	12
R Beavis	13	18
S Busby	10	11
S Lowkis	2	5
J Bertelsen	12	13
G Pugh	6	10
S Reynolds	0	1

Changes to the Board of Trustee membership during the year are detailed below:

S Busby	Date of Appointment 22.03.24
S Lowkis	Date of Appointment 22.03.24
J Bertelsen	Date of Appointment 22.03.24
G Pugh	Date of Appointment 15.05.24
S Reynolds	Date of Appointment 18.06.24
J Rundle	Date of Termination 28.06.24
R Beavis	Date of Termination 28.06.24
S McDonald	Date of Termination 31.08.24

The main responsibilities of the Trust Board include:

- Strategy: mission, vision, and values.
- Governance: monitor performance and provide support.
- Finance: planning, budgeting, statutory accounts, and cash flow.
- Audit: financial controls and risk management.
- Premises: asset management planning.
- Health & Safety: monitoring compliance and effectiveness.
- ICT: develop and implement an integrated ICT strategy.
- Staffing: HR policies, workforce structure, and pay & remuneration.
- Appraisal: recruitment and appraisal of headteachers.
- Wellbeing: reporting and action.
- Teaching & Learning: policies, schemes of work and development.
- SEND & PP: compliance, policies, and practice.
- Behaviour: exclusions, awards, and sanctions.
- Admissions: policy and appeals.
- Collective worship: frameworks for monitoring development in faith schools.
- Parents & Community: develop strategies for the trust.
- Safeguarding: policies, training, and legal compliance.
- School Development: initiative for school improvement.
- External review: reporting and action plans.
- School organisation: school day, terms dates, and INSET.

Due to a low number of trustees recruitment has been targeted to ensure a strong skill base - i.e.: education, finance, audit and risk backgrounds. In line with this, key areas of risk were retained within full trust board to ensure discussions were robust. The board have received data from the organisations officers and have minuted the quality and usefulness of the reports, enabling them to clearly understand and challenge the data presented to them.

Conflicts of Interest

The Board of Trustees and all Academy Committees maintain a register of all declared personal/business interests and declare any conflicts of interest at the beginning of each meeting. All individuals are required to absent themselves from any discussion in which it is possible that a conflict will arise between their duty to act solely in the interests of the Trust and any personal or business interest or duty. This also applies to all employees, consultants, and volunteers.

Review of Governance

It is the trusts policy to undertake an external review of governance every two years, and an internal self-assessment, including a skills-audit, every year. The trust undertook an external review of governance in April 2023, following the previous review in February 2021. A review will be arranged for 2025.

The findings of the review reflected the impact of growth on the trust and the need to ensure that governance structures are continually refreshed to ensure that they are suitable for an organisation of increasing size. The board is developing ways to improve the lines of communication with leaders and local governing bodies to ensure that roles and responsibilities are clear at all levels. The board also needs to ensure that it can attract and retain high-calibre individuals to further strengthen the collective skill set and knowledge of the board.

REVIEW OF VALUE FOR MONEY

Under the scheme of delegation, the Chief Executive, as Accounting Officer, has responsibility for ensuring that the Trust delivers good value in the use of public resources. The Accounting Officer understands that value for money refers to the educational and wider societal outcomes, as well as estates safety and management, achieved in return for the taxpayer resources received.

The Accounting Officer considers how the Trust's use of its resources has provided good value for money during each academic year, and reports to the Board of Trustees where value for money can be improved, including the use of benchmarking data where available. The Accounting Officer for the Trust has delivered improved value for money during the year by:

- Review of central services for the trust to deliver a streamlined more cost-effective central function
- Running a competitive tender exercise for the replacement of the trusts Management Information Systems
- Using public sector framework for the procurement of replacement PCs
- Running a competitive tender exercise for catering services and photocopiers.
- The implementation of Curriculum-Led Financial Planning and Kreston benchmarking tools for assess financial performance.
- Undertaking a review of prices for the letting of school facilities to community groups.
- Reviewing and rationalising educational and non-educational subscriptions and resources for performance and impact.
- Procurement process to award H&S of the estate
- Use of risk based capital planner and thorough procurement processes to prioritise the management of the estate and ensure value for money.

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The internal control system is crafted to mitigate risks to a reasonable extent rather than eliminate any possibility of falling short in fulfilling policies, goals, and objectives. Consequently, it can offer only a reasonable level of assurance regarding its effectiveness, not an absolute guarantee. The internal control system relies on an ongoing process, which entails identifying and prioritising risks that could hinder the achievement of Trust policies, goals, and objectives. It assesses the likelihood of these risks becoming reality and the potential impact if they do occur, and aims to manage them efficiently, effectively, and economically.

CAPACITY TO HANDLE RISK

The Board of Trustees has examined the principal risks faced by the Trust, along with the operational, financial, and compliance measures in place to address these risks. The Board believes that there is a well-established and continuous procedure for identifying, assessing, and handling significant risks of the Trust, which has been in operation from September 1, 2023, through August 31, 2024, and up to the date when the annual report and financial statements were approved. The Board of Trustees regularly evaluates this process.

THE RISK AND CONTROL FRAMEWORK

The 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. In particular, it includes:

- A strategic risk register that identifies key concerns and the respective controls that give Trustees assurance that mitigating actions are in place.
- 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 Board of Trustees of reports which indicate financial performance against the forecasts and of major purchase plans, capital works, and expenditure programmes.
- Setting executive leaders targets to measure financial and other performance metrics.
- Clearly defined purchasing (asset purchase or capital investment) guidelines.
- Delegation of authority and the segregation of duties.

The board of trustees decided to buy-in internal audit services from OneWest, part of Bath & North-East Somerset Council, to perform this function 1st September 2023 to 31st January 2024. The contracted Interim Chief Financial Officer provided internal audit scrutiny for the period of 1st February 2024 to 31st August 2024.

The internal auditor's role includes giving advice on financial matters and performing a range of checks on the Trust's financial systems. In particular, the checks carried out in the current period covered:

- Strategic risk management.
- Due diligence to facilitate growth.
- Safer recruitment.
- Budgetary controls.
- Preparation of financial and management accounts.

A schedule of work to be delivered by OneWest was agreed by the Audit & Risk Committee. This schedule includes reviews of individual schools, and central functions. At year end, OneWest reports directly to the Trustees, through the Audit & Risk Committee, on the operation of the systems of control and on the discharge of the Board's financial responsibilities. The executive team report on the progress of the schedule of internal audit to the Audit & Risk committee on a termly basis.

A reduced plan was delivered due to the change management process within the leadership of the central team. The auditors have reported that it is their opinion that the Trust has provided substantial assurance that policies and procedures are robust and compliant.

This option as chosen and continues to be the preferred method of internal scrutiny as it delivers an external view to the Accounting Officer and Trustees of risk to the Trust, through reviewing the effectiveness of polices and controls within the Trust.

REVIEW OF EFFECTIVENESS

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

- The work of the internal auditor.
- The financial management and governance self-assessment process or 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 work of the external auditor.
- Correspondence from ESFA e.g., financial notice to improve/notice to improve and ‘minded to’ letters.

The Accounting Officer has been advised of the implications of the result of the review of the system of internal control by the Audit & Risk Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Conclusion

Based on the advice of the audit and risk committee and the Accounting Officer, the Board of Trustees is of the opinion that the academy trust has an adequate and effective framework for governance, risk management and control.

Approved by order of the members of the Board of Trustees on 19 December 2024 and signed on their behalf by:

D Middleton
Chair of Trustees

D Watson
Accounting Officer

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Sherborne Area Schools' Trust, I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding, including for estates safety and management, under the funding agreement between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2024, including responsibilities for estates safety and management.

I confirm that I and the Academy Trust Board of Trustees are able to identify any material irregular or improper use of all funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academy Trust Handbook 2024.

I confirm that no instances of material irregularity, impropriety or funding non-compliance have been discovered to date. If any instances are identified after the date of this statement, these will be notified to the Board of Trustees and ESFA.

D Watson
Accounting Officer
Date: 19 December 2024

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2024

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 Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2023 to 2024;
- 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;
- 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 ESFA/DfE have been applied for the purposes intended.

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

Approved by order of the members of the Board of Trustees and signed on its behalf by:

D Middleton
(Chair of Trustees)
Date: 19 December 2024

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF SHERBORNE AREA SCHOOLS' TRUST

OPINION

We have audited the financial statements of Sherborne Area Schools' Trust (the 'academy trust') for the year ended 31 August 2024 which comprise the Statement of Financial Activities (Incorporating Income and Expenditure Account), the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2023 to 2024 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy Trust's affairs as at 31 August 2024 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2023 to 2024 issued by the Education and Skills Funding Agency.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Academy Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

MATERIAL UNCERTAINTY RELATED TO GOING CONCERN

We draw attention to note 2.2 in the financial statements, which details that there is a a deficit position of c£1.85m at 31 August 2024, which is supported in part by a restructuring grant of up to £750,000 awarded in September 2024. The note also indicates that anticipated future funding/cash flow support from the DfE of up to £1.3m is anticipated but is yet to be formally agreed. As stated in note 2.2, these events or conditions, along with the other matters as set forth in note 2.2, indicate that a material uncertainty exists that may cast significant doubt on the Academy Trust's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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.

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

OTHER INFORMATION

The other information comprises the information included in the Annual report and finanical statements other than the financial statements and our Auditors' report thereon. The Trustees are responsible for the other information contained within the Annual report and finanical statements. 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 MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of our knowledge and understanding of the Academy Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report including the Strategic 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 returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

RESPONSIBILITIES OF TRUSTEES

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

In preparing the financial statements, the Trustees are responsible for assessing the Academy Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Academy Trust or to cease operations, or have no realistic alternative but to do so.

AUDITORS' 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 Auditors' 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.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the Academy sector, control environment and the Academy Trust's performance;
- results of our enquiries of management and the Trustee board, including the committees charged with governance over the Academy Trust's finance and control, about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the Academy Trust's documentation of their policies and procedures relating to: identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance; detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; the internal controls established to mitigate risks of fraud or noncompliance with laws and regulations;
- how the Academy Trust ensured it met its obligations arising from it being financed by the ESFA and other funders, and as such material compliance with these obligations is required to ensure the Academy Trust will continue to receive its public funding and be authorised to operate, including around ensuring there is no material unauthorised use of funds and expenditure;
- how the Academy Trust ensured it met its obligations to its principal regulator, the Secretary of State for Education; and
- the matters discussed among the audit engagement team and involving relevant internal Academy specialists regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud, which included incorrect recognition of revenue, management override of controls using manual journal entries, procurement and payroll. We identified the greatest potential for fraud as incorrect recognition of revenue and management override using manual journal entries.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. We also obtained an understanding of the legal and regulatory frameworks that the Academy Trust operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Academies Accounts Direction, Academies Financial Handbook, UK Companies Act and tax legislation.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Academy Trust's ability to operate or to avoid a material penalty. These included safeguarding regulations, data protection regulations, occupational health and safety regulations, education and inspections legislation, building legislation and employment legislation.

Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- reviewing the financial statement disclosures and testing to supporting documentation to assess the recognition of revenue;
- enquiring of Trustees and management and those charged with governance concerning actual and potential litigation and claims;
- performing procedures to confirm material compliance with the requirements of its regulators;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance and reviewing internal control reports; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; and assessing whether the judgements made in making accounting estimates are indicative of a potential bias.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from an error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

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

USE OF OUR REPORT

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

Bishop Fleming LLP

Simon Morrison FCA (Senior statutory auditor)
for and on behalf of
Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
10 Temple Back
Bristol
BS1 6FL

23 December 2024

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO SHERBORNE AREA SCHOOLS' TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 9 August 2022 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2023 to 2024, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Sherborne Area Schools' Trust during the year 1 September 2023 to 31 August 2024 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Sherborne Area Schools' Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Sherborne Area Schools' Trust and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Sherborne Area Schools' Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

RESPECTIVE RESPONSIBILITIES OF SHERBORNE AREA SCHOOLS' TRUST'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT

The accounting officer is responsible, under the requirements of Sherborne Area Schools' Trust's funding agreement with the Secretary of State for Education dated 2017 and the Academy Trust Handbook, extant from 1 September 2023, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2023 to 2024. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2023 to 31 August 2024 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

APPROACH

We conducted our engagement in accordance with the Framework and Guide for External Auditors and Reporting Accountant of Academy Trusts issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

The objective of a limited assurance engagement is to perform such procedures as to obtain information and explanations in order to provide us with sufficient appropriate evidence to express a negative conclusion on regularity.

A limited assurance engagement is more limited in scope than a reasonable assurance engagement and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express a positive opinion.

Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the Academy Trust's income and expenditure.

The work undertaken to draw our conclusion includes:

An assessment of the risk of material irregularity and impropriety across all of the Trust’s activities;

Further testing and review of the areas identified through the risk assessment including enquiry, identification of controls processes and examination of supporting evidence across all areas identified as well as additional verification work where considered necessary; and

Consideration of evidence obtained through the work detailed above and the work completed as part of our audit of the financial statements in order to support the regularity conclusion.

CONCLUSION

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2023 to 31 August 2024 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Bishop Fleming LLP

Simon Morrison FCA (Senior statutory auditor)
Bishop Fleming LLP
Chartered Accountants
Statutory Auditors

Date: 23/12/2024

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 AUGUST 2024

	Note	Unrestricted funds 2024 £	Restricted funds 2024 £	Restricted fixed asset funds 2024 £	Total funds 2024 £	Total funds 2023 £
INCOME FROM:						
Donations and capital grants	4	-	963,069	1,479,135	2,442,204	5,402,374
Charitable activities	5	1,509,287	38,699,305	-	40,208,592	34,955,400
Other trading activities	7	809,032	-	-	809,032	910,511
Investments	8	5,385	-	-	5,385	296
TOTAL INCOME		2,323,704	39,662,374	1,479,135	43,465,213	41,268,581
EXPENDITURE ON:						
Raising funds		9,282	-	-	9,282	10,911
Charitable activities	10	2,412,724	41,737,382	1,394,161	45,544,267	39,179,887
Loss on disposal of fixed assets		-	-	-	-	6,029,988
TOTAL EXPENDITURE		2,422,006	41,737,382	1,394,161	45,553,549	45,220,786
NET (EXPENDITURE)/INCOME		(98,302)	(2,075,008)	84,974	(2,088,336)	(3,952,205)
Transfers between funds	20	-	349,549	(349,549)	-	-
NET MOVEMENT IN FUNDS BEFORE OTHER RECOGNISED GAINS/(LOSSES)		(98,302)	(1,725,459)	(264,575)	(2,088,336)	(3,952,205)
OTHER RECOGNISED GAINS/(LOSSES):						
Actuarial gains on defined benefit pension schemes	27	-	1,209,000	-	1,209,000	3,069,000
NET MOVEMENT IN FUNDS		(98,302)	(516,459)	(264,575)	(879,336)	(883,205)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024

	Note	Unrestricted funds 2024 £	Restricted funds 2024 £	Restricted fixed asset funds 2024 £	Total funds 2024 £	Total funds 2023 £
RECONCILIATION OF FUNDS:						
Total funds brought forward		**98,302**	**(4,460,087)**	**42,397,229**	**38,035,444**	38,918,649
Net movement in funds		**(98,302)**	**(516,459)**	**(264,575)**	**(879,336)**	(883,205)
TOTAL FUNDS CARRIED FORWARD	20	**-**	**(4,976,546)**	**42,132,654**	**37,156,108**	38,035,444

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 36 to 67 form part of these financial statements.

BALANCE SHEET
AS AT 31 AUGUST 2024

	Note		2024 £		2023 £
FIXED ASSETS					
Intangible assets	16		**954**		6,287
Tangible assets	17		**41,495,598**		41,450,303
			41,496,552		41,456,590
CURRENT ASSETS					
Debtors	18	**1,543,414**		1,817,894	
Cash at bank and in hand		**761,244**		2,349,317	
		2,304,658		4,167,211	
Creditors: amounts falling due within one year	19	**(3,537,102)**		(2,970,357)	
NET CURRENT LIABILITIES / ASSETS			**(1,232,444)**		1,196,854
TOTAL ASSETS LESS CURRENT LIABILITIES			**40,264,108**		42,653,444
NET ASSETS EXCLUDING PENSION LIABILITY			**40,264,108**		42,653,444
Defined benefit pension scheme liability	27		**(3,108,000)**		(4,618,000)
TOTAL NET ASSETS			**37,156,108**		38,035,444
FUNDS OF THE ACADEMY TRUST					
RESTRICTED FUNDS:					
Fixed asset funds	20	**42,132,654**		42,397,229	
Restricted income funds	20	**(1,868,546)**		157,913	
Restricted funds excluding pension asset	20	**40,264,108**		42,555,142	
Pension reserve	20	**(3,108,000)**		(4,618,000)	
TOTAL RESTRICTED FUNDS	20		**37,156,108**		37,937,142
UNRESTRICTED INCOME FUNDS	20		**-**		98,302
TOTAL FUNDS			**37,156,108**		38,035,444

The financial statements on pages 32 to 67 were approved and authorised for issue by the Trustees and are signed on their behalf, by:

D Middleton
(Chair of Trustees)
Date: 19 December 2024

The notes on pages 36 to 67 form part of these financial statements.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2024

	Note	2024 £	2023 £
CASH FLOWS FROM OPERATING ACTIVITIES			
Net cash used in operating activities	22	**(2,724,356)**	(435,783)
CASH FLOWS FROM INVESTING ACTIVITIES	23	**1,136,283**	94,993
CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR		**(1,588,073)**	(340,790)
Cash and cash equivalents at the beginning of the year		**2,349,317**	2,690,107
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	24, 25	**761,244**	2,349,317

The notes on pages 36 to 67 form part of these financial statements

1. GENERAL INFORMATION

Sherborne Area School's Trust is a company limited by guarantee, incorporated in England and Wales. The registered office address is The Gryphon School, Bristol Road, Sherborne, Dorset, DT9 4EQ.

2. 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.

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historic 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 2023 to 2024 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Sherborne Area Schools' Trust meets the definition of a public benefit entity under FRS 102.

A wholly owned subsidiary company, SASTCO Limited, was incorporated on the 7th September 2017 with the intention of providing sports facilities for the Trust. However, having regard to the level and the nature of activity and balances in SASTCO Limited up to 31 August 2024, it is considered that not consolidating SASTCO Limited does not materially impact the transactions and balances reported in the financial stataments of the Trust. Accordingly consolidated financial statements have not been prepared.

2.2 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 Academy Trust to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements.

Whilst the Trust carries a deficit position of c£1.85m at 31 August 2024, this is supported in part by a restructuring grant of up to £750,000 awarded in September 2024, and anticipated future funding/cash flow support from the DfE of up to £1.3m. However, the latter is yet to be formally agreed.

The Trustees have also taken into account the current restructuring plans which are expected to deliver the required savings to bring the Academy Trust into an operating surplus by 2027/28. Potential growth over the next 12 months, could also deliver economies of scale and financial security to the trust.

The Trustees believe that the Academy Trust will have adequate resources to continue in operational existence for the foreseeable future and continue to adopt the going concern basis of accounting in preparing the financial statements. However, until formal confirmation of additional support is received from the DfE, there remains a material uncertainty about the Academy Trust's ability to continue as a going concern which cast significant doubt on the Academy Trusts ability to realise its assets and discharge its liabilities in the normal course of business and to continue as a going concern.

The financial statements do not reflect the adjustments that would be necessary should the ability of the Academy Trust to operate be jeopardised due to the material uncertainty.

2. ACCOUNTING POLICIES (continued)

2.3 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 year is deducted from income and recognised as a liability.

  Capital grants are recognised in full when there is an unconditional entitlement to the grant. Unspent amounts of capital grants are reflected in the Balance sheet in the restricted fixed asset fund. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended.

- **Sponsorship income**

  Sponsorship income provided to the Academy Trust which amounts to a donation is recognised in the Statement of financial activities in the year in which it is receivable (where there are no performance-related conditions) where receipt is probable and it can be measured reliably.

- **Donations**

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

- **Other income**

  Other income, including the hire of facilities, is recognised in the year it is receivable and to the extent the Academy Trust has provided the goods or services.

2. ACCOUNTING POLICIES (continued)

2.4 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.

2.5 INTEREST RECEIVABLE

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

2.6 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.

2.7 INTANGIBLE ASSETS

Intangible assets costing £500 or more are capitalised and recognised when future economic benefits are probable, and the cost or value of the asset can be measured reliably.

Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment.

Amortisation is provided on intangible assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life.

The estimated useful lives are as follows:

Software and website	-	4 years straight line

2. ACCOUNTING POLICIES (continued)

2.8 TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

Depreciation is provided on the following bases:

Long-term leasehold property	-	50 years straight line
Fixtures, fittings and equipment	-	5 years straight line
Plant and Machinery	-	7 years straight line
Motor vehicles	-	4 years straight line

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.

Where the Trust has been granted use of the school buildings from the Diocese under Supplemental Agreements, the Academies Accounts Direction prescribes that under this agreement the risks and rewards of ownership remain with the Diocese. A donation from the Diocese has been recognised equal to the deemed rental expense, based on the rateable value of the buildings.

2.9 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.

2.10 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.

2.11 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.

2. ACCOUNTING POLICIES (continued)

2.12 FINANCIAL INSTRUMENTS

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 18. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 19. 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.

2.13 OPERATING LEASES

Rentals paid under operating leases are charged to the Statement of financial activities on a straight-line basis over the lease term.

2.14 PENSIONS

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 based on quadrennial valuations using a prospective unit credit method. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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

2. ACCOUNTING POLICIES (continued)

2.15 AGENCY ARRANGEMENTS

The Trust acts as an agent in distributin 16-19 bursary funds from ESFA. Payments received from ESFA and subsquent disbursments to students are excluded from the Statement of Financial Activities as the Trust does not have control over the charitable applications of the funds. The Trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the Statement of Financial Activities. The funds received, paid and any balances held at period end are disclosed in note 31.

2.16 FUND ACCOUNTING

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the funders where the asset acquired or created is held for a specific purpose.

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

Investment income, gains and losses are allocated to the appropriate fund.

3. 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.

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 27, 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 2024. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement:

The Trust obtains use of fixed assets as a lessee. The classification of such leases as operating or finance lease requires the Trust to determine, based on an evaluation of the terms and conditions of the arrangements, whether it retains or aquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the Balance Sheet.

4. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2024 £	Restricted funds 2024 £	Restricted fixed asset funds 2024 £	Total funds 2024 £	Total funds 2023 £
DONATIONS					
Assets transferred on conversion	-	-	-	**-**	2,899,831
Other donations	-	963,069	176,199	**1,139,268**	1,025,683
Capital grants	-	-	1,302,936	**1,302,936**	1,476,860
	-	963,069	1,479,135	**2,442,204**	5,402,374
TOTAL 2023	328,009	96,402	4,977,963	5,402,374	

5. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Education	1,509,287	38,699,305	**40,208,592**	34,639,678
Boarding	-	-	**-**	315,722
	1,509,287	38,699,305	**40,208,592**	34,955,400
TOTAL 2023	1,140,159	33,815,241	34,955,400	

6. FUNDING FOR THE TRUST'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
EDUCATIONAL OPERATIONS				
DFE/ESFA GRANTS				
General Annual Grant	-	29,035,605	**29,035,605**	25,072,955
OTHER DFE/ESFA GRANTS				
Pupil Premium	-	1,480,379	**1,480,379**	1,337,381
Universal Infant Free School Meals	-	332,578	**332,578**	326,224
16-19 Funding	-	3,358,945	**3,358,945**	3,135,512
Schools Supplementary Grant	-	1,001,764	**1,001,764**	710,918
PE and Sports	-	226,860	**226,860**	205,374
Teachers Pay and Pension Grant	-	933,347	**933,347**	122,620
Others	-	168,566	**168,566**	682,016
	-	36,538,044	**36,538,044**	31,593,000
OTHER GOVERNMENT GRANTS				
High Needs	-	919,463	**919,463**	532,434
Other government grants	-	895,966	**895,966**	1,137,986
	-	1,815,429	**1,815,429**	1,670,420
OTHER INCOME FROM THE ACADEMY TRUST'S EDUCATIONAL OPERATIONS	1,509,287	77,060	**1,586,347**	1,140,159
COVID-19 ADDITIONAL FUNDING (DFE/ESFA)				
Recovery Premium	-	267,859	**267,859**	218,909
School Led Tutoring	-	913	**913**	17,190
	-	268,772	**268,772**	236,099
	1,509,287	38,699,305	**40,208,592**	34,639,678
	1,509,287	38,699,305	**40,208,592**	34,639,678
TOTAL 2023	1,140,159	33,499,519	34,639,678	

The Trust was eligible to claim additional funding from government support schemes in response to the coronavirus outbreak. The funding received is shown above under "COVID-19 Additional Funding (DFE/ESFA). The funding received covers £268,772 (2023 - £236,099) of additional costs.

7. INCOME FROM OTHER TRADING ACTIVITIES

	Unrestricted funds 2024 £	**Total funds 2024 £**	Total funds 2023 £
Lettings, leisure and other income	392,347	**392,347**	493,395
School transport income	416,685	**416,685**	417,116
	809,032	**809,032**	910,511
TOTAL 2023	910,511	910,511	

8. INVESTMENT INCOME

	Unrestricted funds 2024 £	**Total funds 2024 £**	Total funds 2023 £
Bank interest	5,385	**5,385**	296
TOTAL 2023	296	296	

9. EXPENDITURE

	Staff Costs 2024 £	**Premises 2024 £**	**Other 2024 £**	**Total 2024 £**	Total 2023 £
EXPENDITURE ON FUNDRAISING TRADING ACTIVITIES:					
Direct costs	-	-	9,282	**9,282**	10,911
EDUCATIONAL OPERATIONS:					
Direct costs	27,384,591	1,133,898	2,412,479	**30,930,968**	27,155,701
Allocated support costs	5,973,150	5,722,238	2,917,911	**14,613,299**	11,443,303
BOARDING:					
Allocated support costs	-	-	-	**-**	580,886
OTHER COSTS:					
Loss on disposal of assets	-	-	-	**-**	6,029,988
	33,357,741	6,856,136	5,339,672	**45,553,549**	45,220,789
TOTAL 2023	29,463,565	3,531,517	12,225,707	45,220,789	

10. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2024 £	**Support costs 2024 £**	**Total funds 2024 £**	Total funds 2023 £
Educational Operations	30,930,968	14,613,299	**45,544,267**	38,599,004
Boarding	-	-	**-**	580,883
	30,930,968	14,613,299	**45,544,267**	39,179,887
TOTAL 2023	27,155,701	12,024,186	39,179,887	

10. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

ANALYSIS OF DIRECT COSTS

	Educational Operations 2024 £	**Total funds 2024 £**	Total funds 2023 £
Pension finance costs	85,690	**85,690**	270,000
Staff costs	27,033,627	**27,033,627**	23,454,937
Depreciation	1,128,565	**1,128,565**	1,018,263
Educational supplies	753,959	**753,959**	671,951
Examination fees	408,167	**408,167**	343,427
Staff development	40,571	**40,571**	89,451
Other costs	484,020	**484,020**	515,938
Supply teachers	350,899	**350,899**	219,586
Technology costs	45,174	**45,174**	33,780
Amortisation	5,333	**5,333**	5,783
Educational services	594,963	**594,963**	532,585
	30,930,968	**30,930,968**	27,155,701
TOTAL 2023	27,155,701	27,155,701	

10. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

ANALYSIS OF SUPPORT COSTS

	Educational Operations 2024 £	**Boarding 2024 £**	**Total funds 2024 £**	Total funds 2023 £
Pension finance costs	123,310	-	**123,310**	-
Staff costs	5,805,753	-	**5,805,753**	5,789,042
Depreciation	250,934	-	**250,934**	252,835
Other costs	59,667	-	**59,667**	81,049
Supply staff	167,397	-	**167,397**	-
Recruitment and support	98,050	-	**98,050**	39,158
Maintenance of premises and equipment	1,237,682	-	**1,237,682**	600,749
Cleaning	1,047,378	-	**1,047,378**	455,653
Rent and rates	1,279,272	-	**1,279,272**	931,648
Energy costs	1,019,049	-	**1,019,049**	652,828
Insurance	200,245	-	**200,245**	81,822
Security and transport	365,280	-	**365,280**	327,241
Catering	974,172	-	**974,172**	1,078,408
Technology costs	177,240	-	**177,240**	599,527
Office overheads and subscriptions	1,303,011	-	**1,303,011**	527,884
Professional costs	356,350	-	**356,350**	542,915
Bank interest and charges	24,730	-	**24,730**	18,980
Loss on disposal of fixed assets	9,329	-	**9,329**	-
Governance	69,180	-	**69,180**	44,447
Legal fees	45,270	-	**45,270**	-
	14,613,299	-	**14,613,299**	12,024,186
TOTAL 2023	11,443,303	580,883	12,024,186	

11. NET (EXPENDITURE)/INCOME

Net (expenditure)/income for the year includes:

	2024 £	2023 £
Operating lease rentals	**280,295**	138,467
Depreciation of tangible fixed assets	**1,379,498**	1,271,098
Amortisation of intangible assets	**5,333**	5,783
Loss on disposal of tangible fixed assets	**9,329**	6,029,988
Auditors' remuneration		
- audit	**56,393**	26,400
- other services	**6,275**	2,930

12. STAFF

a. STAFF COSTS AND EMPLOYEE BENEFITS

Staff costs during the year were as follows:

	2024 £	2023 £
Wages and salaries	**24,332,796**	21,667,302
Social security costs	**2,485,353**	2,187,639
Pension costs	**5,501,330**	5,095,884
	32,319,479	28,950,825
Staff restructuring costs	**519,901**	293,154
Agency staff costs	**518,361**	219,586
	33,357,741	29,463,565

Staff restructuring costs comprise:

	2024 £	2023 £
Redundancy payments	**384,116**	82,486
Severance payments	**125,100**	210,668
Other restructuring costs	**10,685**	-
	519,901	293,154

12. STAFF (CONTINUED)

b. SEVERANCE PAYMENTS

The Academy Trust paid £125,100 severance payments in the year (2023 - £210,668), disclosed in the following bands:

	2024 No.	2023 No.
£0 - £25,000	**1**	5
£25,001 - £50,000	**1**	3
£50,001 - £100,000	**1**	1

c. SPECIAL STAFF SEVERANCE PAYMENTS

Included in staff restructuring costs are non-statutory/non contractual severance payments totalling £70,378 (2023: £94,096). Individually, the payments were £40,378 and £30,000 (2023: £35,375, £30,339, £22,613 and £5,719).

d. STAFF NUMBERS

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

	2024 No.	2023 No.
Teachers	**353**	332
Administration and support	**412**	404
Management	**44**	46
	809	782

The average headcount expressed as full-time equivalents was:

	2024 No.	2023 No.
Teachers	**308**	289
Administration and support	**269**	262
Management	**42**	45
	619	596

e. HIGHER PAID STAFF

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

12. STAFF (CONTINUED)

e. HIGHER PAID STAFF (CONTINUED)

	2024 No.	2023 No.
In the band £60,001 - £70,000	**24**	9
In the band £70,001 - £80,000	**3**	6
In the band £80,001 - £90,000	**2**	2
In the band £90,001 - £100,000	**1**	2
In the band £100,001 - £110,000	**1**	-
In the band £110,001 - £120,000	**2**	1
In the band £120,001 - £130,000	**1**	-
In the band £150,001 - £160,000	**1**	-
In the band £160,001 - £170,000	**1**	-
In the band £190,001 - £200,000	**-**	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 £962,222 (2023 - £750,303). Included in these figures are non payroll costs of £243,800 (2023: £45,720), which were interim executive positions that the Trust was required to appoint in the year by the DfE.

13. CENTRAL SERVICES

No central services were provided by the Academy Trust to its academies during the year and no central charges arose.

14. TRUSTEES' REMUNERATION AND EXPENSES

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

During the year ended 31 August 2024, expenses totalling £Nil were reimbursed or paid directly to no Trustees (2023 - £113 to 1 Trustee).

15. TRUSTEES' AND OFFICERS' INSURANCE

The Academy Trust has opted into the Department for Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business, and provides cover up to £10,000,000. It is not possible to quantify the Trustees and officers indemnity element from the overall cost of the RPA scheme membership.

16. INTANGIBLE ASSETS

	Software & website £
COST	
At 1 September 2023	**97,910**
At 31 August 2024	**97,910**
AMORTISATION	
At 1 September 2023	**91,623**
Charge for the year	**5,333**
At 31 August 2024	**96,956**
NET BOOK VALUE	
At 31 August 2024	**954**
At 31 August 2023	6,287

17. TANGIBLE FIXED ASSETS

	Long-term leasehold property £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Total £
COST OR VALUATION					
At 1 September 2023	**43,702,551**	**71,741**	**14,767**	**3,064,063**	**46,853,122**
Additions	**817,268**	**-**	**-**	**616,854**	**1,434,122**
Disposals	**(9,704)**	**-**	**-**	**(658,464)**	**(668,168)**
At 31 August 2024	**44,510,115**	**71,741**	**14,767**	**3,022,453**	**47,619,076**
DEPRECIATION					
At 1 September 2023	**3,071,639**	**38,978**	**14,767**	**2,277,435**	**5,402,819**
Charge for the year	**837,480**	**8,431**	**-**	**533,587**	**1,379,498**
On disposals	**(334)**	**-**	**-**	**(658,505)**	**(658,839)**
At 31 August 2024	**3,908,785**	**47,409**	**14,767**	**2,152,517**	**6,123,478**
NET BOOK VALUE					
At 31 August 2024	**40,601,330**	**24,332**	**-**	**869,936**	**41,495,598**
At 31 August 2023	40,630,912	32,763	-	786,628	41,450,303

The Academy Trust's transactions relating to land and buildings improvements to existing buildings.

18. DEBTORS

	2024 £	2023 £
DUE WITHIN ONE YEAR		
Trade debtors	**61,461**	69,568
Other debtors	**-**	124
Prepayments and accrued income	**1,193,610**	1,437,283
Amounts owed for funds inherited on conversion	**-**	183,805
Tax recoverable	**288,343**	127,114
	1,543,414	1,817,894

19. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024 £	2023 £
Trade creditors	**772,630**	194,291
Amounts owed to group undertakings	**-**	63
Amounts owed for funds inherited on conversion	**-**	25,577
Other taxation and social security	**549,690**	590,673
Other creditors	**914,981**	782,062
Accruals and deferred income	**1,299,801**	1,377,691
	3,537,102	2,970,357

	2024 £	2023 £
Deferred income		
Deferred income at 1 September 2023	**523,716**	436,395
Resources deferred during the year	**623,261**	523,716
Amounts released from previous periods	**(523,716)**	(436,395)
	623,261	523,716

Amounts in deferred income relates to income received in advance for 2024-25 relating to grant income, trip income and rental and hire income.

20. STATEMENT OF FUNDS

	Balance at 1 September 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2024 £
UNRESTRICTED FUNDS						
General Funds	98,302	2,323,704	(2,422,006)	-	-	-
RESTRICTED GENERAL FUNDS						
General Annual Grant (GAG)	-	29,035,605	(30,717,918)	349,549	-	(1,332,764)
16-19 Funding	-	3,358,945	(3,358,945)	-	-	-
Pupil Premium	-	1,480,379	(1,480,379)	-	-	-
Other DfE grants	-	437,338	(403,787)	-	-	33,551
Other grants	157,913	973,026	(1,130,939)	-	-	-
High Needs	-	919,463	(919,463)	-	-	-
Teachers' pay & pension grant	-	933,347	(933,347)	-	-	-
Universal free school meals	-	332,578	(332,578)	-	-	-
PE grant	-	226,860	(226,860)	-	-	-
Donated facilities	-	963,069	(963,069)	-	-	-
Schools supplementary grant	-	1,001,764	(1,001,764)	-	-	-
Restructuring grant	-	-	(569,333)	-	-	(569,333)
Pension reserve	(4,618,000)	-	301,000	-	1,209,000	(3,108,000)
	(4,460,087)	39,662,374	(41,737,382)	349,549	1,209,000	(4,976,546)

20. STATEMENT OF FUNDS (CONTINUED)

RESTRICTED FIXED ASSET FUNDS						
Fixed assets transferred on conversion	**32,369,214**	**-**	**(1,028,526)**	**-**	**-**	**31,340,688**
DfE/ESFA capital grants	**4,879,844**	**1,007,265**	**(187,060)**	**(352,549)**	**-**	**5,347,500**
Capital expenditure from GAG	**690,295**	**-**	**(21,934)**	**-**	**-**	**668,361**
Donated fixed assets	**4,067,228**	**-**	**(129,235)**	**-**	**-**	**3,937,993**
Other	**390,648**	**471,870**	**(27,406)**	**3,000**	**-**	**838,112**
	42,397,229	**1,479,135**	**(1,394,161)**	**(349,549)**	**-**	**42,132,654**
TOTAL RESTRICTED FUNDS	**37,937,142**	**41,141,509**	**(43,131,543)**	**-**	**1,209,000**	**37,156,108**
TOTAL FUNDS	**38,035,444**	**43,465,213**	**(45,553,549)**	**-**	**1,209,000**	**37,156,108**

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

RESTRICTED FUNDS
General Annual Grant and 16-19 funding - Income from the ESFA which is to be used for the normal running costs of the Trust, including education and support costs.

Pupil Premium - Pupil premium represents funding received from the ESFA for children that qualify for free school meals to enable the Trust to address the current underlying inequalities between those children and their wealthier peers.

Other DfE grants - Represents funding received from other DfE bodies.

Other grants - This fund represents grants made to the school from local authority and non-government sources.

High needs - Funding received by the Local Authority to fund further support for students with additional needs.

Teachers' pay and pension grant - Represents grants made to the Trust to support it with the increase teachers' pay awards and in employer contributions to the teachers' pension scheme.

20. STATEMENT OF FUNDS (CONTINUED)

RESTRICTED FUNDS (CONTINUED)

Universal free school meals - Represents funding to offer free school meals to pupils.

PE grant - Represents funding received to fund additional and sustainable improvements to the provision of PE and sport.

Donated facilities - Represents matching donation income and rental expense to/from the Salisbury Diocese for use of the Church School buildings.

Schools supplementary grant - Represents Government funding to meet the costs of the Health & Social Care Levy and wider costs.

Other income - Represents all other incoming resources to the Trust.

Restructuring grant - This represents funding from the ESFA to cover restructuring costs. This grant has been awarded to the Trust on 9th September 2024, and the year end balance represents restructuring costs that have been committed to before the year end.

Pension Reserve – This represents the Trust’s share of the assets and liabilities in the Local Government Pension Scheme – As with most pension schemes this is currently in deficit due to an excess of scheme liabilities over scheme assets which was inherited on conversion of schools into its academies.

RESTRICTED FIXED ASSET FUNDS

Fixed assets transferred in - This represent the buildings and equipment donated to the Trust from the Local Authority on conversion or the acquisition of existing academies.

DfE/ESFA Capital Grants - These funds are received from the DfE/ESFA for direct expenditure on fixed asset projects. The fixed asset fund balance at the year end represents the NBV of assets and any unspent grant amounts.

Capital expenditure from GAG - This represents the assets purchased out of restricted funds for the ongoing operations of the Academies.

Donated fixed assets - These funds are received for direct expenditure on fixed asset projects. The fixed asset fund balance at the year end represents the NBV of assets and any unspent grant amounts.

Other - Represents fixed assets purchased through means other than the above stated.

TRANSFERS BETWEEN FUNDS

Transfers between funds have been made from Fixed Asset Funds to GAG due to ESFA capital funding being used to pay for eligible revenue expenditure.

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

20. STATEMENT OF FUNDS (CONTINUED)

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

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
UNRESTRICTED FUNDS						
General Funds	515,266	2,378,975	(2,502,615)	(293,324)	-	98,302
RESTRICTED GENERAL FUNDS						
General Annual Grant (GAG)	-	25,072,955	(25,440,366)	367,411	-	-
16-19 Funding	-	3,135,512	(3,135,512)	-	-	-
Pupil Premium	-	1,337,381	(1,337,381)	-	-	-
Other DfE grants	-	818,115	(818,115)	-	-	-
Other grants	-	1,237,986	(1,080,073)	-	-	157,913
High Needs	-	532,434	(532,434)	-	-	-
Teachers' pay & pension grant	-	122,620	(122,620)	-	-	-
Universal free school meals	-	326,224	(326,224)	-	-	-
PE grant	-	205,374	(205,374)	-	-	-
Schools supplementary grant	-	710,918	(710,918)	-	-	-
Donated facilities	-	525,569	(525,569)	-	-	-
Other restricted funds	-	145,833	(145,833)	-	-	-
Restructuring grant	(28,163)	315,722	(580,883)	293,324	-	-
Pension reserve	(6,662,000)	(575,000)	(441,000)	-	3,060,000	(4,618,000)
	(6,690,163)	33,911,643	(35,402,302)	660,735	3,060,000	(4,460,087)

20. STATEMENT OF FUNDS (CONTINUED)

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
RESTRICTED FIXED ASSET FUNDS						
Fixed assets transferred on conversion	5,409,308	3,473,603	(265,026)	-	-	8,617,885
DfE/ESFA capital grants	3,911,343	1,476,860	(140,948)	(367,411)	-	4,879,844
Capital expenditure from GAG	820,830	-	(130,535)	-	-	690,295
Donated fixed assets	4,204,495	27,500	(164,767)	-	-	4,067,228
Other	399,849	-	(9,201)	-	-	390,648
Fixed assets transferred in	30,347,721	-	(6,596,392)	-	-	23,751,329
	45,093,546	4,977,963	(7,306,869)	(367,411)	-	42,397,229
TOTAL RESTRICTED FUNDS	38,403,383	38,889,606	(42,709,171)	293,324	3,060,000	37,937,142
TOTAL FUNDS	38,918,649	41,268,581	(45,211,786)	-	3,060,000	38,035,444

Total funds analysis by Academy

Fund balances at 31 August 2024 were allocated as follows:

	2024 £	2023 £
Central	**(1,868,546)**	256,215
Restricted fixed asset fund	**42,132,654**	42,397,229
Pension reserve	**(3,108,000)**	(4,618,000)
TOTAL	**37,156,108**	38,035,444

20. STATEMENT OF FUNDS (CONTINUED)

Total cost analysis

Expenditure incurred during the year was as follows:

	Teaching and educational support staff costs £	**Other support staff costs £**	**Educational supplies £**	**Other costs excluding depreciation £**	**Total 2024 £**	Total 2023 £
Central services	21,571,323	11,894,051	753,959	9,954,717	**44,174,050**	43,949,688

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT PERIOD

	Restricted funds 2024 £	**Restricted fixed asset funds 2024 £**	**Total funds 2024 £**
Tangible fixed assets	-	41,495,598	**41,495,598**
Intangible fixed assets	-	954	**954**
Current assets	1,668,556	636,102	**2,304,658**
Creditors due within one year	(3,537,102)	-	**(3,537,102)**
Pension scheme liability	(3,108,000)	-	**(3,108,000)**
TOTAL	(4,976,546)	42,132,654	**37,156,108**

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS (CONTINUED)

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR PERIOD

	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £
Tangible fixed assets	-	-	41,450,303	41,450,303
Intangible fixed assets	-	-	6,287	6,287
Current assets	98,302	3,128,270	940,639	4,167,211
Creditors due within one year	-	(2,970,357)	-	(2,970,357)
Pension scheme liability	-	(4,618,000)	-	(4,618,000)
TOTAL	98,302	(4,460,087)	42,397,229	38,035,444

22. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2024 £	2023 £
Net expenditure for the period (as per Statement of financial activities)	**(2,088,336)**	(3,952,205)
ADJUSTMENTS FOR:		
Amortisation	**5,333**	5,783
Depreciation	**1,379,498**	1,271,098
Capital grants from DfE and other capital income	**(2,442,204)**	(1,476,860)
Interest receivable	**(5,385)**	(296)
Defined benefit pension scheme cost less contributions payable	**(510,000)**	180,000
Defined benefit pension scheme finance cost	**209,000**	270,000
Increase in debtors	**(30,057)**	(37,948)
Increase in creditors	**748,466**	173,260
Tangible fixed assets transferred in on conversion	**-**	(3,473,603)
Loss on disposal of fixed assets	**9,329**	6,029,988
Pension deficit on conversion	**-**	732,000
Pension deficit transferred on Tu'peed staff	**-**	(157,000)
NET CASH USED IN OPERATING ACTIVITIES	**(2,724,356)**	(435,783)

23. CASH FLOWS FROM INVESTING ACTIVITIES

	2024 £	2023 £
Interest receivable	**5,385**	296
Purchase of intangible assets	**-**	(570)
Purchase of tangible fixed assets	**(1,615,843)**	(1,003,815)
Capital grants from DfE and other capital income	**2,746,741**	1,099,082
NET CASH PROVIDED BY INVESTING ACTIVITIES	**1,136,283**	94,993

24. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2024 £	2023 £
Cash in hand and at bank	**761,244**	2,349,317
TOTAL CASH AND CASH EQUIVALENTS	**761,244**	2,349,317

25. ANALYSIS OF CHANGES IN NET DEBT

	At 1 September 2023 £	Cash flows £	At 31 August 2024 £
Cash at bank and in hand	**2,349,317**	**(1,588,073)**	**761,244**
	2,349,317	**(1,588,073)**	**761,244**

26. CAPITAL COMMITMENTS

	2024 £	2023 £
CONTRACTED FOR BUT NOT PROVIDED IN THESE FINANCIAL STATEMENTS		
Acquisition of tangible fixed assets	**-**	57,743

27. PENSION COMMITMENTS

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 Dorset County Council and Somerset County Council. Both are multi-employer defined benefit schemes.

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

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

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 full-time 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 will be implemented from 1 April 2024. The next valuation result is due to be implemented from 1 April 2028.

The employer's pension costs paid to TPS in the year amounted to £4,174,865 (2023 - £3,366,978).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx).

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.

27. PENSION COMMITMENTS (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 2024 was £2,269,000 (2023 - £1,920,000), of which employer's contributions totalled £1,818,000 (2023 - £1,518,000) and employees' contributions totalled £451,000 (2023 - £402,000). The agreed contribution rates for future years are 23.6 to 24.4 per cent for employers and 5.5-12.5 per cent for employees.

As described in note the LGPS obligation relates to the employees of the Academy Trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Academy Trust at the balance sheet date.

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

PRINCIPAL ACTUARIAL ASSUMPTIONS

	2024	2023
	%	%
Rate of increase in salaries	**3.75-4.30**	3.94
Rate of increase for pensions in payment/inflation	**2.75-2.80**	2.9
Discount rate for scheme liabilities	**5.10**	5.3
Inflation assumption (CPI)	**2.75-2.80**	2.9

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

	2024	2023
	Years	Years
RETIRING TODAY		
Males	**21.0-21.4**	21.8
Females	**23.5-23.9**	23.9
RETIRING IN 20 YEARS		
Males	**22.3-23.1**	22.3
Females	**24.4-25.3**	25.3

27. PENSION COMMITMENTS (CONTINUED)

SENSITIVITY ANALYSIS

	2024	2023
	£000	£000
Discount rate +0.1%	**(532)**	(407)
Discount rate -0.1%	**548**	419
Mortality assumption - 1 year increase	**739**	550
Mortality assumption - 1 year decrease	**(730)**	(536)
CPI rate +0.1%	**533**	402
CPI rate -0.1%	**(518)**	(391)

SHARE OF SCHEME ASSETS

The Academy Trust's share of the assets in the scheme was:

	At 31 August 2024	At 31 August 2023
	£	£
Equities	**15,345,000**	12,534,000
Gilts	**85,000**	53,000
Corporate bonds	**1,679,000**	1,369,000
Property	**1,826,000**	1,732,000
Cash and other liquid assets	**426,000**	319,000
Diversified growth funds	**1,435,000**	1,239,000
Infrastructure & multi asset credit	**3,154,000**	2,670,000
TOTAL MARKET VALUE OF ASSETS	**23,950,000**	19,916,000

The actual return on scheme assets was £2,493,000 (2023 - £1,463,000).

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

	2024	2023
	£	£
Current service cost	**(1,308,000)**	(1,698,000)
Interest income	**1,084,000**	728,000
Interest cost	**(1,293,000)**	(987,000)
TOTAL AMOUNT RECOGNISED IN THE STATEMENT OF FINANCIAL ACTIVITIES	**(1,517,000)**	(1,957,000)

27. PENSION COMMITMENTS (CONTINUED)

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

	2024 £	2023 £
AT 1 SEPTEMBER	**24,534,000**	22,742,000
Conversion of academy trusts	**-**	2,110,000
Transferred out on Tu'peed staff	**-**	(649,000)
Current service cost	**1,308,000**	1,698,000
Interest cost	**1,293,000**	987,000
Employee contributions	**451,000**	402,000
Actuarial losses/(gains)	**188,000**	(2,334,000)
Benefits paid	**(716,000)**	(422,000)
AT 31 AUGUST	**27,058,000**	24,534,000

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

	2024 £	2023 £
AT 1 SEPTEMBER	**19,916,000**	16,080,000
Conversion of academy trusts	**-**	1,378,000
Transferred out on Tu'peed staff	**-**	(492,000)
Interest income	**1,096,000**	728,000
Actuarial gains	**1,397,000**	735,000
Employer contributions	**1,818,000**	1,518,000
Employee contribution	**451,000**	402,000
Benefits paid	**(716,000)**	(422,000)
Administration expenses	**(12,000)**	(11,000)
AT 31 AUGUST	**23,950,000**	19,916,000

28. OPERATING LEASE COMMITMENTS

At 31 August 2024 the Academy Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2024 £	2023 £
Not later than 1 year	**249,407**	271,246
Later than 1 year and not later than 5 years	**857,185**	678,604
	1,106,592	949,850

29. 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 £NIL for the debts and liabilities contracted before he/she ceases to be a member.

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

The following related party transactions took place in the year:

During the year and amount of £1,028 (2023: £4,550) was paid to SALED Limited, a subsidiary of the Salisbury Diocesan Board of Education. SDBE is represented as a corporate member of the Trust. The supply of services to the CofE schools in the Trust were deemed fundamental to the schools' ability to deliver their religious ethos. The transaction was conducted 'at cost'.

31. AGENCY ARRANGEMENTS

The Trust distributes 16-19 Bursary funds to students as an agent for the ESFA. In the accounting period ended 31 Augues 2024 the Trust received £142,439 (2023: £111,452) and disbursed £71,412 (2023: 20,630) from the fund. An amount of £158,541 (2023: £87,515) is included in other creditors relating to undistributed funds that is repayable to the ESFA.

32. BOARDING SCHOOL TRADING ACCOUNT

	2024 £	2024 £	2023 £	2023 £
INCOME				
DIRECT INCOME				
Boarding income	-		315,722	
TOTAL INCOME		-		315,722
EXPENDITURE				
OTHER EXPENDITURE				
Other costs	-		749	
Maintenance of premises and equiptment	-		15,740	
Cleaning	-		1,629	
Rent and rates	-		3,802	
Energy costs	-		42,589	
Security and transport	-		1,087	
Catering	-		132,937	
Office overheads	-		12,263	
Legal and Professional	-		8,088	
Staff costs	-		361,999	
TOTAL OTHER EXPENDITURE	-		580,883	
TOTAL EXPENDITURE		-		580,883
Transfers between funds excluding depreciation		-		293,324
Surplus from all sources		-		28,163
Boarding school balances at 1 September 2023		-		(28,163)
BOARDING SCHOOL BALANCES AT 31 AUGUST 2024		-		-